



Müller UK & Ireland Modern Slavery and Human Trafficking Statement

Financial Year Ending 31st December 2023



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1. Our Muller UK & Ireland Group LLP Organisation's structure

Muller UK & Ireland Group LLP is part of Unternehmensgruppe Theo Müller (UTM), founded in 1896 and employing over 32,000 people throughout Europe. In the UK and Ireland, Müller develops, manufactures and markets a wide range of branded and private label dairy products made with milk from approximately 1,300 farmers in Britain, alongside a designated plant-based range.

Müller is ranked within the top 20 in The Grocer's Top 100 list of Britain's Biggest Brands and is picked from shelves millions of times each year. Müller UK& Ireland includes the main trading entities:

- Muller UK & Ireland Group LLP;
- Müller Service Limited;
- TM Telford Dairy Limited;
- Philpot Dairy Products Limited; and
- Moreco Group Limited, trading as Milk & More (on 1 January 2024, Milk & More was acquired by the Freshways Group, but remained part of the Müller Group during 2023)

Muller UK & Ireland Group LLP now comprises of two distinct business units: Müller Milk & Ingredients and Müller Yogurt & Desserts. Müller UK & Ireland has 21 sites in the UK and employs around 7,927 people in the UK & ROI.

Müller Milk & Ingredients, which aims to build a better dairy future. It produces branded and private label fresh milk, cream, butter, milk drinks and ingredients products and boasts a network of dairies and depots servicing customers throughout the country.

Müller Yogurt & Desserts, which aims to help put a smile on the nation's face. It is responsible for major brands like Müller Corner, Müller Light, Müller Bliss, Müller Rice, Müller FRijj and Müller Plant Based. It produces chilled desserts under licence from Mondelez International and also supplies the UK private label yogurt market from a dedicated, state of the art yogurt facility.

During 2023, Milk & More delivered daily essentials direct to homes in England, via a network of 31 local fulfilment centres.

TM Telford Dairy Limited, which forms part of the Müller Yogurt & Desserts business unit, supplies Müller branded and private label yogurt from a state-of-the-art yogurt facility in Telford, Shropshire.

Philpot Dairy Products Limited, which forms part of the Müller Milk & Ingredients business unit, is a specialised dairy ingredients business, specialising in the supply of high-end dairy ingredients.



2. Our supply chains

Milk Procurement

We are committed to ensuring a sustainable and successful dairy industry in the UK, and work closely with around 1,300 British farmers. All our farms are required to maintain their Red Tractor assurance scheme, which is third party assessed, and includes specific standard that all labour providers utilised by our farmers must hold a GLAA licence. In addition, the standard covers service level agreements and right to work checks.

Our Müller Advantage programme, incentivises supplying dairy farmers to proactively address a range of important issues for consumers and customers, such as animal welfare, social and environmental impact. We encourage all our supplying farmers to engage with our assessment programme, which provides both governance for Müller and improvement advice for our agricultural partners. To date 99% of Müller Direct farms have committed to the programme.

Our supplying farms are predominately small to medium sized family-run dairy units, with year round supply into Muller UK & Ireland Group LLP, providing level production therefore no seasonal labour requirement. We continue to improve due diligence questions for our supplying farms and include these in our annual Müller Advantage assessment, enabling us to identify any areas of risk or vulnerability. In 2023 our annual assessment highlighted that only 3% of our Müller Direct farmers were using temporary workers, predominately to provide support with milking or general farm management. The work being performed by these individuals is undertaken year-round and is required to be skilled and competent in order to work on farm. All farmers indicated that, where labour providers were being used, they were licensed with the Gangmasters and Labour Abuse Authority (GLAA).

Products, Goods & Services Procurement

Muller UK & Ireland Group LLP procure other products, goods and services from many suppliers from both UK and internationally.

Our ingredients and packaging suppliers must accept our Supplier Code of Practice before they join UTM. This aligns with the Supply Chain Due Diligence Act.

The Supplier Code of Practice outlines our minimum requirements related to social, ethical and ecological issues and is based on the following international standards:

- Universal Declaration of Human Rights;
- United Nations Conventions on the Rights of the Child;
- International Covenant on Civil and Political Rights;
- International Covenant on Economic, Social and Cultural Rights;
- Core Labour Standards of the International Labour Organization (“ILO”); and
- Ten Principles of the UN Global Compact.



All providers of labour to Muller UK & Ireland Group LLP are required to hold GLAA licence. We require all our ingredients, packaging and indirect suppliers to undertake an annual risk analysis for the dimensions country and industry risk. Depending on their risk as well as turnover with UTM, suppliers must undergo a Corporate Social Responsibility (CSR) audit, which covers requirements including environment, ethics, labour and human rights as well as sustainable procurement. We conduct a robust performance evaluation on defined ingredients, packaging and indirect suppliers as part of the Balanced Supplier Score Card (BSSC), which helps us monitor continual improvement and identify any areas for action.

3. Our policies

Müller is committed to ensuring there is no modern slavery or human trafficking in any part of our business or supply chains and this is reflected within our company policies. The following policies and codes are in place and approved by the appropriate business unit's leadership, who are ultimately responsible for our HR strategy and policies:

- Whistleblowing;
- Anti-slavery and human trafficking;
- Anti-bribery and corruption;
- Grievance; and
- Dignity at Work.

4. Due diligence processes for modern slavery and human trafficking in our operations and supply chain

Our UTM procurement team has responsibility for the Supplier Code of Practice and the minimum requirements are reviewed at least once a year, along with our Procurement Policy. The continuous improvement of these policies and requirements are key to our approach to supplier management. We continue to review and assess suppliers and drive continuous improvement through our Balanced Supplier Score Card, risk-based supplier audits, and corporate social responsibility (CSR) assessments.

In our operational sites we align with Stronger Together commitments, a multi-stakeholder initiative aimed at tackling modern slavery in supply chains. The majority of our colleagues are permanently employed by Müller. However, the nature of our business means that in order to respond to peaks in production some temporary staff are required. In such cases we work with GLAA registered providers and have long-standing relationships with our providers, who have robust onboarding and induction processes. In addition, our HR Team regularly audits our providers to assess risk of exploitation, with occasional spot checks performed and any non-conformances or concerns followed up in a timely manner.

As part of our processes to identify and mitigate risk as a business:

- Our Anti-Slavery and Human Trafficking Policy is communicated to all employees across the business, and is accessible to all employees via our intranet.
- risk-based approach to third party ethical audit and where required any of our sites could be audited in line with the Sedex Member Ethical Trade Audit (SMETA)



process. The results are published on the SEDEX system, along with being shared internally and with our customers.

- All Müller dairies are members of Supplier Ethical Data Exchange (SEDEX) and completes the enhanced SAQ and ethical risk assessment available on the system, providing access to risk assessment results and information, through their RADAR tool.
- The standard terms and conditions for the purchase of goods and/or services require suppliers to comply with all applicable laws and regulations including, without limitation, those relating to anti-slavery and human trafficking including the Modern Slavery Act 2015 and those relating to anti-bribery and anti-corruption including the Bribery Act 2010, and relevant policies.
- All suppliers are required to sign up to our Supplier Code of Practice or demonstrate an equivalent Code of Practice is in place.
- We continually validate the identity of all employees, permanent and temporary and ensure that they have the legal right to work in the UK.
- Our supplier due diligence process requires suppliers to register on EcoVadis and complete the sustainability risk assessment annually or when a significant change occurs. Where material risks are identified, corrective measures are agreed with suppliers and monitored for completion.

5. Training and capacity building

The company Learning Management System (LMS) provides access to both mandatory and voluntary training courses on a variety of topics such as legal, operational, financial and ethical training. In particular, our sustainability introduction, ethical trade and ETI base code courses are mandatory for all new employees. In addition, our HR Managers have attended Stronger Together 'Modern Slavery in Businesses' workshops and events.

6. Collaborative Working

We recognise that the issues associated with modern slavery and human rights abuses are global in nature and cannot be tackled in isolation or by one individual business. We therefore work closely with our suppliers, customers, and peers to identify and address any issues. In demonstrating our commitment to this important topic, we continue to be members of the Food Network for Ethical Trade (FNET), UK-based initiative comprised of primarily UK based suppliers and retailers whose mission is to improve human rights in global food supply chains through a common approach.



Continuous Improvement Measures

During the next financial year Müller will:

- Implement recommendations from modern slavery management diagnostic completed by third party ethical trade specialist. Building upon and maintaining our due diligence processes to identify, prioritise, act and monitor modern slavery and human trafficking risks within our businesses.
- Monitor key KPI measures to ensure high standards of compliance are achieved and continuous improvement is delivered in our supply chain.
- Build on the Human Rights Masterclass delivered to 300 of our UK leadership in 2023, and deliver refresher training to management and employees on how to identify modern slavery and what to do.
- Continue to review our third-party ethical audit processes to ensure it is appropriate to the risk and governance required, with the aim of becoming outcome focussed.
- Maintain support for our suppliers to develop and implement effective human rights due diligence processes, through engaging initially with EcoVadis and Sedex.

7. Board Approval

This statement, which is subject to annual review for Muller UK & Ireland Group LLP, is in accordance to section 54(1) of the Modern Slavery Act 2015 and constitutes our modern slavery and human trafficking statement for the financial year ended 31st December 2023. It has been reviewed by senior management and approved by our UK executive leadership team.

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Richard Williams
CEO, Müller Yogurt & Desserts

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Rob Hutchison
CEO Müller Milk & Ingredients

June 2024