

Modern Slavery Act 2015 Statement IREKS U.K. Ltd.

This statement sets out the steps that the IREKS group of companies (**IREKS**) has taken to address the risk of slavery and human trafficking occurring within our businesses or supply chains.

Modern Slavery and Human Trafficking

While this statement has been drawn up and is being published specifically in compliance with the United Kingdom's Modern Slavery Act 2015 (**Act**), our organisation aims to address the risks of modern slavery and human trafficking in their widest sense. Our policies as well as this statement are therefore aimed at any abuses of a person's freedom or rights in a work environment or context that could amount to slavery or servitude. IREKS will not use or allow the use of forced or compulsory labour, slavery, servitude or human trafficking in the course of its business or supply chains. This includes sexual exploitation, securing services by force, threats or deception and securing services from children and vulnerable persons.

Our organisation's understanding of modern slavery extends beyond the definitions of the Act and is influenced both by the UN Universal Declaration of Human Rights and the conventions of the International Labour Organisation, the latter in particular in relation to forced labour, which is the prevalent form of modern slavery. Forced labour includes debt bondage and the restrictions of a person's freedom of movement (for example by withholding that person's identity papers).

Our policies reflect our commitment to acting ethically in all our relationships (whether internal or in relation to third parties).

Our businesses

The group has two distinctive lines of business, namely the production and distribution of bakery ingredients, malt for brewage, flavours for confectioneries as well as the manufacture of soft ice cream machines and ice cream products.

As at the date of this statement, we are not aware of any occurrences of modern slavery in our businesses. We are also not aware of any particular risk of modern slavery being associated with our core business sectors or that the businesses are vulnerable to such risks. We also note that the businesses do not operate in jurisdictions that are generally deemed to have a high risk of modern slavery attached to them.

Our supply chain for bakery ingredients

No instances of modern slavery have been discovered in our supply chain for bakery ingredients and we have no indications that the supply chain is vulnerable to modern slavery.

We source about 90% of the business' raw materials (i. e. the grain for our baking products) from large suppliers in Germany and Europe. These ingredients are harvested and processed by industrialised processes that are visible to and understood by us and we consequently have no general concerns in relation to the relevant suppliers in the context of modern slavery. The aforementioned visibility, however, is not given in relation to the relatively small part of our supply chain through which we source spices and other more exotic ingredients from foreign jurisdictions. We set out below how we monitor and due diligence suppliers in order to mitigate any risks.

Our supply chain for ice cream machines and ice cream products

As at the date of this statement, no instances of modern slavery have been discovered in our supply chain for ice cream machines and ice cream products and there are no indications that such supply chain is vulnerable to modern slavery.

While there are no specific concerns in relation to the provision of raw materials to this business, the business' activities do involve outsourcing and the procurement of goods from third party labour providers. We set out below how we make efforts to elicit compliance with our standards by such providers.

Current policies and due diligence - suppliers

The businesses use supplier questionnaires to ensure contractors and those in our supply chain comply not just with our quality standards but also with our values and ethics. The supplier questionnaire is submitted at the outset of a new supplier relationship. We also regularly monitor our supply markets for hints of modern slavery and human trafficking.

It is our firm policy to question relevant suppliers if pricing levels raise the suspicion that full and legal fair labour costs have not been factored in. Suppliers are required to submit a certificate of conformity in order to demonstrate compliance.

We have a zero tolerance policy in relation to modern slavery and it is consequently our policy to discontinue the business relationship should a supplier be found to be involved in activities or processes that amount to modern slavery.

Current policies - individuals

The group has a general ethics and compliance policy. Every group employee is required to comply with these policies and they are handed out to each employee upon joining. Potential non-compliance by an individual will be pursued and sanctions will be implemented under applicable labour laws.

The following additional actions are undertaken to embed respect for human rights and zero tolerance of modern slavery throughout the organisation:

- appropriate members of our workforce receive training which amongst others covers the subject matter of modern slavery; and
- directors of both the group's holding company and of our subsidiary companies have been briefed (and will continue to be briefed) on the subject.

Reporting and whistle blowing

Any individual who wants to raise concerns re modern slavery can do so confidentially either with their respective line manager (group employees) or with their relevant sales representative (suppliers' employees).

We take pride in our internal culture of trust and confidence. Whistle blowers are assured of both anonymity and confidentiality.

Continued monitoring

We will continue to review risks and policies on a regular basis. This statement will be reviewed annually by our group's legal department.

[signature]

Thomas Ströbel
Non-Executive Director
Bakery Ingredients Division

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Nils Olaf Lewe
Non-Executive Director
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