

This statement is made in relation to Section 54 of the *Modern Slavery Act 2015* (the “**Modern Slavery Act**”). CP Kelco’s understanding of slavery, servitude, forced or compulsory labor and human trafficking is based on the definitions that are set out in the Act.

ORGANISATIONAL STRUCTURE

CP Kelco UK Limited is an affiliate of the [J.M. Huber Corporation](#), a family-owned company founded by Joseph Maria Huber in 1883 with over 4,000 employees in 20 countries and \$2.3 billion in annual revenue.

The CP Kelco Group (“[CP Kelco](#)”) is a nature-based ingredient solutions company with over 85 years’ experience working with food, beverage and consumer products and manufacturers worldwide. We unlock nature-powered success by applying innovation and problem-solving to develop customized solutions that leverage our regional insights, meet manufacturers’ goals and address consumer preferences. Our key product lines are Gellan Gum, Pectin, Xanthan Gum, Carrageenan, Diutan Gum, Cellulose Gum, Refined Locust Bean Gum and Micro-particulate Whey Protein Concentrate, as well as other unique biopolymers. Our Carboxymethylcellulose (CMC) product line and associated businesses were divested in mid-2020.

The following statement reflects the activities and efforts undertaken to further these efforts for the 2020 financial year.

COVID-19 PANDEMIC

The COVID-19 Pandemic (the “Pandemic”) continues to pose unique challenges to companies worldwide since its inception in 2020 and continuing into 2021.

During the initial phases of the Pandemic, the J.M. Huber Group implemented initiatives to keep employees healthy and to build resilience both physically and psychologically by allowing for remote and flexible work, providing guidance on preventive hygiene and suggestions on how to cope. The company continues to

carefully monitor the effects of the Pandemic on its employees in their various locations around the world.

From the perspective of modern slavery, the Pandemic poses a real concern, giving rise to potential human rights challenges along supply chains since those most vulnerable to the forms of exploitation set out in the Modern Slavery Act work in industries significantly impacted by the Pandemic. Shutdowns, order cancellations, workforce reductions and sudden changes to supply chain structures and can disproportionately affect these workers and increase their exposure to modern slavery and other forms of exploitation including forced labor, debt bondage, human trafficking, and slavery. Understandably, the United Nations Guiding Principles on Business and Human Rights states that companies must continue to operate responsibly and with respect for human rights throughout this crisis. We are fortunate to report that we have not seen any evidence of such concerns either within our group companies nor along our supply chain.

OUR SUPPLY CHAINS

CP Kelco operates in diverse markets globally with equally diverse customer needs. Our supply chains include raw materials obtained from reputable companies worldwide. CP Kelco's established business practices ensure that all employees are confident in their ability to make decisions that allow the organization to conduct business ethically and minimize exposure to serious risk.

OUR POLICIES ON MODERN SLAVERY AND HUMAN TRAFFICKING

The Huber Principles

CP Kelco, as a strategic part of the J.M. Huber Corporation portfolio, adheres to The Huber Principles:

1. Environmental, Health & Safety (EH&S) Sustainability
2. Ethical Behavior
3. Respect for People
4. Excellence

These four ethical pillars define our culture and align with the core values of the Huber family, ensuring that everything we do is for the benefit of our people as well as our customers. They serve as our compass—guiding decisions, motivating employees and ensuring that our company continues to improve today for a better tomorrow.

The J.M. Huber Group also has policies relating to internal grievances, disciplinary issues and whistleblowing. These allow employees to address concerns without fear of retaliation and allow the company to take corrective action.

We are proud that The Huber Principles have helped to stem the potential for modern slavery and human trafficking along our supply chain.

New Code of Conduct

To further support our position on modern slavery and human trafficking, we developed a code of conduct in 2020 with the following key elements:

- **Human rights:** The company supports and respects protection of internationally recognized human rights. The company will ensure that all employees are treated humanely, with dignity and that they will never suffer physical or mental punishment or any other form of abuse.
- **Child labor:** The company does not use, support or benefit from child labor. Huber adheres to minimum age provisions of applicable laws and regulations and we adhere to UN Regulation C182 Convention concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labor.
- **Forced labor:** The company does not use, support or benefit from any form of forced labor. Huber prohibits physical abuse of employees and the use of all

forms of forced labor, including prison labor, indentured labor, bonded labor, military labor or slave labor.

- **Human trafficking:** The company denounces any act involved in the recruitment, abduction, transport, harboring, transfer, sale or receipt of persons within national or across international borders, through force, coercion, fraud or deception. Huber expects all employees to be vigilant and report any acts of slavery and human trafficking discovered during their employment.

DUE DILIGENCE PROCESSES TO PREVENT MODERN SLAVERY AND HUMAN TRAFFICKING

CP Kelco has systems to identify, assess and mitigate and monitor the potential risk of modern slavery and human trafficking along its supply chains. Such steps are particularly important when our first-tier suppliers are located in regions where internationally accepted principles on human rights are not fully accepted.

These involve:

- screening suppliers, distributors, and other third parties for compliance with various laws and for reputational risk;
- ranking our relationships according to risk;
- requiring that suppliers, distributors, and other third parties complete questionnaires in which they disclose elements considered to pose a risk of slavery or human trafficking;
- requiring compliance with applicable laws, and in some cases including the right to audit our suppliers' operations in our contracts.

SUPPLIER ADHERENCE TO OUR VALUES

1. Supplier Code

It is CP Kelco's policy to formally request that all suppliers respect the principles and adopt practices consistent with our Supplier Code and we have a dedicated cross-functional team involving our Legal, Compliance, Human Resources and Procurement

departments to ensure compliance.

We require that suppliers comply with all applicable local laws and regulations as well as all internationally accepted standards anywhere operations are undertaken. Such practice not only reflects our commitment to ethical practice but also to the integrity that enhances all our business relationships. It is a critical barrier to ensure that slavery and human trafficking are not taking place anywhere along our supply chains.

Key elements of the Supplier Code are:

- **Respect for human rights:** no employee of a supplier shall suffer harassment, physical or mental punishment, or other forms of abuse.
- **No discrimination:** no employee of a supplier shall suffer discrimination because of gender, race, sex, sexual orientation, age, ethnic or national origin, religious or personal beliefs.
- **Fair wages:** wages and working hours shall, as a minimum, comply with all applicable wage and hour laws, rules and regulations, including minimum wage, overtime and maximum hours in the country concerned.
- **No forced or compulsory labor:** no employee of a supplier will hold a position because of forced or compulsory labor, and employees shall be free to leave their employment with reasonable notice.
- **No underage workers:** suppliers must comply with International Labor Organization (ILO) standards when employing young workers, meaning that important provisions on how young people enter the work force and on their conditions of employment – such as minimum age of admission to employment, pay, working time, night work and medical examinations, occupational safety and health, and labor inspection – must be upheld.
- **Freedom of association and collective bargaining:** supplier employees are entitled to freedom of association and collective bargaining, where allowable by law.
- **A safe working environment:** safe and healthy working conditions must be provided to all employees of a supplier.

2. Supply Chain Sustainability Team

CP Kelco has a supply chain sustainability team that meets on a regular basis to hone supply chain assessment and auditing processes and evaluate supply chain risks.

TRAINING

CP Kelco provides staff with regular training to ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business.

OUR PROGRESS IN 2020

- We published our Code of Conduct both internally and externally, a key enhancement to our company’s position in response to Child Labor, Forced Labor and Human Trafficking:
<https://www.huber.com/about/the-huber-principles/> <https://www.huber.com/wp-content/uploads/2019/04/JMH-Code-of-Conduct.pdf>
- We restated and rebranded our Ethics and Compliance Program to let employees know that they can and should report any ethical concern without fear of reprisal or retaliation. This includes the production of a “Share your Concerns” guide that provides direction on how to deal with Ethics and Compliance issues.
- We committed to and published a Sustainable Procurement Policy that outlines our obligation to and assurance of the long-term sustainability of our supply chain through established, mutually beneficial partnerships. As outlined in our policy, Huber/CP Kelco will partner with suppliers that recognize and promote human rights throughout their own operations, including safe working conditions for all employees, avoiding exploitation of child labor, and prohibition of forced labor, including human trafficking and modern-day slavery. As a key element of this policy, we also commit to regularly conduct assessments to assess our suppliers’ sustainability performance in these areas. Our suppliers’ ability to meet our policy’s expectations will inform our strategic business decisions regarding supplier partnerships. This policy will be socialized, and all buyers

will be trained on the guidelines and associated procedures through the course of the 2021 calendar year.

This statement is made pursuant to Section 54 of the *Modern Slavery Act 2015* and constitutes the Modern Slavery and Human Trafficking Statement for CP Kelco UK Limited for the 2020 financial year.

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