


Allied Mills Responsible Sourcing Policy		POL08		
Issued	3 rd February 2025	Version	2	
Owner	Barry Kelly			

Statement from General Manager

Allied Mills is part of the Milling & Baking Group of Associated British Foods and operates on three sites at Tilbury, Manchester and Belfast. We produce cereal based products, flours, semolina, mixes and co-products for sale into the human and animal food supply chain. We recognise the fundamental importance of supplying affordable products and the responsibility we therefore have as a large business to act with both efficiency and integrity. The following policy, together with other associated documents, sets out our approach to responsible business practice. These documents collectively outline the frameworks through which we will aim to reduce greenhouse gas emissions in our supply operations and the processes through which we respect the wellbeing of both our employees and the rights of people in our supply chains as well as the environment on which we all depend. These policies are living documents which reflect current management practice within Allied Mills. They form an important part of how we articulate our purpose and value to our employees, customers and other community stakeholders. In that context, feedback on our approach is always welcomed and will be factored into our annual policy review process.

Principal areas of focus


As a consequence of our risk assessment, we have identified the following principal areas of focus in the context of this Policy.

Human Rights. Allied Mills recognises its responsibility to respect the human rights of those who work in our supply chain. Issues negatively affecting their rights and working conditions are of serious concern to us. For the purposes of this Policy we refer to the [ABF Group Code of Conduct](#) as the scope of reference to define those rights in focus. This Code is based on the [UN's International Labour Organization's Core Conventions](#) and its [Declaration on Fundamental Principles and Rights at Work](#).

To guide implementation, we refer to the [OECD's Due Diligence Guidelines](#). We are an active member of [Sedex](#) and expect all suppliers within the scope of this Policy to provide relevant information through this platform (or its equivalent). We identify potential areas of risk in our supply chain using the risk assessment tools on the Sedex platform, alongside other sources of information to prioritise areas of focus. Should we find evidence of non-conformance to this Policy, we will act to require our suppliers to address this and use any leverage we can bring to bear to prevent or mitigate the harm, providing remedy where possible.

Deforestation and biodiversity. Allied Mills recognises that deforestation and the loss of High Conservation Value Areas (HCVAs) presents real challenges both now and in the future. We also recognise the damaging impact of biodiversity loss. Allied Mills understands that meaningful change in the way that organisations source raw materials is required to tackle these issues. To that end, Allied Mills supports the principles of the New York Declaration on Forests and of Sustainable Development Goal (SDG) 15 (Life on Land). We are committed to responsible sourcing of our key commodities, and Schedule 1 below outlines areas of risk in this context and where we are working proactively with the aim of driving positive change.

Animal Welfare. Allied Mills only produces foods derived from ingredients of plant origin. Traded Goods do contain a small quantity of dairy products and eggs. We believe in the importance of high animal health and welfare standards within agricultural systems. Our approach to animal health and welfare is governed at a minimum by [ABF's Animal Welfare Policy](#) and as set-out in that policy, our

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sourcing of ingredients derived from animals is guided by the internationally recognised [Five Freedoms](#), i.e., freedom from hunger, thirst and malnutrition, physical and thermal discomfort, pain, injury and disease, fear and distress, and freedom to express normal patterns of behaviour.

Policy Scope and Implementation

Allied Mills aims to work collaboratively with suppliers to assess and manage risk in the context of this Policy. Our business prioritises supply chain intervention based upon a combination of factors, as outlined below:

1. The scope of this Policy includes our principal raw materials, packaging, finished goods suppliers, and services suppliers (including security, cleaning workwear, temporary labour and logistics providers).
2. All in-scope supplier sites agree to provide relevant data about their operations, including through Sedex. This data, together with any associated ethical audit reports, allows us to take a risk-based approach to the identification and management of issues.
3. For the purposes of assessing salient ethical risk associated with in-scope suppliers, Allied Mills undertakes monthly reviews of those suppliers using appropriate independent risk assessment tools on the Sedex platform, which combine inherent country and sector risks together with supplier specific information to highlight potential issues.

As a result of our risk analysis, suppliers may be designated as being 'High Risk' and will be prioritised for enhanced assessment and review, through a combination of more frequent ethical audits and additional supply chain monitoring.


In addition, Allied Mills assesses structural commodity risks, for example those related to human rights, deforestation or agricultural practice, on the basis of a combination of information in the public domain and information received from stakeholder engagement, reports from governmental and civil society organisations, as well as other forms of business intelligence. Commodities that are deemed to present a significant risk in the context of this Policy will be documented in Schedule 1 of this Policy as areas of focus and subject to annual review. Schedule 1 also documents where we are sourcing more sustainable alternatives.

Grievance Mechanisms and Remediation

We encourage our own employees to report any breaches of human rights via our [internal Speak-Up procedure](#).

Workers in our supply chain are encouraged to report any grievances via available grievance mechanisms.

An important aspect of responsible supply chain management is that workers whose rights have been negatively impacted should have access to an effective remedy. If Allied Mills identifies any breaches of the core principles of this Policy, we will investigate and on a case-by-case basis seek to use what leverage we may have over our supply chain partners to provide remedy where possible.

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Policy Governance

This Policy must be formally approved by the General Manager of Allied Mills.

Our Finance Director is accountable to the Senior Management Team for ensuring business compliance with this policy.

An annual review of the content and implementation of this Policy shall be undertaken and presented to the Allied Mills Senior Management Team, including:

- Any relevant learnings from our ongoing assessment and monitoring.
- An assessment of management data relating to all active suppliers.
- An assessment of any new information (such as information from third party organisations). pertaining to potential risks within the supply chain.
- Recommendations on additional areas of focus.

Schedule 1

Our current areas of focus include:

- 1. Paper & Board.** We require all paper and cardboard used to pack or transport our products to be sourced from sustainably managed temperate forests, from suppliers that meet the requirements provided by the Forestry Stewardship Council (FSC), and/or where this is not available, the Programme for the Endorsement of Forest Certification (PEFC).
- 2. Wheat.** The majority of the wheat we use is grown in the UK supplied from over 4,000 farms. We recognise that agricultural practice has a significant role to play in respecting the natural environment, reducing carbon emissions and working towards greater resilience to increasingly volatile weather conditions. Allied Mills is sponsoring a trial programme focussed on assessing the commercial and environmental impact of wheat grown using a range of regenerative agriculture techniques, including nitrogen optimisation, use of cover crops and reduced tillage. We pay participating farmers a premium for their grain and buy up to 10,000 tonnes from them for each year of the trial. The project has positively impacted the environment by improving soil health, reducing inputs to crops, using less energy, reducing carbon and improving biodiversity. The plan is to share the output of this trial programme as part of broader efforts to support other UK farms to adopt management practices that can be shown to optimise the balance between environmental and production efficiency.
- 3. Traded Goods.** Whilst we are not directly purchasing Dairy, Eggs, Palm Oil and Cocoa we expect our suppliers of traded goods to demonstrate that they have the following responsible sourcing certifications / commitments:
 - a. Eggs cage free for 2025.
 - b. Fairtrade Standard for Cocoa.
 - c. RSPO Supply Chain Certified for Palm Oil (mass balance : segregated)
 - d. BM TRADA Responsibly Sourced Scheme Certified Soya (mass balance), from Canada / UK

Signed:

General Manager:

Date:

B Kelly

18/2/25