



Human Rights Due Diligence Statement For Financial Year 2023/24

Kallo Foods Ltd, trading as Ecotone UK are part of the Ecotone group. This statement sets out the steps that Ecotone has taken, or will be taking, to identify, monitor and reduce human rights violations by implementing innovative risk assessment processes that mitigate risk, facilitate delivery of our human rights agenda, and support suppliers' long-term improvement.

Introduction of Ecotone Group

Ecotone is the European leader of sustainable and organic food. As such we are strongly committed to trading ethically, to ensure good working conditions and environmental best practices in our own operations and supply chains. Today we are the world's highest ranking multinational food B-corp. We know that our purchases and supply chains are subject to major societal, social and environmental challenges. To address these challenges, we have endorsed several commitments and taken various actions as outlined in this statement.

In 2023 we focused on training key employees on human rights policies and procedures and implemented effective risk assessment and mitigations on human rights issues. In 2024 we will continue to roll out training to the wider team and continue risk assessing and taking mitigation actions as necessary.

Our Structure, Business and Supply Chains

At Ecotone we empower people to make better choices both for themselves and for our planet. We are very proud of our 5 UK pioneering brands including Clipper, Whole Earth, Kallo, Mrs Crumbles and Alter Eco. We also have other purposeful brands within our portfolio including Bjorg, Allos, Abbot Kinney's, Bonneterre, Destination, Danival, Ecocesta, El Granero, Isola Bio, Little Lunch, Tartex and Zonnatura.

Our products are made in our own factories or by approved third party suppliers. Our main product sectors include hot drinks, rice cakes, peanut butter, breakfast cereals, cooking aids, chocolate and gluten free products. Our products are sold in the UK, Europe and exported globally.

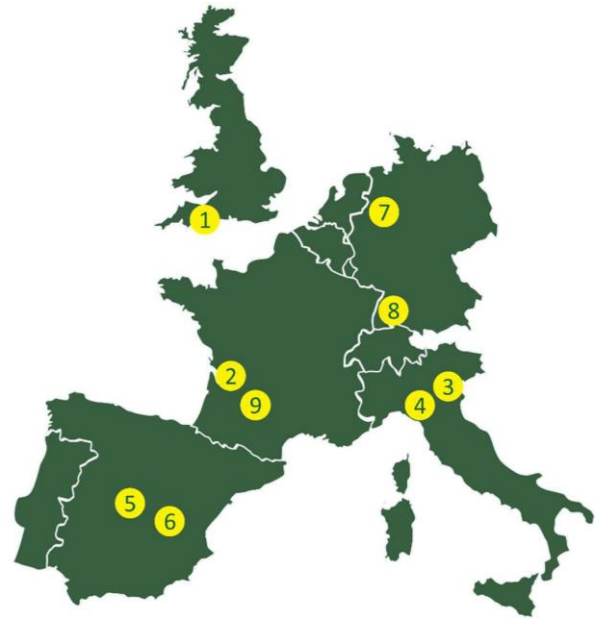
Governance Structure:

Ecotone's Executive Board are based in our offices in Lyon. Our other offices are located in Amsterdam in the Netherlands, Camberley in the UK, Bremen in Germany, Badia in Italy and Madrid in Spain. Ecotone operate as a "family" of companies, with a joint strategy and set of key value, beliefs and shared objectives. The Executive Board is comprised by the Ecotone's Chief Executive and Chief Finance Officers as well as Group HR Manager, country General Managers and selected Functional Heads (Marketing and Operations). Together they form the European Leadership Team (ELT). The ELT drives the agenda of the business, including our human rights due diligence and meets monthly to discuss results and planning. We also have 9 production facilities where we manufacture some of our key products.



9 Production Facilities in Europe

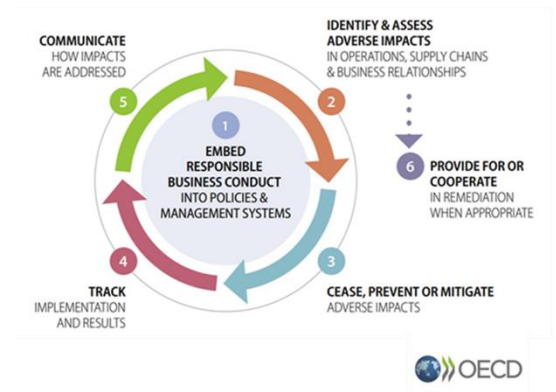
Facilities	Key Categories	Brands
1 Beaminster	Teas	Clipper
2 Cestas	Hot drinks	Destination, Naturela, Alter Eco
3 Badia Polesine	Plant-Based Beverages	Isola Bio, Bonneterre, Bjorg
4 Viadana	Plant-Based Beverages	Isola Bio, Bonneterre, Bjorg
5 Sesena	Cereal, rice cakes	Ecoceastas, El Granero
6 Paracuellos	Dietary supplements	Ecoceastas, El Granero
7 Drebber	Breakfast cereals, cereal bars	Allos, Bjorg, Zonnatura, Whole Earth
8 Friburg	Savoury spreads	Tartex
9 Andrian	Meals and fruit specialities	Danival, Bjorg



Ecotone's Human Rights Due Diligence Process

Based on the United Nations Guiding Principles on Business and Human Rights (UNGPs) and the OECD Due Diligence Guidance for Responsible Business Conduct as a framework for implementation, Ecotone develops and implements its own due diligence strategy and complies with relevant laws and regulations in each country where it operates. Human rights due diligence in its own operations and in its supply chain is conducted using the OECD Guidance (as per diagram) and summarized below:

1. Commitment: Policies and managements systems
2. Assessment: Identify and assess adverse impacts
3. Action: Cease, prevent, mitigate, track
4. Communication: Disclosure



1. Commitment: Policies and management systems.

Ecotone has a governance structure which provides accountability and responsibility for human rights. The overall accountability for Human Rights sits with the Executive Board and more specifically with the Chief Supply Chain Officer who ensures the Executive Board meets all Human Rights Requirements. Several members of the Ecotone Executive Board make up the Human Rights Steering Team and are responsible for final procedure approval and escalation decisions. The Human Rights Task Force are responsible for applying human rights due diligence and writing and updating procedures for approval by the Steering Team .

Ecotone has the following policies in place regarding Human Rights:

Internal: Human Rights Policy & Procedure (2023), Human Rights Risk Assessment Procedure (2023), Whistle-blower Policy (2016), Code of Business Conduct (2021).

External: Supplier Code of Conduct (2022), Responsible Sourcing Policy (2022), Product Quality Booklet-PQB (2021)










Ecotone determined the following KPI's on Human Rights Due Diligence:

- Signature of the PQB (Product Quality Booklet) – including a chapter on corporate social responsibility for 100% of suppliers by 2026
- By 2024, 100% of staff in leading positions and/or engaged with suppliers trained on social and ethical topics in the supply chain (including forced labour and child labour)
- By 2026, 100% PTO of our FG and 100% PTO RM & Pack suppliers are registered and provide social and ethical information via the SEDEX Self-Assessment Questionnaire
- By 2025, 100% of requested suppliers have provided their human rights and environment KPIs and improvement action plan
- We are committed in a continuous effort to maintain and improve our participation in Fair Trade chains (chocolate, tea and coffee). 50% of TO in these categories will be Fairtrade certified by 2026.

2. Assessment: Identify and assess adverse impacts

2.1 Identification of potential Human Rights Issues

In dialogue with internal stakeholders, external experts and based on risk mapping by external initiatives like Sedex and Fairtrade International, Ecotone has identified 9 important themes regarding human rights in our global business activities. The process involved understanding the characteristics of our own plants and our supply chain, particularly the agricultural products from which our products are made, while also leveraging information from a variety of external human rights-related reports.

Fundamental labour rights	No child labour 	Freedom from discrimination 	
	Freedom from slavery 	Gender Rights 	
Working conditions	Working hours are not excessive 	Payment of living wages or income 	Health, Safety and Hygiene 
	Provision of regular employment 	No bullying or harassment 	

2.2 Risk assessment of potential human rights issues

For the human rights issues identified, a risk assessment is made using Sedex Self Assessment Questionnaire (SAQ), risk assessment tools and SMETA information. These assessments include consideration of the geographic, economic, and social perspectives of the different regions that are prone to specific human rights risks. Based on this information, Ecotone implements prevention and mitigation actions for high risk raw materials, finished goods, packaging suppliers and/or supply chains.

- Sedex - Internal operations risk assessment.

In 2023, Ecotone implemented Sedex registration and self-assessment in all of our 9 factories in Europe in order to identify human rights risks and strengthen management at our own plants. We assessed the management capability towards potential risks in 13 categories and the overall management control score. Also the inherent, site specific and combined risk scores were determined for all sites. Specific actions plans are developed and will be put in place in 2024 to further improve the scores for our supplying units.

- Sedex - Supplier Risk Assessment

Since 2020 Ecotone has been engaging suppliers to share information through Sedex by answering to the SAQ. These SAQs evaluate the potential social risks in the supply chain by focusing on child labour, forced labour and other human rights issues as well as considerations toward environment and occupational safety.

- Sedex - Vulnerable Ingredients Risk Assessment

A raw material risk assessment is carried out using our Ecotone key raw materials. The list with this key raw materials is uploaded to the SEDEX Pre-Screen Tool which assesses human rights risks for the raw materials, taking into account country of origin and type of industry. The results of such risk assessment are given as 'high', 'medium' or 'low' risk rating for each raw material/country of origin assessed. For Ecotone the raw materials risk assessment identified 3 high risk categories: Tea, coffee and cocoa.



2.3 Identification and assessment of actual Human Rights issues

Actual Internal grievances and whistleblowing.

Ecotone is committed to ensuring that all employees follow applicable laws and regulations including our own policies and guidelines. The internal SpeakUp-Whistleblowing policy applies to all employees (permanent or temporary) of Ecotone.

In 2023 there were 7 issues recorded all related to the same situation. This case was followed up and closed by our internal Confidential Advisor. Findings and results were reported to the CEO, Company Secretary and the Audit Committee.

Actual External Issues

These issues are identified through supplier audits, Sedex SMETA audits, grievance mechanisms in the supply chain or through direct exposure in media-NGO articles/reports/documentaries. All identified issues are registered in an internal human rights tracker for assessment and follow-up.

No high risks were identified from our risk assessment using the information in our human rights tracker. 2 medium risks were related to tea and coffee.

3. Action: Cease, prevent, mitigate, track

3.1 Preventive/mitigation actions potential Human Rights Issues

- Sedex- Own operations:

In 2023 Ecotone registered 100% of its sourcing units on Sedex. Based on the results of the SAQ and the risk assessment, Ecotone will implement an action plan in 2024 to improve the governance score and take any mitigation required.

- Sedex – Supplier corrective actions

Ecotone requires new and existing suppliers to register on Sedex and fill the SAQ. If ranked high risk by the risk assessment, suppliers must close outstanding audit non conformances from their SMETA or Fairtrade audit. If the supplier does not have such audit, he needs to complete the Ecotone Human Rights Questionnaire. If any issues then the escalation process is followed.

Following the ethical risk assessment in 2023, 20 suppliers sites were identified as high risk. 9 were high risk due to outstanding SMETA non conformances, 6 of these have been closed out and actions are ongoing during 2024 for 3 supplier sites. 9 high risk sites have Fair Trade certification and confirmed that all non conformances raised have been closed/are in process in 2024. 2 sites did not have fairtrade certification but have completed our Ecotone Human Rights Questionnaire satisfactorily and additionally 1 of these sites has also been visited by our sourcing team who also verified ethical practices were being upheld.

- Sedex - Raw Material corrective actions

As previously mentioned tea coffee and cocoa are high risk raw materials for Ecotone. Suppliers were requested to join Sedex and complete the Self Assessment Questionnaire. The supplier ethical risk assessment at the end of 2023 results showed 9 suppliers to be high risk these are being actioned in 2024 as mentioned in 'high risk suppliers' above.

3.2 Mitigation/remediation actions actual Human Rights Issues

Actual Human Rights issues are registered in the Human Rights Tracker, risk assessed and are followed up according to the escalation and mitigation process flow. In 2023 there were no high risk issues and 2 medium risk issues. Relevant actions were taken in response.



4. Communication

The last step of Human Rights due diligence focuses on how to share information with partners and stakeholders about key issues, due diligence actions and effectiveness. We cannot ensure that human rights breaches will never exist as this is an impossibility, but we will take action if and when they do occur and work together with our suppliers to take the right steps to solve the issues.

In 2023 we delivered the following results on our commitments on Human Rights Due Diligence:

- Signature of the PQB (Product Quality Booklet) – including accepting the supplier code of conduct -for 100% suppliers by end 2026.

89% of finished good suppliers have signed the PQB end 2023.

39% of raw material and pack suppliers have signed the PQB end 2023.

- By 2024, 100% of staff in leading positions and/or engaged with suppliers trained on social and ethical topics in the supply chain (including forced labour and child labour)

In 2023 Ecotone conducted a 2 part Human Rights training, this was repeated on 3 occasions to ensure any many could attend as possible. 82% of staff in leading positions and/or engaged with suppliers attended at least one training, 67% received both trainings. For those who could not attend the slides were shared on central drive. In 2024 the training has been rolled out to all employees and is mandatory as part of onboarding.

- By 2026, 100% PTO of our FG and 100% PTO RM & Pack suppliers are registered and provide social and ethical information via the SEDEX Self-Assessment Questionnaire

88% of PTO for finished good suppliers on Sedex end 2023.

69% of raw material and packaging suppliers on Sedex end 2023.

- By 2025, 100% of requested suppliers have provided their human rights and environment KPIs and improvement action plan

In 2024 CSR are requesting this information from key suppliers.

- We are committed in a continuous effort to maintain and improve our participation in Fair Trade chains (chocolate, tea and coffee). 50% of TO in these categories will be Fairtrade certified by 2026.

In 2023 43% of our TO on coffee, tea and cocoa were Fairtrade certified.

In 2024, we will continue working to meet KPI's above and increasing the impact of our actions focusing on the following:

- Ongoing monitoring of grievances and whistleblowers in our own business
- Social assessments of key raw material suppliers to better understand our risks of labour exploitation, including forced and child labour in our coffee, cocoa and tea supply chains
- Ongoing monitoring of key supplier's management of forced and child labour issues via Sedex and ethical audits.
- Ongoing monitoring of key performance indicators to assess the effectiveness of our sustainability approach.

This statement was approved by the Board of Ecotone UK in and is signed by Emma Vass, UK Ecotone's Chief Executive Officer who is on the Board.

January 2024