

IFCO FY 2023 - Modern Slavery and Human Trafficking Statement

1. Introduction

IFCO Systems UK Ltd, a private limited company registered in England under company number 02997052, is part of the international IFCO group of companies (collectively "IFCO"). IFCO Systems UK Ltd, makes the following statement on modern slavery and human trafficking pursuant to section 54(1) of the Modern Slavery Act 2015.

This statement outlines the steps IFCO has taken for the financial year ended 30 June 2023 to identify, manage and mitigate the risk of modern slavery in its operations and supply chain.

2. Our Business and Supply Chain

IFCO is the leading provider of reusable plastic crates ('RPCs') for fresh products including fruits and vegetables, meat, bread and bananas. By partnering with leading producers and retailers, we are working to create the most cost effective and sustainable supply chain. Currently, IFCO operates in 47 countries around the world. IFCO provides supply chain logistics services to these customers in the form of longstanding expertise in the pooling and management of RPCs.

To date, IFCO has not identified any violations of the Modern Slavery Act in its business or supply chains.

3. Definition of Modern Slavery

Modern Slavery is a global problem, affecting millions of people around the world. Modern Slavery can take many forms, including:

- Human trafficking;
- Forced work, through mental or physical threat;
- Being owned or controlled by an employer through mental or physical abuse or the threat of abuse;
- Being dehumanised, treated as a commodity or being bought or sold as property;
- Being physically constrained or to have restriction placed on freedom of movement.

4. Commitment

IFCO operates with honesty and integrity wherever it does business around the world. We respect human rights and treat the people in our supply chain who make and supply our products fairly. IFCO takes a zero-tolerance approach to violations of the Modern Slavery Act 2015 in any part of

its business or in any of its supply chains and is committed to ensuring that there is no slavery or human trafficking present in either.

We are committed to maintain and improve our processes to prevent slavery and human trafficking violations related to our own operations and our supply chains. IFCO does not enter into business with any other organisation, in the United Kingdom or abroad, which knowingly supports or is found to involve itself in slavery, servitude and forced or compulsory labour. No labour provided to IFCO in the pursuance of the provision of its own services is obtained by means of slavery or human trafficking. IFCO adheres to the standards required in relation to its responsibilities under relevant employment legislation.

5. Potential Exposure

The risk and prevalence of modern slavery offences is linked to a workforce demographic that is conducive to exploitative practices. Typically, this is work that is informal, temporary, seasonal, low skilled and relatively low paid, and is more commonly found through extended supply tiers. This risk is compounded in countries and product supply chains where there are additional aggravating factors such as high levels of corruption, poverty, lack of social and economic opportunities, absence of worker representation or complicated supply chains.

In general, IFCO considers its exposure to slavery/human trafficking to be limited. Geographically, IFCO is not active in high risk countries. IFCO's strategic suppliers are reliable organisations with high ethical standards and controls.

We have assessed our greatest risk of slavery as being in our external supply for wash centre service operations. Our sample testing this year has focused on such suppliers and included reviewing suppliers' policies and procedures, as well as carrying out our own research.

6. Measures Taken

We are pleased to say that IFCO has not, to its knowledge, conducted any business with another organisation which has been found to have involved itself with modern slavery. IFCO has internal policies in place which address issues of wage and labour laws, including employee conduct and whistleblowing. In accordance with section 54(4) of the Modern Slavery Act 2015, IFCO has taken the following steps to ensure that modern slavery is not taking place:

- **Slave Free Alliance**

As a measure of our commitment to combating modern slavery, IFCO has become a member of the Slave Free Alliance, a non-profit organisation which supports organisations in working towards slave-free operations and supply chains. This body will work with IFCO on carrying out analysis of our processes, policies and documents intended for preventing slavery and provide best practice advice and areas for improvement in addressing modern slavery.

- **Supplier Contracts**

IFCO has required suppliers, particularly those who provide temporary workers for IFCO's sites, to enter into contractually binding obligations that are designed to prevent slavery, including agreeing to audits and taking remedial actions where necessary. IFCO reserves its rights to terminate supplier agreements for violations of its anti-slavery rules.

- **Code of Conduct**

IFCO's Code of Conduct is a central part of our business. The Code of Conduct outlines how IFCO conducts business and provides IFCO's fundamental shared values and an ethical and legal framework for all IFCO employees in the conduct of IFCO business. It is a key part of the IFCO culture and is made available to everyone who works at IFCO. It also sets out processes and procedures for our employees to follow, including whistleblowing; confidential reporting; and our commitment to follow all applicable wage, anti-discrimination and labour laws. All laws relating to the terms and conditions of employment, especially child labour, in any place where we do business, must be obeyed, including by our suppliers, agents or contractors. Every employee is required to read and confirm they understand IFCO's Code of Conduct. Our Code of Conduct can be found at:

<https://ifco.integrityline.org/index.php?action=displayPlainFile&fileId=1>.

Our IFCO Code of Conduct, and our terms and conditions with domestic and international suppliers, require compliance with all applicable government laws, rules and regulations (including laws prohibiting human trafficking and forced labour). IFCO's Code of Conduct is kept under continual review to ensure it remains up to date with applicable laws.

- **Supplier Policy**

IFCO has a comprehensive Supplier Policy to make its expectations and requirements on Suppliers more robust and detailed in the areas of employee treatment and prohibition of forced and child labour. IFCO updated its key supplier contracts, for example with agencies that supply temporary workers, to include obligations to comply with the Supplier Policy. We expect that our suppliers:

- ✓ Conduct their business with the highest ethical standards in accordance with all applicable laws, rules and regulations of the countries in which they operate, including laws prohibiting human trafficking and forced labour;
- ✓ Show respect to people and their human rights;
- ✓ Create and maintain a culture of diversity and inclusion;
- ✓ Prohibit forced or child labour, as well as any inhumane treatment;
- ✓ Abide by minimum working age requirements outlined in IFCO's Supplier Policy.

We aim to look for suppliers that are ethical and support IFCO values and our corporate social responsibility objectives. Where possible we re-use trusted suppliers for contracted wash centre operations who are familiar to us and have already undergone due diligence. We do spot check how effective we have been to ensure that slavery and human trafficking is not taking place in any part of our business or supply chains by reviewing suppliers' policies and procedures, as well as carrying out our own research.

IFCO's Supplier Policy can be found here: <https://www.ifco.com/wp-content/uploads/Supplier-Policy.pdf>

- **Human Rights Policy**

People are the core of our business. Our responsibility is to protect human rights. IFCO has incorporated a Zero Harm Policy which is available on our website (<https://www.ifco.com/about-ifco/zero-harm/>). We do not tolerate forced labour, human trafficking, child labour and any other kind of slavery.

These two policies have been integrated in contracts with our suppliers and business partners. Failure to adhere to these policies may result in consequences up to and including termination of business relationship.

- **Integrity Line**

Employees and suppliers are expected to be proactive about ethical issues so that they promptly raise any concern or violation of our Code of Conduct with us. We have established an anonymous confidential program to report any human right violation including human trafficking or any other form of slavery. Employees in around 25 countries have the opportunity to report any violation 24 hours a day, seven days a week. Retaliation against employees who file a report is not tolerated.

- **Other steps undertaken**

The Directors and management team have been made aware of the importance of Modern Slavery and Human Trafficking compliance.

IFCO has robust recruitment processes in line with UK employment laws, including: 'right to work' document checks; contracts of employment and checks to ensure everyone employed is 16 and above. Staff compliance audits are also undertaken, which include checking residence details and bank account names and addresses.

IFCO has a Supplier Due Diligence questionnaire that IFCO requires partners and suppliers to complete according to IFCO's risk profiling, with questions specific to Modern Slavery compliance and steps taken to prevent modern slavery. We have included an anti-slavery certification within the

Due Diligence questionnaire, to ensure our suppliers are aware of this requirement and expectation to comply with all anti-slavery and human trafficking laws.

7. Future Plans

We recognise that there are always improvements that can be made. We will continue to:

- provide awareness and training on human trafficking and slavery to our employees and suppliers.
- review our policies, due diligence and processes in relation to the prevention of slavery and human trafficking.
- review our contractual clauses related to modern slavery and human trafficking and update them on a regular basis in accordance with new applicable laws in all countries where IFCO operates. IFCO will continue to strengthen its supplier contract compliance terms, including contractual obligations on suppliers to comply with IFCO's Supplier Policy and anti-slavery rules, with termination rights attached to this.
- IFCO will terminate its relationship with existing suppliers if they or their contractors and suppliers tolerate slavery or human trafficking in any part of their business or supply chains.
- Ensure that new employees receive training on how to prevent modern slavery and human trafficking, with a focus on employees responsible for procurement of goods and services.

8. Approval

This Statement on Modern Slavery and Human Trafficking for the financial year ended 30 June 2023 has been approved by the Directors of IFCO Systems UK Ltd.



Michael Pooley
Director and Chief Executive Officer



Dr. Julian zu Putlitz
Director and
Chief Financial Officer



Christopher Taylor
Director