

Emmi – Modern Slavery Act Statement for 2019

The Modern Slavery Act 2015 requires manufacturers and retailers with a turnover exceeding GBP 36 million doing business in the UK to disclose information regarding their policies to eradicate slavery and human trafficking from their supply chain and within their business.

Emmi is committed to ensuring that neither we, nor any constituent part of our supply chain are involved in slavery or human trafficking. This statement sets out the measures taken by Emmi to identify human rights abuses by stakeholders in order to prevent modern slavery and human trafficking in our business and supply chain.

Our business

Emmi is the largest Swiss processor of conventional and organic milk and one of the most innovative premium dairies in Europe. Emmi is also the leading company worldwide for Swiss cheese. It has for many years pursued a successful strategy based on three pillars: strengthening its Swiss domestic market, growth abroad and cost management. Throughout its corporate history, Emmi's keen awareness of its responsibility to society, animal welfare and the environment has been fundamental to its mission.

In Switzerland, the company focuses on the development, production and marketing of a full range of dairy and fresh products as well as the production, ageing and trade of primarily Swiss cheeses. In other countries, its products – mainly speciality products – are manufactured locally. Alongside cow's milk, it also processes goat's and sheep's milk. Emmi exports products from Switzerland to around 60 countries worldwide. Its business activities focus on the Swiss domestic market as well as western Europe and the American continent. Emmi's customers are the retail trade, the hospitality and food service sector and the food industry.

Policies and Procedures

Emmi maintains written policies to ensure that we are conducting business in an ethical and transparent manner in any part of our business. These include, among others:

- Emmi Code of Conduct
- The General Terms and Conditions of Purchase for Suppliers
- Emmi Rules for Working Conditions

Labels

Labels are important to consumers as they provide a signpost for consumers consciously seeking to buy products with added value. Emmi's Quality Management team currently manages more than 20 labels and their respective rules and standards. They include social and ethical labels such as:

- Fairtrade Max Havelaar (label for fairly traded products)
- Rainforest Alliance Certified (label for products from farms with a social and environmental management system)
- UTZ (certified label for sustainably produced coffee, tea and cocoa)

Due Diligence of Suppliers and Supply Chain

Emmi's supply chains are primarily focused on the sourcing, warehousing, and transporting of raw materials, ingredients and packaging required for the manufacture of our food products globally. It is principally related to the provision of dairy fresh products and cheese. The majority of raw materials (above all milk and fruit) is locally sourced from Switzerland and countries of the European Union. The only raw material purchased in significant quantities outside Europe is coffee. The amount of fruit purchased outside Europe is small and includes primarily tropical fruit like mango, pineapple or papaya. Where possible, we build long standing relationships with local suppliers and make our expectations of business behaviour clear.

All business partners, including but not limited to suppliers of raw materials, ingredients and packaging, are required to demonstrate a clear commitment to protecting the rights of workers worldwide. Emmi avoids purchasing materials from countries where human rights are not fully respected.

Risk based approach: The risks of suppliers are determined using a self-assessment questionnaire with regard to the demands of our code of conduct for social affairs. This includes among others, regulatory compliance and cooperate social responsibility. This approach helps to assess the risks and to take appropriate mitigation measures in accordance with the risk level.

Supplier Certifications: Emmi is committed to ensuring that there is no modern slavery or human trafficking in our supply chain or in any part of the business. The general terms and conditions of purchase for suppliers of Emmi include the commitment of suppliers to comply with the applicable ethical, social and environmental legislation in the broadest sense, including also sub-suppliers. Emmi reserves the right to discontinue the business relationship if the adoption and implementation of the recognized code of conduct for social affairs and the environment is being disregarded (e.g. UN Convention on the Rights of the Child and International Labour Organisation, ILO).

Third Party Audits: Emmi reserves the right to audit suppliers to verify compliance with our Supplier Code of Conduct.

Employees

Emmi has defined rules and procedures on how we treat our employees, including:

- The guarantee to pay a fair salary for their work. Both salaries and working hours are in line with at least the valid legal requirements at the place of work.
- Compliance with legislation, including fundamental rights at work - in particular freedom of association and elimination of discrimination throughout employment.
- The promotion of health and the support of corresponding preventive measures.
- Non-discriminatory places of work. In particular, discrimination on the basis of ethnicity, age, gender, disability, sexual orientation or religion is taboo.

Emmi's HR processes are Sedex-certified. In 2011, Emmi was the first major food manufacturer in Switzerland to successfully complete a Sedex Member Ethical Trade Audit (SMETA) according to the 4-pillar audit scheme. Today, Emmi is a category B member of Sedex.

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Violations

Emmi has zero tolerance to slavery and human trafficking. We expect all contractors to comply with our values and standards. The contractual conditions reserve the right to discontinue the relationship, if the values and standards are violated.

Emmi also requires that all employees always comply with applicable legislation and the company's values and standards during their activities.

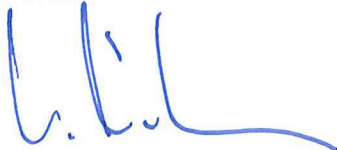
Training for Staff

Emmi incorporates guidance for modern slavery and human trafficking in various training sessions of the company.

Measuring our Effectiveness

Emmi will continue to update and review the policies and procedures regularly and communicate it clearly to all employees and suppliers.

Emmi



Urs Riedener
Chief Executive Officer

Lucerne, June, 17th 2019