

## **Modern Slavery Statement 2024/2025**

### **Introduction**

Many challenges prevail in the post-pandemic world which continue to negatively impact supply chains and human rights. At adm, we recognize that times of hardship, including geopolitical instability can result in human rights violations. Therefore, we understand the importance and need for increased vigilance and more stringent supply chain management, to ensure efforts are maintained towards the eradication of modern-day slavery and to secure best practices.

As in previous years adm Group continues its work to make sure that modern slavery, in all its forms, is not taking place within our business or wider value chain. We are committed to acting in accordance with the UN Guiding Principles on Business and Human Rights and continue to develop responsible sourcing practices to improve labour standards and human rights throughout our entire scope of operations. adm maintains a zero-tolerance policy in respect of all forms of modern slavery, forced/compulsory labour, and human trafficking, whether in our own operations or in our supply chains.

Striving to meet our objectives for the coming year we are more than ever resolved to guard against slavery and human trafficking across our full value chain. Due to adm's continuous growth globally we have again made further improvements to our practices, making sure that these risks are managed effectively.

This statement constitutes adm Group's statement on modern slavery and human trafficking for 2024/2025 and encompasses all adm entities.

### **Who we are**

Established in 1992, adm is one of the largest, independent marketing services in the world, with an interconnected company consisting of over 700 employees across 28 countries, allowing us to deliver local activation of global strategies for clients across the world. adm has its headquarters in London, United Kingdom and is a sustainable marketing execution partner to many of the world's leading brands, providing supply chain solutions to a broad spectrum of clients. Our service spans across several diverse sectors, using product supply chains which are global and extensive. adm sources and distributes products in Europe, Latin America, North America, the Middle East and Asia through a high number of suppliers and strategic partners.

We are committed to our vision of transforming marketing activations to deliver Sustainable brand execution, thereby protecting our planet, and supporting human rights across the world. Our vision

exemplifies our commitment to the highest standards of Environmental, Social and Governance (ESG), and to a more sustainable, diverse, and inclusive future.

Our strategy enables us to deliver long-term value to all our stakeholders. adm's priority as part of this is therefore to develop and operate agile supply chains meeting the demands of our diverse set of clients, whilst helping to protect the lives of all those connected to them.

### **Governance**

adm is committed to the highest standards of corporate governance and business ethics. We have created a robust governance structure to provide the necessary strategic oversight and operational implementation.

The adm Group board is responsible for making sure adm meets its human rights responsibilities. Our human rights obligations are key elements of an annual corporate risk assessment process, which is overseen by the Group General Counsel on behalf of the adm Group Board. The assessment complements our wider CSR governance framework covering our own operations and our supply chain. It is developed in conjunction with our regional operating boards and with the participation of senior leaders within the adm Group.

Our Global Sustainability Committee comprises regional procurement directors, operations directors, business analysts, CSR strategy advisors, sustainability managers and executives. Through this cross-functional governance approach, our sustainability function collaborates with procurement and supply chain teams to provide input on supply chain management processes. The Global Sustainability Committee meets monthly to review the progress of our agenda across the business, and the performance of each region on key metrics including ethical audits.

### **Our Policies**

We are continuously developing our approach and Corporate Social Responsibility (CSR) strategy based on international frameworks and requirements, including the UN Global Compact's four pillars of: human rights, labour standards, environmental and anti-corruption principles, and with reference to the United Nations Guiding Principles on Business and Human Rights (UNGPs). In addition to a solid governance structure, the execution of our CSR initiatives is supported by a series of internal policies. adm has implemented policies with the intention of making sure that modern slavery is not taking place anywhere in our business or global supply chains. A key initiative in 2019/2020 was the development of our Anti-Slavery and Human Trafficking Policy. The Policy objective is to provide extra details and guidance for those working for adm, or on behalf of adm, and to reinforce our continued commitment to ensure modern slavery or any form of forced labour is not present within our operations, globally. In 2020 adm also published its first Human Rights Policy in line with the UN Guiding Principles on Business and Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work.

We strive to make sure these principles underpin everything that we do, from sourcing responsibly to making sure the rights of every worker affiliated with adm Group are safeguarded and protected. adm

also has a range of human resources policies, which set out certain minimum standards regarding the human rights of its staff.

In 2021, our Employee Code of Conduct was updated to reflect our revised position on anti-slavery and human trafficking; setting out adm's zero-tolerance to all forms of modern slavery, forced/compulsory labour and human trafficking, providing our workforce and contractors guidance on these important issues. As adm continues to grow and expand our operations around the world we are committed to making sure that all staff are aware of, and comply with, our global policies and procedures (including those which integrate the Ten Principles of the Universal Declaration on Human Rights), and that they are consistently applied in our daily operations.

adm's Whistleblowing Policy was introduced in 2019, which also includes an independent global ethics helpline available in multiple languages, Safecall, providing an option for anonymous reporting. The policy was reviewed and updated in February 2024 and is designed to encourage employees to report matters of concern either internally or to an independent body (at their option), without fear of reprisal. If reported internally, employees can speak to our dedicated Whistleblowing Officer. For any matters reported externally the helpline is provided worldwide (via international free phone numbers) using interpretation services for non-English speakers. If an employee would rather not talk to someone, they may contact the independent third party via a dedicated or generic e-mail option. Once a claim is submitted either internally, or via the Safecall service, adm will launch an investigation into the claim in line with adm's Whistleblowing Policy.

Our Supplier Code of Conduct, which amongst other areas, sets out our minimum standards in respect of the human rights of supplier staff, was updated in 2022 to clearly reflect adm's position on these crucial matters and to provide guidance and expectations to our suppliers.

The policies, coupled with our accession to the UN Guiding Principles, reflect our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not present anywhere in our business or supply chains.

All these key initiatives demonstrate adm's ongoing efforts to adapt approaches and procedures to help ensure modern slavery in all its forms is eradicated, through encouraging active risk management by all staff and business partners. We will continue to develop our portfolio of policies relating to the prevention of modern slavery, so that we are always conducting business in an ethical and transparent manner.

## **Due Diligence and Supplier Adherence**

Recognising the human rights challenges inherent in global sourcing and particularly given our expanding reach into certain high-risk territories, adm considers its highest risk of modern slavery and forced labour practices to be in its product supply chains. adm employs a rigorous supplier selection

process, with due diligence checks in the form of ethical/compliance audits (including factory audits), both prior to a new supplier being on-boarded and then on a periodic basis. The audits are performed by independent and accredited third-party auditors in most regions, but may be done by our qualified, in-house auditors in Asia comprised of 21 dedicated staff at the time of publication.

Standard practice is for audits to be conducted, every 6 months to 3 years according to supplier audit status and region. Acceptable audits assess compliance with and adherence to adm's Supplier Code of Conduct and our standards on Human & Labour Rights and Working Conditions. adm Group is a member of the Supplier Ethical Data Exchange (Sedex) and administers Sedex Members Ethical Trade Audits (specifically, the 4 Pillar SMETA audits).

The audits inform adm about the living conditions, wages, overtime hours and other important working conditions of supplier staff and allow us to monitor and minimize risks of human rights abuses in our supply chain.

Should a supplier audit establish that a supplier is not in compliance with adm's CSR requirements, adm will address such concerns directly with the supplier and in most cases work with the supplier to resolve the issues. In instances where there may be any critical findings, including, but not exclusively concerning significant CSR violations such as child labour, forced or slave labour, immediate disengagement with the supplier might be the outcome. For any such case and to try and resolve the matter, appropriate steps will however be initiated with the supplier before any further actions or disengagement takes place. adm is committed to minimizing the impact that disengagement could have on suppliers' employees and is primarily interested in working towards remediation and positive outcomes for all stakeholders involved. adm adopts a stricter assessment approach to Human & Labour Rights and Working Conditions than the 4 Pillar SMETA audits require, which reflects our zero-tolerance approach to all forms of modern slavery, forced/compulsory labour, and human trafficking.

To increase our due diligence measures adm Group gradually began to incorporate worker voice feedback from 2023. This work is done in collaboration with our third-party technology partner Ulula through anonymous worker surveys and is currently conducted in some of our internally defined higher-risk regions. The process helps us to counter and address any salient issues, or other human rights topics, which may be identified. The aim is for these initiatives to complement regular supplier audit assessments and our internal social compliance management.

In 2022, adm entered into an enterprise agreement with EcoVadis enabling us to assess a portion of our suppliers we identify as being a lower risk in our supply chain. This contract gives suppliers unable to go through a physical audit an opportunity to be a part of our regional Approved Supplier Lists.

One of the cornerstones of adm's CSR objectives is encouraging our suppliers to join the CSR journey with us and support them in improving their social and ethical compliance over time. The most important attribute we look for in a new supplier is a positive attitude towards CSR, demonstrating they are truly willing to learn and improve. We will still work with a supplier whose initial CSR

credentials may be poor, provided they are willing to collaborate to implement changes and commit to a mutually agreed corrective action plan in cases where this may be necessary.

To further support and encourage this development adm Group launched our supplier HREDD (Human Rights and Environmental Due Diligence) matrix scorecard in 2023, incorporating social and ethical indicators to assess and enhance the management of human rights impacts within business operations. Our in-house expertise helps us guide suppliers to become more aware of social issues, leading to greater levels of social compliance.

### **Measuring progress**

We use the following key performance indicators (KPIs) to measure ongoing progress on how effective we are in preventing forced labour and modern slavery taking place in any part of our business or supply chains:

#### **External**

- Percentage of the total spend we manage that is placed with suppliers and subcontractors vetted for ethical labour practices through regular audit compliance indicators.
- Number of reported audit non-compliances in the last year, including number of Corrective Action Plans initiated and resolved.
- Worker Wellbeing and Worker Voice assessments conducted in internally defined high-risk regions, aimed at identifying any worker concerns also relating to work practices.
- Supplier maturity across social compliance indicators reported and identified by our HREDD scorecard matrix process introduced in 2023.

- Compliance with the adm Supplier Code of Conduct setting out the environmental, ethical, and social conduct requirements we expect all our suppliers to adhere to. The code was reviewed and updated in 2022.

### **Internal**

- Percentage of employees informed of adm's Policies and Standard of Practice (Global Employee Handbook), i.e. on the issues of compliance, anti-corruption, health & safety, anti-discrimination, human and labour rights.
- Number of employees having completed our compulsory compliance training module on preventing human trafficking.
- Recruitment practices including right to work due diligence.
- Number of reported whistleblowing incidents related to a matter concerning modern slavery and forced labour. Including both internal and external reporting through our whistleblowing procedure.
- Number of new employees having completed our Sustainability onboarding training. The purpose of the onboarding pack is to provide our adm community with the necessary resources to embed sustainable practices in their day-to-day tasks.
- Number of adm staff and supply chain partners in the US having completed online training on child and forced labor, provided by Verité.

### **Training**

We believe information empowers, which is why adm's online Global Compliance training program, includes a specific module on preventing human trafficking. It is a mandatory requirement for all employees to complete the course on an annual basis, to ensure there is a high level of understanding of the risks of modern slavery and human trafficking across the business. The course includes an assessment at the end of each module making sure the content has been understood.

adm monitors completion levels on an ongoing basis and issues periodic communications via various means to staff to ensure compliance levels are maintained. As before, each course will be available in multiple languages, providing support towards participation across our global workforce.

### **Labour Standards**

All employment with adm is voluntary. We do not use child or forced labour in any of our operations or office facilities. We do not tolerate any form of unacceptable treatment of workers, including but not

limited to, the exploitation of children, physical punishment or abuse, or involuntary servitude. We fully respect all applicable laws establishing a minimum age for employment, to support the effective abolition of child labour worldwide.

adm abides by all applicable laws and regulations regarding pay practices and the classification of employment according to job level and status. We have procedures in place to ensure any new member of staff fulfils criteria on the eligibility to work, with all necessary due diligence measures in place.

We respect our employees' right to choose to join or not join a trade union, or to have employee representation in accordance with local law.

As we continue to scale and move into more high-risk territories, adm deploys rigorous employee onboarding processes, which help us manage our own risks of modern slavery in the workforce. Some notable aspects of our processes are:

- We benchmark pay in each region to ensure all employees are paid fairly for their work and meet the regional living wage standard and have been Living Wage certified by the Fair Wage Network organization.
- A health and safety assessment is carried out in all working environments to ensure we are providing a safe working environment for all staff.
- We do not employ anyone under the statutory minimum age within each respective jurisdiction.
- Candidates either apply directly or through verified third party agencies to minimize our modern slavery risks.
- We have standards on working conditions that all employees are informed of. These include rest breaks and working hours, all of which are planned in accordance with applicable local laws and regulations.
- Employees who are sent on secondment are sent to serviced apartments which have been checked by our Human Resources team for suitability.
- Employees are made aware of this statement and our internal and external policies regarding modern slavery and human trafficking.

In 2019, we improved our global induction program to ensure all countries are using the same criteria to onboard our employees. This provides consistency and assists us in making sure we are using the right standards for everyone, everywhere that we have employees.

Similarly, we expect all our suppliers and business partners to comply with all relevant local labor laws and regulations and uphold equitable and ethical labor practices for their employees, as outlined in our Supplier Code.

### **Diversity, Equity, and Inclusion**

Diversity is an important part of who we are. Our vision is to ensure that all of our people can reach their full potential without having any unfair barriers put in their way. Slavery disproportionately impacts those experiencing oppression based on their gender, race, class, religion, or other identities.

We respect the varied diversity characteristics (including race, disability, gender, LGBTQ+, neurodiversity, religion, belief and age and anything else that is important to people) of every one of our team members and others in our networks. As a business, we believe that our diverse mix of backgrounds, skills and experiences drives new ideas, products, and services and provides us with a sustained competitive advantage. At the time of publication, we have over 700 employees across the globe who are spread over 28 countries and represent numerous, varied diversity characteristics.

We strive to foster an equitable and inclusive culture and are committed to evolving our range of benefits and employee engagement initiatives to support our people. Through our Supplier Code of Conduct we have our suppliers sign, and the ethical/compliance audits carried out on our suppliers, we seek to ensure our partners do not discriminate against anyone and ensure modern slavery is not taking place in their businesses. Furthermore, we are fully committed to the ethical management of our supply chain, driving for social and environmental excellence.

### **Our Effectiveness in Combatting Modern Slavery**

In May 2024 adm was again rated in the top 1% of over 50,000 companies assessed for CSR by EcoVadis, the leading platform for environmental, social, and ethical performance ratings for global supply chains. CSR analysts reviewed adm's global supply chain and CSR practices across the following four pillars: Environment, Labour and Human Rights, Sustainable Procurement and Business Ethics. With an overall ranking in the top 1%, adm achieved a 'Platinum' rating for the 4<sup>th</sup> consecutive year achieving its highest score of 86.

We recognise the importance of partnerships in everything that we do. adm continues collaboration and commitment to combat modern slavery also through our membership with AIM-Progress, a forum of leading Fast-Moving Consumer Goods (FMCG) manufacturers and common suppliers, focusing on capability building and practices to drive positive impacts on human rights. adm is currently an active member of its Living Wage, Grievance Mechanism, Responsible Recruitment and HREDD working groups and was the first business within our sector to be chosen as a member. Specifically, AIM-



Progress supports the Consumer Goods Forum's resolution on eradicating forced labour and its priority industry principles, which seek to counter problematic and common employment practices which can lead to cases of forced labour. Members assemble to enable and promote increasingly responsible sourcing practices and sustainable supply chains. Being a member of this forum allows adm to keep abreast of best industry practice in the management of modern slavery risks and to drive continuous improvement in our due diligence practices. To reflect our commitments, our Senior Sustainability Manager in APAC, accepted a leading role in Co-Chairing the AIM-Progress Asia Pacific Hub in 2022.

Key to progressing on managing the risk of modern slavery is also our partnership with Ulula, that enables us to 'listen in' to workers globally and to address any concerns they may have. The process offers a critical tool in capturing any violation to workers' rights, including those of a more salient nature, such as incidences of modern slavery that may be present.

One of our key achievements during this reporting period was to achieve status as a certified Living Wage employer, meaning that all members of our workforce earn a recognized living wage. Going forward, adm will also work to communicate with and support our strategic suppliers in their efforts to pay their workers a living wage. Adequate earnings can support workers globally in avoiding situations pertaining to forced labour conditions and strengthens the global network in challenging restrictive practices and the prevalence of modern-day slavery.

By the continued pressures felt by many suppliers across the world, we take our responsibility in helping to protect workers against abusive and illegal practices seriously. adm Group is proud of the steps it continues to take in order to manage the risk of modern slavery across its business and in meeting its commitments over the years. We believe we have built a strong foundation to manage the risks of modern slavery in all its forms across our global operations, and we will continue to promote transparency, increased due diligence practices and to resolve any possible breaches or non-compliance related issues that may arise in our supply chain.

This statement has been approved by the board of directors of ADM (Group) Limited on 22<sup>nd</sup> July 2024.



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Edward Colflesh Group CEO

This statement has been published in accordance with the Modern Slavery Act 2015. It sets out steps taken by ADM (Group) Limited and the other relevant group companies during year ending 31 December 2023 to prevent modern slavery and human trafficking in its business and supply chains. References to 'us', 'our', or 'we' are to ADM (Group) Limited and its subsidiaries.