

ORNUA CO-OPERATIVE LIMITED
MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT
FINANCIAL YEAR ENDED 28 DECEMBER 2019

1. INTRODUCTION

- 1.1 This statement is made pursuant to section 54(1) of the UK Modern Slavery Act 2015 (the "Act") and constitutes the Modern Slavery and Human Trafficking Statement of Ornua Co-operative Limited and its subsidiaries ("Ornua") for the financial period ended 28 December 2019.
- 1.2 Modern slavery is a crime and a violation of fundamental human rights. It can take various forms, such as slavery, servitude, forced and compulsory labour and human trafficking, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain.
- 1.3 Ornua is opposed to slavery and human trafficking in any part of our activities or our supply chains. Ornua is therefore committed to ensuring that we have adequate policies and procedures in place to identify and prevent these practices and continually improving our practices to combat slavery and human trafficking.

2. ORGANISATIONAL STRUCTURE

- 2.1 Ornua is an agri-food commercial co-operative which markets and sells dairy products on behalf of its members, Irish dairy processors and the Irish dairy farmer. Ornua is Ireland's largest exporter of Irish dairy products. The Co-operative ethos is at the heart of how Ornua does business. As a co-operative, Ornua was founded on the premise of working together with member distributors and dairy farmers to create shared value for the Irish dairy industry.
- 2.2 Ornua's core purpose is to bring quality Irish dairy products to markets around the world. Ornua's expertise in building sustainable routes to market helps add value to Irish milk and secure strong returns for members and, in turn, Irish dairy farmers. We are headquartered in Dublin and export to over 110 countries with annualised sales of circa [€2.5 billion]. We also operate from 15 subsidiaries worldwide.
- 2.3 The business is structured on two core platforms:
 - (a) **Ornua Foods:** is the division is responsible for the international marketing and sales of Ornua's consumer products portfolio which includes the *Kerrygold*, *Pilgrims Choice*, *Dubliner*, *Forto*, *Shannongold* and *BEO* brands. Markets are served through wholly owned subsidiaries and in-market teams in China, Germany, the Middle East, the UK, USA and Africa.

- (b) **Ornua Ingredients:** is the division is responsible for the procurement of Irish dairy products and for the sale of dairy ingredients to end users. Operating out of Ireland, the division exports dairy ingredients to over 110 countries and is supported by key subsidiaries in Germany, Spain, Saudi Arabia, the UK and the US.

3. **SUPPLY CHAIN**

- 3.1 As primarily an exporter of Irish dairy products, the majority of our purchases are made in Ireland. However, we also purchase dairy products produced in other countries, primarily the UK and the US. We source very little supply from countries where modern forms of slavery are believed to be a particular risk.
- 3.2 We do sell product to a large number of markets. We seek always to work with highly reputable distributors and customers.

4. **SUPPLIER ETHICS CODE AND DISTRIBUTOR/LICENSEE/AGENT CODE OF ETHICS**

- 4.2 We have recently approved a Supplier Ethics Code (the '**Supplier Code**'). The Supplier Code applies to all Ornua's direct and indirect suppliers, co-packers, manufacturers and brokers in all categories ('**Suppliers**'). We have also approved a Distributor/Licensee/Agent Code of Ethics (the '**Distributor Code**'). The Distributor Code applies to all Ornua's direct and indirect distributors, re-packers, warehouses, agents and licensees in all categories ('**Distributors**').
- 4.3 Our business philosophy, which is rooted in the co-operative ethos, requires that we work only with Suppliers and Distributors who have the ability to consistently meet with our standards and specifications and are committed to values of conduct that are compatible with our own.
- 4.4 It is envisaged that the Supplier Code and the Distributor Code (the '**Codes**') will become two of Ornua's mandatory policies for Suppliers and Distributors in accordance with the Standard Terms and Conditions of Purchase for Ornua entities.
- 4.5 The Codes are informed by the UN Guiding Principles on Business and Human Rights, the Core Conventions of the International Labour Organisation (ILO) and the Sustainable Development Goals (SDGs), which are a global vision set out by the United Nations to end poverty, protect the planet and ensure prosperity for all by 2030.
- 4.6 The Codes set out Ornua's requirements and guidelines for the following;

- a) Child Labour
- b) Voluntary Employment / Forced Labour
- c) Abuse, Harassment and Disciplinary Action
- d) Fair and Equal Treatment / Discrimination
- e) Compensation and Benefits
- f) Working Hours
- g) Freedom of Association
- h) Health and Safety
- i) Environment
- j) Ethical Business Practices

5. Distribution and Packing Contracts

- 5.1 Ornua includes an anti-slavery and human trafficking clause in all distribution and packaging contracts since 2017.

6. Due Diligence Processes for Slavery and Human Trafficking

- 6.1 As part of Ornua's initiative to identify and mitigate risk a Modern Slavery section is included in our self-assessment questionnaire that all manufacturing/packing companies providing products or services to Ornua are required to complete and return with supporting documentation.

7. OTHER ORNUA GROUP POLICIES RELEVANT TO SLAVERY AND HUMAN TRAFFICKING

7.1 The Ornua Counter-Party Approval Process and Procedures

We have increased the level of due diligence which we carry out prior to doing business with new third-party suppliers or customers. We have put in place procedures for the approval of business counter parties that aim to ensure that they are compliant with all relevant requirements including modern slavery and human trafficking laws and regulations.

7.2 The Ornua Group Code of Business Conduct and Ethics

The Ornua Group code on Business Conduct and Ethics sets out the Group's commitment to acting ethically and with integrity towards our employees and in all our business relations.

The code applies to the Ornua Group and includes all subsidiaries, business units, functional operations and all employees whether permanent or temporary, as well as contractor or agency staff.

7.3 Equal Opportunities Policy and a Dignity at Work policy

Ornua also implements an Equal Opportunities Policy and a Dignity at Work Policy. These policies are evidence of Ornua's commitment to fair employment practices and equality of opportunity for all current and potential employees, by promoting a work environment free from discrimination, intimidation or harassment.

7.4 Ornua Group Whistle Blower Policy

Ornua has an open-door policy that gives employees the freedom to approach any member of management with ethical questions or concerns without fear of retaliation thus to enable all individuals to voice concerns in a responsible and effective manner. In addition, Ornua uses a third party external global reporting service provider, which maintains employee anonymity, should the employee request it. We have a clear policy of non-retaliation against any person who raises such a concern and we investigate all concerns raised.

8. COMMUNICATION

- 8.1 Ornua ensures that all of its policies are available online to employees.
- 8.2 We will publish this statement on our website and the website of our UK subsidiaries.

9. FUTURE STEPS

Ornua is committed to developing further measures to assist in managing any risks that are identified in the area of modern slavery or human trafficking. Ornua believes that the development this year of the Supplier Ethics Code and the Distributor/Licensee/Agent Code of Ethics shows Ornua's commitment to ensuring that modern slavery does not exist in our supply chain.

10. APPROVAL

- 10.1 This statement was approved by the Board of Ornua Co-operative Limited on 13 May 2020.


Denis Cregan
Chairman