

# Policy against Modern Slavery

## 1. Purpose and background

The world's food production consists of complex value chains where price pressure and high demand increase the risk of human and labour rights violations. There is also a high degree of manual labour, especially when it comes to the supplying of raw materials, which makes groups such as children, migrants, and ethnic minorities extra vulnerable to human rights violations. Given the complex challenges in our industry, REMA 1000 is committed to conducting sustainable business practices and ethical trade throughout our entire value chain.

### *Modern slavery*

Modern slavery includes forced labour, human trafficking, prison labour, and work subject to fees and other penalties. This means that the work is not of free will and is forced through violence or threats, as well as manipulation of people through fees or withholding of identity documents. The ILO estimates that 16 million people are victims of modern slavery in the private economy, particularly in domestic work, construction, and agriculture (ILO, 2017).

In global food production, forced labour among migrant workers has been a widespread problem, including migrant workers in the tomato industry in Italy and migrant workers in the fishing industry in South-East Asia (ILO, 2021). Complex value chains with many subcontractors, small-scale family production at the raw material stage and seasonal production contribute to violations of human and labour rights, as well as abuse of labour.

## 2. Scope and responsibilities

This document applies to all permanent and temporary employees of REMA 1000 Norge AS and covers the supply chain for our private brands.

The owner of the policy has the overall responsibility and shall ensure that the document is published externally and distributed internally to relevant roles and departments. Managers of relevant units are responsible for ensuring that employees under their management are familiar with the content and established processes that ensure compliance with the principles and requirements of the policy. All managers and others in charge have a duty to report deviations from the principles in the policy.

### 3. Our Policy

REMA 1000 aims to achieve an ethical and fair value chain, that contributes to a positive development for people, society, and the environment. Our Sustainable Business Practice Policy defines requirements for our own business and requirements for our suppliers and their subcontractors.

The foremost requirement for our suppliers means in practice that all work must be voluntary. The prohibition of all forms of forced and modern slave labour is based on our Supplier Code of Conduct, which is our main human rights policy and can be read in its entirety on our website.

REMA 1000 expects our suppliers and subcontractors to refrain from methods that manipulate or coerce people into work. Workers must not be forced, manipulated, or tied to involuntary or prison work, and must be free to leave the work area after working hours and have the opportunity to terminate their employment. Furthermore, employers, recruitment agencies or other intermediaries shall not require deposits or obtain identity papers from employees in connection with employment. Our suppliers are encouraged to pay extra attention to the use of forced labour among migrant workers and enforce these principles in their supply chain.

#### *Preventive and investigative work*

At REMA 1000, we work continuously to follow up suppliers based on risk assessments and due diligence to prevent and uncover serious human rights violations, including modern slavery.

- › We commit to complying with the Norwegian Transparency Act and conduct due diligence in accordance with the OECD Guidance for Responsible Business Conduct. This involves identifying risks of breaches in the supply chain and implementing risk-mitigating measures to ensure that none of our suppliers contribute to a negative impact on people, society, and the environment. We also require our suppliers to carry out due diligence.
  
- › We commit to taking action to reduce and mitigate serious risks. Among other things, we require all our suppliers outside the Nordic region to be members of Sedex, a global cooperation platform for ethical and sustainable trade (alternatively BSCI/SA 8000). Through Sedex, we can risk assess suppliers and monitor conditions at factory level through audits. We also conduct our own supplier visits for verifications and inspection of working conditions and sustainable practices in our value chain.
  
- › We commit to always consider certification schemes for our products. We aim to certify all private label products containing risk-exposed raw materials by 2025, as an important risk-mitigating measure for raw materials that are associated with increased risk of negative impact on people, society, and the environment. Our policy for risk-exposed raw materials sets requirements for which commodities must be certified.
  
- › We commit to working actively to improve the traceability of our products and require our suppliers to provide information regarding the place of production and country of origin of

all raw materials. Transparency and traceability are essential to succeeding in securing and developing ethical and sustainable supply chains.

- › We commit to building strong and reliable relationships with our suppliers so that we can work closely together to ensure ethical value chains, and to have regular dialogue with other stakeholders.
  
- › We commit to integrating ethical trade as an important part of the internal training in REMA 1000, and to work towards contributing to capacity building and training of our suppliers in the field of ethical and sustainable trade.
  
- › We commit to investigate any breaches or suspected breaches of our Code of Conduct and potential negative impact on people, society, or the environment in our supply chain, as well as to contribute to restoration if we have caused, contributed to or been associated with harm or negative impact.

## 4. Attachment

*No attachment.*

## 5. History

The owner of the policy is responsible for ensuring that the policy is regularly evaluated and updated if necessary.

Overview of the most important changes that have been made:

| Version        | Updates/Changes |
|----------------|-----------------|
| Version 2022:1 |                 |