



IFCO FY 2020 - Modern Slavery and Human Trafficking Statement -

1. Introduction

IFCO Systems UK is part of the international IFCO Group (collectively “IFCO”). IFCO Systems UK, on its behalf and on behalf of IFCO, makes the following statement on modern slavery and human trafficking.

This statement outlines the steps we have taken for the financial year ended 30 June 2020 to identify, manage and mitigate the risk of modern slavery in our 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.

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.

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. Neither does IFCO 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 the 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. Internal Measures

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. 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:

- **Code of Conduct**

On June 2020 we developed a Code of Conduct. Our Code of Conduct is a central part of our business. The Code of Conduct provides an ethical and legal framework for all IFCO employees in the conduct of IFCO business. It is a key part of the IFCO culture. 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).

- **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;
- ✓ Abide by the same minimum working age requirements outlined.

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.

- **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 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.

7. Future Plans

We recognize 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 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.
- Ensure that new employees and suppliers receive training on how to prevent modern slavery and human trafficking.

8. Approval

This Statement on Modern Slavery and Human Trafficking for the financial year ended 30 June 2020 has been approved by the Directors of IFCO Management GmbH.



Michael Pooley,
Chief Executive Officer



Dr. Julian zu Putlitz,
Chief Financial Officer