

## 2021 Modern Slavery Statement

The Kraft Heinz Company and its direct and indirect subsidiaries including H.J. Heinz Company Limited, H.J. Heinz Foods UK Limited and H.J. Heinz Manufacturing UK Limited (collectively "Kraft Heinz", "we" or "us") continues its commitment to enhancing the quality of people's lives through sustainability, health & wellness and social responsibility. We believe the protection of human rights is fundamental, good business, and we believe that we have both the ability and the responsibility to drive positive change through our global work.

### Human Rights Policy

In 2019 Kraft Heinz released a new Global Human Rights Policy which can be accessed on our website [here](#).

Our Global Human Rights Policy is guided by internationally-recognised standards, including the [United Nations \(UN\) Guiding Principles on Business and Human Rights](#), the [International Bill of Human Rights](#) and the principles set forth in the [International Labour Organization's \(ILO\) Declaration on Fundamental Principles and Rights at Work](#).

Kraft Heinz's Global Human Rights Policy requires all Kraft Heinz employees and related entities, suppliers and business partners to strictly adhere to our human rights standards, which, in summary:

- Prohibit child and underage employment;
- Prohibit trafficking, forced or involuntary prison labour;
- Prohibit all and any forms of abuse, bribery, harassment, and discrimination;
- Recognise and respect the rights of freedom of association and collective bargaining;
- Recognise and respect fair, legal and equitable work timeframes, working conditions (including health and safety) and wages;
- Recognise land rights, natural resources and ensure all workers' rights to clean water and adequate sanitation facilities; and
- Require all labour recruitment and employment procedures to be carried out in a legal and ethical manner.

We are committed to respecting human rights in our own operations and throughout our global value chain. Kraft Heinz continues to place the utmost value on an ethical and transparent supply chain and is dedicated to the eradication of slavery and human trafficking. Kraft Heinz demands that all business partners demonstrate a clear commitment to protecting the rights of workers worldwide and does not tolerate the use of forced labour.

Kraft Heinz continues to partner with thousands of suppliers globally (including ingredients suppliers, packaging suppliers, external manufacturers and logistics suppliers) that are similarly committed to ensuring that there is no modern slavery within the Kraft Heinz supply chain. Kraft Heinz also reserves the right to complete due diligence and audits of our suppliers through our supplier selection and contracting procedures, in order to ensure compliance with our policies and local laws. Moreover, we continuously evaluate the suppliers we use and throughout our own operations to ensure our global value chain is operating in an ethical manner, one of the Company's core principles.

### Supply Chains and Supplier Guiding Principles

Our supply chains are primarily focused on the sourcing, warehousing, and transporting of the raw materials, ingredients and packaging required for the manufacture of our food and beverage products globally. All direct suppliers (which are suppliers of raw materials, packaging, and products to be utilised in finished goods, as well as external manufacturers) and all indirect suppliers (which are suppliers of services or any goods that are not direct materials), are required

to demonstrate a clear commitment to protecting the rights of their workers. We seek to respect human rights across our global operations and supply chain, which is represented by hundreds of thousands of stakeholders, including but not limited to employees, suppliers, contractors, co-packers/external manufacturers, joint venture partners and rightsholders such as the following: foreign and migrant workers, women, children, indigenous populations, minorities and people with disabilities. We are committed to working with our direct and indirect suppliers to respect human rights and expect them to adhere to the internationally recognised standards outlined in our Policy. Specifically, suppliers are required to adhere to our Supplier Guiding Principles (“SGPs”) which can be accessed in more than 20 languages on our website [here](#). Upon request, a supplier must certify its compliance with all such principles. As part of our commitment to conduct business with integrity and in an ethical manner, in 2021 Kraft Heinz strengthened its SGPs. The Mandatory Requirements and Expected Practices outlined in the SGPs (which are in addition to those mentioned in the Kraft Heinz Global Human Rights Policy) are guided by industry best practices and internationally recognized standards, including without limitation, the [United Nations \(UN\) Guiding Principles on Business and Human Rights](#), the [International Bill of Human Rights](#) and the principles set forth in the [International Labour Organization’s \(ILO\) Declaration on Fundamental Principles and Rights at Work](#).

In particular, Kraft Heinz has 9 mandatory requirements regarding human rights and ethical labour practices:

1. Child Labour: Suppliers will not directly, or indirectly through their contractors or subcontractors, use child labour, and must have policies in place that prohibit the use of child labour. Suppliers will comply with the minimum employment age limit defined by applicable law or by ILO Convention 138, whichever is more restrictive;
2. Responsible recruitment: Suppliers shall uphold professional, ethical, safe, secure, and responsible recruitment practices with the intention of preventing unnecessary risk exposure, exploitation, or unreasonable financial bonds being imposed on recruits. Kraft Heinz abides by the “The Employer Pays Principle.” As such, suppliers must ensure that individual workers and job seekers are not charged for their jobs and that the cost of recruitment should be borne, not by the worker, but by the employer;
3. Migrant workers: Additional consideration should be given to protect migrant workers against additional vulnerabilities towards human right abuses and exploitation;
4. Forced or involuntary labour: Kraft Heinz prohibits the use of all forms of forced, bonded, indentured, or compulsory labour, including prison labour, indentured labour, bonded labour, military labour, slave labour or any form of human trafficking;
5. Work hours, work week and payment of wages: Suppliers must comply with all applicable laws and regulations regarding wages, overtime pay, benefits, leave, and maximum working hours;
6. Non-discrimination: Suppliers shall not discriminate in hiring, contracting, or employment practices including, without limitation, compensation, promotion, discipline, termination, and retirement;
7. Freedom of association and collective bargaining: Suppliers shall recognise and respect each worker’s freedom of association and rights to engage in collective bargaining;
8. Land rights: Suppliers must respect the land rights of women, indigenous people, and local communities impacted by their operations; and
9. Linguistic considerations: Core documentation for employee rights, employment terms, and safety considerations should be available in the host country/region’s language.

This update of our Supplier Guiding Principles formalises higher ESG-related requirements in known risk areas for the conduct of business with Kraft Heinz and expands the scope of these requirements throughout the value chain. It is the responsibility of each supplier to ensure its compliance with this Policy and suppliers are required to manage their subcontractors and supply chains in a manner consistent with this Policy. Kraft Heinz buyers globally have been trained on the updated Supplier Guiding Principles so that they are able to answer any supplier enquiries and identify risks.

In addition to complying with the SGPs, all suppliers are required to uphold the related standards and responsible business practices contained in Kraft Heinz's Global Human Rights Policy.

Additionally, a link has been shared with the suppliers providing them with free access to an online training to make sure they understand the updated mandatory requirements and expected practices.

### **Policies on Slavery and Anti-Trafficking**

In addition to the Global Human Rights Policy and the SGPs, Kraft Heinz commits to ensuring that there is no slavery or human trafficking in any part of our business, including our supply chain through the following policies and procedures:

#### **Governance**

The Kraft Heinz Board of Directors oversees our global ESG strategy and objectives, including the company's activities and opportunities, as well as related risks concerning human rights. It engages at least annually with management to review all significant policies, processes, and commitments, with additional updates and engagement as necessary. In July 2021, ESG oversight responsibilities shifted from the Operations and Strategy Committee, which was dissolved, to the full Board. We believe the full Board's responsibility for consideration and oversight of critical ESG issues enhances our sustainability efforts, which are a critical component of our overall enterprise strategy.

Concerning our supply chain, in 2021, the role of Responsible Sourcing Senior Manager was created to improve and implement our supply chain policies that address forced labour, as well as building a roadmap to identify and address the human rights risks in our supply chain. A Responsible Sourcing subcommittee has been formed to provide high-touch engagement, track emergent issues, and drive collaboration, transparency, and continuous improvement toward Responsible Sourcing initiatives. The functions represented in this subcommittee are, among others, Procurement, ESG, Innovation, R&D, Communications and Legal. In order to maintain our checks and balances, the ESG team owns the SGPs and Human Rights policy and Procurement is responsible for their implementation in our supply chain.

Key buyers and executives are incentivised to improve working conditions in the supply chain as their bonuses are tied to ESG Strategy and Compliance, including the diffusion and verification of adherence to our SGPs.

#### **Internal Accountability**

Each Kraft Heinz employee is expected to conduct business legally and ethically and comply with certain established company standards, including but not limited to the prohibition of forced labour and the employment of anyone under the local legal working age. All such standards are outlined in the Employee Code of Conduct which can be accessed from our website [here](#). Failure to meet the Kraft Heinz standards on forced labour or minimum age requirements is a violation of corporate policy and may be against the law. Violators are subject to disciplinary action, up to and including termination of employment as well as potential legal consequences.

## **Training**

The most recent version of the Kraft Heinz Employee Code of Conduct is accessible to all employees globally. Kraft Heinz utilises a modular training programme for the various components of the Employee Code of Conduct, meaning the focus of the trainings is established in accordance with the employee's function within the company.

Kraft Heinz has further enhanced the rigour and extent of training being provided to its employees, specifically with regard to those in roles that are more readily exposed to scenarios where forced labour may arise. This targeted and pro-active practice furthers Kraft Heinz's commitment to protecting the rights of workers worldwide, meaning we are better poised than ever to identify actual or potential human rights violations in our supply chain. The increased levels of training provided by Kraft Heinz help us manage human rights protection in our business.

Specific SGPs trainings have been made available to all buyers worldwide as well as cross-functional teams such as Procurement Legal. These trainings will be made mandatory in 2022 as we roll out more translations. Based on the risk assessment being carried out in 2022, we will improve our understanding on the best way to educate buyers on specific human rights risks.

## **Certification by Direct Suppliers**

Kraft Heinz's standard purchasing contracts require suppliers to comply with all laws and regulations applicable to the fulfilment of its duties under the contract and to adhere to the principles contained in the Supplier Guiding Principles. In 2021, the Supplier Guiding Principles have been updated and all suppliers of Kraft Heinz are expected to adhere to a more extensive and specific list of mandatory requirements outlined in this policy and are now encouraged to use the expected practices included in the policy as a guide to further improvement efforts. Since 2021, all new and renewed contracts and terms and conditions with suppliers include the updated SGPs. In addition, suppliers are required to certify their compliance with the Supplier Guiding Principles at the request of Kraft Heinz and to permit Kraft Heinz and/or its designated agents (including any third parties) to engage in monitoring activities, including on-site inspections where appropriate.

In 2022, suppliers will be expected to join third-party platforms in order to fill in a self-assessment questionnaire. This will enable Kraft Heinz to identify potential gaps and put in place remediation plans.

If the supplier is unable to resolve any issues, Kraft Heinz reserves the right to take additional action against the supplier, including but not limited to termination of the business relationship.

## **Risk Assessment and Due Diligence Processes for Slavery and Anti-trafficking**

Kraft Heinz believes a critical aspect of a resilient, effective Anti-Slavery and Anti-Trafficking approach sits within the due diligence process. We undertake both internal and external practices to assess potential negative human rights impacts in our business operations and global supply chain. All material issues are addressed as part of our internal ESG Global Steering Group. In addition, our Executive Leadership Team as well as our Board of Governors reviews our overarching corporate responsibility strategy and practices on at least an annual basis.

**Assessment** – Since 2019, our due diligence efforts have included conducting risk assessments with third-party assistance to identify potential and/or actual negative human rights risks. This included an evaluation of geographical, economic, and social criteria to determine points in our value chain where risk is highest and where Kraft Heinz could make the greatest impact. In 2022, we will undertake a holistic risk assessment on both social and environmental aspects on our global supply chain in order to prevent or mitigate potential impacts, as well as eliminate or minimise actual impacts. One of the outcomes that is expected is a ranking of our top 10 risks and the associated commodities.

In parallel, we are working with another third-party to improve the traceability of three commodities that we consider to be strategically important, this includes palm oil which currently is 100% traceable to the mill.

On top of these activities, every three to five years, Kraft Heinz conducts a comprehensive ESG materiality assessment, with respective smaller interim updates as appropriate. This assessment allows us to identify and prioritize the environmental, social and governance issues that are of greatest concern to our stakeholders and which impact the success of our business. We re-evaluate these results on an ongoing basis to reflect any changes in standing on these priority issues and allow for the inclusion of new or emerging issues. We treat our ESG materiality matrix as a living assessment based on participant input. We continue to evaluate material ESG issues to our key stakeholders and the respective impact on our business operations across dynamic global markets.

Our investors are engaged on Human Rights and other ESG subject areas through an annual shareholder meeting and regular meetings, both in-person and virtual. We also proactively and reactively engage with NGOs as well as conduct in-person meetings on select issues.

**Management** – This risk assessment influences our management programmes and enables its integration into human rights risk management procedures and mitigation practices. It also allows for continuous engagement with relevant stakeholders and fosters tracking of the overall effectiveness of our risk management programmes.

**Communications** - Kraft Heinz actively communicates the human rights guiding principles and expectations set out in our Global Human Rights Policy to employees, suppliers, business partners and other stakeholders via both disclosure and engagement. The Policy is available internally and publicly via the Kraft Heinz Corporate Website [here](#). When needed, local translation is provided.

**Grievance Mechanisms** - Kraft Heinz is committed to addressing any adverse human rights impacts which we have potentially caused or to which we have contributed, and expect our suppliers, business partners and other relevant stakeholders to likewise ameliorate. Kraft Heinz provides several ways for employees, suppliers, business partners and other stakeholders to raise concerns or complaints. This includes the reporting of potential misconduct to managers, Human Resource professionals, the Legal Department and the Ethics & Compliance team, and our confidential [Ethics & Compliance Hotline \(see below\)](#). Reports from any party received through our Grievance Mechanism or any other medium, are reviewed within 24 hours by the Chief Ethics & Compliance Officer during a preliminary assessment, and further addressed by executive leadership as appropriate. We safeguard anonymous reports and do not tolerate retaliation of any kind. We have not impeded and will not impede the access to state-based judicial or non-judicial mechanisms for any persons raising allegations through our Grievance Mechanism.

Further, Kraft Heinz has a wide ranging suite of policies and resources, as well as grievance and whistleblowing mechanisms, to ensure we can identify and mitigate any potential risk of modern slavery in our operation, and a culture that encourages people to speak up when they feel like something is not right. These include:

1. Kraft Heinz Company Employee Code of Conduct: All employees, officers and directors are required to abide by the company's Global Code of Conduct, which addresses every aspect of our business including anti-corruption, anti-competitive behaviour, data protection and human rights. To ensure compliance with the global code's tenets, Kraft Heinz regularly provides training, communications, and guidance to our employees around the world.
2. The Ethics and Compliance Hotline: The Hotline is open to all stakeholders, including rightsholders, is maintained by a third-party provider and has multilingual staff available 24 hours a day. Reports can be made via country-specific toll-free phone numbers, or online. When a complaint is made, it is reviewed by a member of the Ethics & Compliance team,

classified, and then assigned for investigation to the appropriate investigation team and regions. We have timeline standards and we expect investigations to be concluded in 45, 80, or 120 days depending on severity. When an investigation is concluded we then create a report and inform any relevant stakeholders of the outcome of the matter, our disciplinary recommendations (if necessary), and our remediation recommendations (if necessary). We then work with those stakeholders to implement those solutions. In 2021, we did not have any complaint related to forced labour.

3. Harassment and Discrimination Policy: Kraft Heinz is an equal opportunity employer and provides equal opportunity in all phases of the employment process. Kraft Heinz prohibits any form of unlawful discrimination or harassment.
4. Speak Up and Investigation Policy: All Kraft Heinz employees have an obligation to speak up if they become aware of conduct by a company employee or business partner that they believe, in good faith, may violate any law, regulation, or policy, including the Global Code of Conduct. Kraft Heinz will not tolerate any retaliation against an employee who makes a good faith report of misconduct.
5. Kraft Heinz Safety Process (KHSP): Our framework for health and safety management, ensuring a baseline of legal and regulatory compliance whilst also driving continuous improvement toward world-class performance.
6. Regular training: for all employees regarding Kraft Heinz Company Employee Code of Conduct and grievance mechanisms.
7. LiveWell Program: Our health and wellness platform which underscores our commitment to helping employees achieve optimal health.

**Measuring our effectiveness** – We assess the effectiveness of our actions in several ways, including:

1. Tracking our effectiveness by means of an employee Engagement Survey, providing employees an opportunity to comment on the areas of concern or success in an anonymous fashion;
2. Measuring implementation of health and safety initiatives through internal audits and self - assessment against Kraft Heinz Food Company's standards and best practices. These results are also reflected in Management-by-Objectives KPIs and Factory Championship rankings; and
3. Measuring effectiveness of complaints or grievance mechanisms by using a dashboard to monitor and analyse our investigation metrics, including number of complaints, issue types, complaint locations, substantiations and investigation timelines, measured against our own year over year performance and industry benchmarks.

We will continue to update our policies and procedures applicable to our supply chain as Kraft Heinz, our brands and our supply chain evolves.

We are on a journey of continuous improvement, constantly challenging the status quo. We are dedicated to doing the right thing. We lead with ethics and integrity. We will always strive to do right by our customers, partners, suppliers, and the communities we serve. At Kraft Heinz we actively care about social responsibility and our environment, and seek to create high-quality, responsibly manufactured products.

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