



Arla Foods Modern Slavery Statement

This is Arla's tenth modern slavery statement. It describes the steps we have taken during the financial year ending 2025, to prevent modern slavery (including forced labour) and human trafficking in our operations and supply chains and sets out our priority actions for the next 12 months. Arla aims to provide clear and meaningful disclosure aligned to the UK Home Office statutory guidance on Transparency in Supply Chains, including where we see risk, what we have done, what we have learned, and where we need to improve.

The statement is made pursuant to section 54(1) of the Modern Slavery Act 2015. It is a Group statement made on behalf of Arla Foods amba and its entities in scope, listed below in the 'Our organisation section'. The statement is signed by designated directors. It is published on our website and submitted to the UK Modern Slavery Statement Registry.

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About Arla – who are we?

Arla Foods is a global dairy cooperative, owned by farmers in 7 European countries (UK, DK, SE, DE, NL, LUX, BE), supplying milk and dairy products to customers and consumers around the world. More than 17,400 suppliers deliver to our multiple processing sites and offices across the world, where Arla employs approximately 22,000 colleagues. This briefly illustrates the extent and complexity of our business. For further details about Arla click here:

<https://www.arla.com/company/investor/annual-reports/>

We operate and sell our products globally, and we ensure a culture that upholds internationally recognised human rights. This means that wherever we operate, we represent Arla's firm belief that the human rights of all people must be respected.

We follow the OECD Guidelines for Multinational Enterprises as well as the UN Guiding Principles on Business and Human Rights.

Our Organisation

The companies in which Arla Foods Amba directly and indirectly owns investments are separate legal entities. In this Statement “Arla”, and “we” are sometimes used for convenience to refer to Arla Foods Amba and its subsidiaries in general. These terms are also used where no useful purpose is served by identifying the particular entity or entities.

Relevant subsidiaries of Arla Foods Amba for the purpose of this statement: Arla Foods Limited, Arla Foods UK Plc, Arla Foods UK Holding Limited, Arla Foods Ingredients Felinfach Limited, Arla Foods Ingredients Felinfach Holdings Limited. Arla Foods Limited is the operating company of the UK business, which has its head office in Leeds, UK, and is a UK subsidiary of Arla Foods Amba (who’s head office is in Aarhus, Denmark). It produces and supplies dairy products across the UK and globally, employing circa 3,900 colleagues across 15 sites. The global annual revenues for Arla Foods Amba and Arla Foods Limited are EUR 15.1 billion, and EUR 3.2 billion respectively. Arla Foods UK Plc and Arla Foods UK Holding Limited are the direct UK parents of Arla Foods Limited and have holding company roles.

Arla Foods Ingredients Felinfach Limited is an operating business of the wider Arla groups ingredients business which has its head office in Leeds, UK, and is a UK subsidiary of Arla Foods Amba (who’s head office is in Aarhus, Denmark). The principal activity of the company is the manufacture and trade of whey nutrition products across the UK and globally. The global annual revenue of Arla Foods Ingredients is EUR 1.5 billion. Arla Foods Ingredients Felinfach Holdings Limited is the direct parent company of Arla Foods Ingredients Felinfach Limited and has a holding company role.

Our commitment

We are committed to contributing to social, environmental, and economically sustainable development. Arla’s Code of Conduct ‘Our Responsibility’ is our foundation: it covers the 10 principles of the UN Global Compact and the UN initiative to promote ethical business practices. Together with Arla Foods Human Rights Policy ([link](#)) and other related policies, it guides our behavior and is integral to every business decision made across our company.

We continue to embed our commitment to respect human rights in all business areas and processes and continue to work on implementing human rights due diligence processes and working with human rights impact assessments.

We do not accept forced labour and human trafficking and are committed to acting with integrity and ethically in our corporate activities and supply chain. We specify our expectations to suppliers in our **Code of Conduct for Suppliers and Business Partners** ([link](#)). As a farmer-owned cooperative we also recognise that we need to ensure human rights are respected on our owners’ farms, and we collaborate with farmer engagement and raising awareness.

Our principles for tackling modern slavery both in the UK and globally include:

In the UK, we only use **specified, reputable suppliers** to source labour as this is helping to reduce our exposure. Continuous registration checks are undertaken in line with the Gangmasters’ Licensing Authority (GLAA) wherever applicable to verify the practices of any new agency before engaging with them.

All our Arla processing and production sites delivering to the UK market are registered with SEDEX, an ethical supply chain database. These sites complete required assessment questionnaires every year and are furthermore audited against ethical and human rights standards on a risk-based frequency, usually in the form of SEDEX Member Ethical Trade Audit (SMETA). The SMETA is based on the Ethical Trading Initiative (ETI) Base Code and local UK laws.

It is important to us that we continuously identify risks and areas for improvement and implement follow-up actions. We have a **global modern slavery steering committee** to formalise internal governance on modern slavery risks. We are committed to implementing and enforcing effective systems and controls to ensure forced labour and human trafficking does not take place in our supply chains.

Further the principles include:

- Robust internal data checking processes in the UK. This includes checking of employee bank details and addresses to identify risk areas.
- Our General Membership Terms include our commitment to work against Modern Slavery including forced labour.
- Arla's farm quality assurance programme Arlagården®, which is compulsory for all members, aims to achieve a high level of compliance through bi-annual self-assessments. Arlagården® standards include a strong emphasis on the 'people' element on-farm including working environment, health and safety, accommodation, and rest facilities.
- The 'people' standards in Arlagården® are assessed on-farm by third party auditors in all start-up and re-opening audits.
- Migrant employees in the Middle East retain their passports and identification documents, unless they voluntarily sign a letter of consent requesting Arla to safekeep these.
- Upskilling of our leaders and colleagues about modern slavery.
- As selection criteria our Procurement department asks new preferred suppliers to provide a link to their Modern Slavery Statement.
- We work with responsible purchasing practices and continuously review our suppliers.
- Our confidential whistleblower service is open for all.
- E-learning and training materials related to responsible purchasing behaviour are available from our Intranet
- We promote and follow-up on purchasing compliance and act on non-compliant behaviour

Our expectations

We are committed to respecting human rights and preventing forced labour and human trafficking and acknowledge and embrace our responsibility in all our operations. We expect the same from business relationships (incl. joint ventures, suppliers and contractors) and our employees.

If any of our employees or anyone who has a business relationship with Arla identifies potential cases of forced labour and/or human trafficking within our business or supply chain, we expect them to inform Arla immediately, so we can take action, and we have established procedures in place for reporting such concerns.

Responsible sourcing

As a leading global dairy company, we source goods and services around the world. Since 2000, Arla's procurement has been centralised to ensure common standards and practices, enabling us

to take environmental, social and human rights responsibilities into consideration when selecting a supplier. All suppliers sourced by our procurement department are required, as part of their contractual agreement with us, to comply with our **Code of Conduct for Suppliers and Business Partners**.

This requires our suppliers to e.g.:

- Provide a safe and healthy working environment;
- Respect the rights of children and not engage in or tolerate the use of child labour;
- Not use forced labour and at a minimum comply with applicable laws and industry standards relating to working hours and minimum wages;
- Respect international agreements on human rights

Due diligence and audit of our supply chain

Arla has a global approach to supplier assurance, and our preferred suppliers of key categories (ingredients, packaging, contract manufacturing, and selected services such as facility management) are required to complete a detailed supplier questionnaire covering quality, food safety and human rights standards, among other areas of importance. We have processes in place for audit and assessment of our preferred suppliers and take a risk-based approach to auditing of suppliers using location, sourcing category, and historical performance as some of the selection criteria. Should we identify or become aware of any business relationships not adequately managing their potential or actual modern slavery risk, we follow up and act accordingly.

Progress since the previous statement

The 'Right not to be subjected to slavery, servitude or forced labour (incl. child labour)' is identified as one of Arla's salient human rights. During the year we have continued our general human rights work including annual reporting on this topic.

- We have introduced a child labour policy, aligned with relevant ILO conventions
- We have updated our Global Anti-harassment policy to include specific provisions related to gender-based violence and harassment, psychological abuse and coercive control. This policy reinforces our commitment to modern slavery standards by ensuring all colleagues and workers are protected from behaviours that could contribute to exploitation, coercion, or abusive treatment
- We have conducted training for the Global Supplier Assurance team to strengthen ethical capacity through understanding of key human rights risk areas
- We work in partnership with Stronger Together and apply its standards to proactively identify, prevent and mitigate the risk of modern slavery across our UK production sites and labour supply chains
- We have conducted human rights spot checks in Kuwait, focusing i.a. on the risk of recruitment fees, wages, working hours, and retention of identity papers

Next steps to prevent modern slavery in our business and supply chain

We continually review our efforts in this area; we recognise that this is a complex area that requires continuous improvement to ensure we mitigate the risk of modern slavery in our business. During

the next year we will be taking the following steps to improve our approach to mitigating the risk of modern slavery in our business and supply chain:

- As part of our training programmes we will be introducing a training module for all people managers in our UK supply chain to raise awareness of the risk of modern slavery, recognising signs, reporting mechanisms and supporting potential victims
- Strengthen SMETA audit readiness and compliance at dairy sites through training on ethical supplier management, audit expectations, and access to relevant guidance and tools.
- Updating information material to be available for all colleagues
- Focus on communication on UK production sites to raise awareness in Arla UK.
- Continue annual training and calibration of Arlagarden auditors and all Arla employees working with Arlagarden
- The Global Steering Group will continuously work to embed best practice across all countries where Arla conducts business

Grievance mechanisms

Arla values and respects honest and open communication, and all employees and other stakeholders have the opportunity to raise questions and/or concerns through our confidential Whistleblower Service – ‘EthicsLine’ at arla.whistleblownetwork.net.

Reporting

We will track and communicate progress in our next UK modern slavery statement and in our Annual Report.

*Peder Tuborgh, CEO, Arla Foods amla
Aarhus, May 2026*

*Sebastiaan Padberg, Group Vice President Arla UK
(on behalf of the Arla Foods UK companies listed above)
Leeds, May 2026*