



LINDT & SPRÜNGLI

Lindt UK | Modern Slavery Statement 2023

For the reporting period: 1 January – 31 December 2023

Lindt & Sprüngli (UK) Ltd. (Lindt UK) strongly condemns all forms of slavery and human trafficking and is committed to respecting human rights in our own operations and supply chain.

This statement has been prepared in accordance with section 54 of the UK's Modern Slavery Act 2015. It sets out the steps taken by Lindt UK Limited to address modern slavery and human trafficking in our business and supply chains.

1. Our business and supply chains

Lindt UK is a fully owned subsidiary of the Lindt & Sprüngli Group (Lindt & Sprüngli). Lindt & Sprüngli has been enchanting the world with chocolate for over 175 years. The traditional Swiss company with its roots in Zurich is a global leader in the premium chocolate category. Lindt & Sprüngli produces quality chocolates today at its 12 sites in Europe and the USA. They are sold by 36 subsidiaries and branch offices, as well as via a network of more than 100 independent distributors around the globe. In addition, Lindt & Sprüngli runs around 520 own shops. With more than 14,500 employees, the Lindt & Sprüngli Group reported sales of CHF 5.2 billion in 2023. Lindt & Sprüngli operates an integrated supply chain model with thousands of suppliers globally, and Lindt UK sources its production inputs from a combination of related inter companies and third-party suppliers. Production inputs in the form of goods and services include raw materials, packaging materials and other support services such as warehousing and transport. Lindt UK's supplier base includes local and international suppliers, contractors, and providers. Cocoa and various other key raw materials are sourced directly by Group Procurement and other major production sites of other subsidiaries.

2. Our policies

Lindt & Sprüngli is committed to conducting business in an ethical, legal, and environmentally and socially responsible manner. This is reflected in the following active and publicly accessible Lindt & Sprüngli Group policies:

- The [Lindt & Sprüngli Human Rights Policy](#) (minor revisions adopted in 2023), which articulates our commitment to respect human rights. This entails implementing a due diligence process aimed at identifying, preventing, mitigating or ceasing adverse human rights and environmental impacts throughout the organisation and our supply chain.
- The [Lindt & Sprüngli Supplier Code of Conduct \(Supplier Code\)](#) sets out the requirements expected of our suppliers regarding compliance with laws and regulations, corruption and bribery, social and working conditions, and protection of the environment. The Supplier Code is guided by our commitment to respect human rights, as outlined in our Human Rights Policy.
- The [Lindt & Sprüngli Business Code of Conduct](#) affirms our standards for non-discrimination and ethical behaviour for all employees. In 2022, we integrated our commitment to respect human rights into the Business Code of Conduct. This also makes reference to our Speak



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Up system, an important channel for addressing any Code violations or grievance concerns.

- Our Speak Up Policy outlines how an employee or third party can raise any concerns they might have about suspected misconduct, without fear of retaliation. This is a channel for people to safely state and address their concerns about any suspected misconduct within Lindt & Sprüngli operations, and specifically any violation of the Business Code of Conduct, Supplier Code, laws, or policies under which we operate. Our Speak Up Line is open to individuals, community representatives, and organizations, including potentially or currently affected stakeholders. This embraces, but is not limited to, employees and workers at Lindt & Sprüngli companies, our suppliers and business partners, and community members.

3. Due diligence process in own business and supply chain

Lindt & Sprüngli is committed to conducting ongoing human rights due diligence. The Lindt & Sprüngli Human Rights Policy outlines the scope of our commitment, our salient issues, how our actions to respect human rights and address our salient issues are integrated into our business, our remedy and grievance mechanisms, and governance.

As of 2023, Lindt & Sprüngli conducts risk analyses annually to identify, weigh, and prioritise human rights and environmental risks in our operations and direct and indirect supply chain. The assessment considers the severity (scope, scale, and irremediability) and likelihood of thematic risks, their relevance to business units and supply categories (based on industry knowledge, risk reports, and reported grievances if any), and geographic risks, with input from 27 third-party indices. The assessment of risks is informed by specialty risk assessments, concerns raised through Lindt & Sprüngli's grievance mechanism, and engagement with stakeholders.

There are human rights issues that are particularly relevant to Lindt & Sprüngli's business, industry, and supply chains. Among the broader human rights issues identified, the following are prioritized:

- Access to water and sanitation
- Biosphere loss/deforestation
- Child labour
- Climate change
- Discrimination, harassment, and violence
- Forced labour
- Health and safety
- Land rights
- Living income and wages
- Working hours

Lindt & Sprüngli is a chocolate manufacturer with production operations in well-regulated countries in Europe and North America, distribution operations around the world, and global sourcing. Accordingly, severity and prevalence of our salient issues tend to be greater in the indirect supply chain in the sourcing and processing of goods and services, such as raw materials.

Our actions to respect human rights and address our salient issues are integrated into our business on an ongoing basis, including through the Lindt & Sprüngli Sustainability Plan. Lindt & Sprüngli's responsible sourcing approach considers social and environmental aspects and applies to both direct and indirect sourcing. We set out our expectations in our Supplier Code, which must be acknowledged and signed by our suppliers at the start of our collaboration. In the supply chain, we assess and manage a wide range of salient matters through our approach to



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ongoing supplier due diligence. This includes supplier assessments which result in risk ratings and corrective action plans that comprise labour and human rights topics, including child labour, forced labour and human trafficking (see more below under assessments and audits).

Additionally, Lindt & Sprüngli's responsible sourcing approach includes actions to address modern slavery risks, including programs to reduce the risk of child labour in cocoa farming, and the use of third-party standards for priority raw materials. We have introduced responsible sourcing standards for eight of our twelve priority materials and made significant progress against many, such as 100% of palm oil sourced as RSPO certified. While sustainability programs and third-party sustainability certifications represent enhanced approaches compared to conventional material sourcing, we recognize that further efforts are needed from various stakeholders to resolve the underlying causes of the many social and environmental topics of potential concern. Additional information on our programs can be found in [Lindt & Sprüngli's Sustainability Report 2023](#).

a. Assessments and audits

Under its Supplier Code, Lindt & Sprüngli reserves the right to conduct (or have a third-party conduct) audits of suppliers and their facilities to verify compliance with our Supplier Code. Suppliers defined "at risk" of non-compliance with any aspect of our Supplier Code, including the requirements related to modern slavery, are subject to assessments, audits (through our Supplier Sustainable Practice (SSP) Program) and/or verification visits by independent parties. Based on prioritization derived from a risk assessment, the SSP Program focuses on packaging suppliers in Asia, with an emphasis on social and environmental aspects at production sites. We use the EcoVadis framework to evaluate the sustainability performance of prioritized suppliers of direct and indirect goods and services of all our subsidiaries. In 2023, we expanded the scale of our assessment from 581 to 629 scored suppliers, which represents 56.2 % of our total procurement expenditure across our Group. Within the UK, the EcoVadis framework is used to evaluate suppliers covering 74.8% of addressable spend. The assessment is based on 21 criteria and covers four topics: environment, labour and human rights, ethics, and sustainable procurement. Cocoa sourcing under Lindt & Sprüngli's Farming Program and other sustainability programs is subject to external verification annually by an independent third party.

b. Supplier code of conduct

Lindt & Sprüngli's Supplier Code also requires suppliers to sign a [Compliance Declaration](#), stating that suppliers: (1) have received and commit to fully comply with our Supplier Code and its principles and requirements; (2) agree that Lindt & Sprüngli or a third party may carry out periodic inspections/audits on their facilities; and (3) will communicate effectively the contents of the Supplier Code to their employees, agents, subcontractors and sub-suppliers with whom they work in the delivery of goods and services to Lindt & Sprüngli and conduct due diligence to assure its implementation.

c. Employee accountability

All Lindt & Sprüngli employees are required to adhere to the [Business Code of Conduct](#), which includes compliance with all laws and regulations. The CEOs of the Lindt & Sprüngli Group companies, including Lindt UK, are responsible for ensuring that employees are informed and educated about the Business Code of Conduct.



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Furthermore, the CEOs are expected to enforce strict adherence to the rules and regulations of the Business Code of Conduct. Any failure to comply with this Business Code of Conduct may result in disciplinary action, including the possibility of dismissal and, if warranted, legal proceedings or criminal sanctions. All employees are encouraged to speak up about their concerns if they are aware of or suspect violations of the Lindt & Sprüngli Business Code of Conduct or any law or internal regulation, including any suspicion of knowledge of modern slavery in any part of the business, and we have the Speak Up policy in place at Lindt & Sprüngli to encourage addressing any concerns.

4. Training

As described above Lindt & Sprüngli uses the EcoVadis framework to evaluate suppliers on their sustainability performance and through the platform suppliers receive access to human rights training materials and resources to support them in meeting their human rights commitments. The resources and training include guides on how to develop labour and human rights policies and reports, and whistleblower procedures, as well as training on employee health and safety and child and forced labour prevention. Through the Lindt & Sprüngli Farming Program for cocoa that is implemented by our suppliers, we go deeper into our supply chain by offering training and support for farmers and community members on salient issues (e.g., child labour sensitization). We communicate our Human Rights Policy to new and existing employees with a reference in Lindt & Sprüngli's Business Code of Conduct. A mandatory human rights training course for relevant employees begins rolling out in 2024. The training video introduces the UN Guiding Principles (UNGPs), our commitment and due diligence process, and key topics such as child labour and forced labour.

5. Performance indicators

Lindt & Sprüngli is able to assess the effectiveness of the steps taken to identify, mitigate and prevent modern slavery and human trafficking risks within its business or supply chains by:

- requiring suppliers to sign compliance declarations;
- the number of suppliers evaluated on their sustainability performance;
- the completion of audits;
- continuously improving our Speak Up Line;
- requiring relevant employees and suppliers to undertake training;
- ensuring our Codes of Conduct and other relevant policies and practices are reviewed and updated regularly and communicated clearly to all employees and suppliers.

Approval

This statement was approved by the Board of Directors on:

Name (Director): Dr. Adalbert Lechner

Signature: