

# 2023 Milestones Global Human Rights

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**Kellanova**

# 2023 Milestones Global Human Rights

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### Our Commitment

In October 2023, Kellogg Company separated its North American cereal business and became Kellanova, a leading company in global snacking, international cereal and noodles, plant-based foods, and North American frozen breakfast. The name “Kellanova” signals our ambition for the future, building on the strong brand equity and legacy built over the previous 117 years as Kellogg Company. Like Kellogg Company, Kellanova believes that a key to running a good business is doing good for our communities, planet and people. Kellanova is proud to continue the Better Days Promise™ social and environmental purpose strategy set forth by Kellogg Company, while increasing our ambitions with expanded commitments.

Kellanova Better Days™ Promise is our commitment to advance sustainable and equitable access to food by actively addressing the intersection of wellbeing, hunger, sustainability and equity, diversity and inclusion (ED&I). In doing so, we are committed to create better days for 4 billion people by the end of 2030 (from a 2015 baseline).

Globally, we have been working to protect and advance human rights for over a decade. As we have continued to strengthen our work in this area, in our own operations and direct and indirect supply chains, we have had the opportunity to partner with suppliers, industry peers, civil society, investors, and a broad range of stakeholders. We know that we can’t achieve change alone. To tackle issues like modern slavery and forced labor, we need to continue to leverage best practices and support innovative solutions through continued collaboration.

To better communicate our responsibilities, commitments and expectations, our [Global Human Rights Policy](#) aligns with the [UN Guiding Principles on Business and Human Rights \(UNGPs\)](#). By taking a risk-based approach, we strive to ensure we are focusing on issues most relevant to our business and its operations where we can drive the most impact. Building on our global framework, Kellanova is using credible third-party data to further our understanding of these salient risks and identify actions we can take to better prevent, mitigate and remediate adverse human rights impacts. Unsurprisingly, these risks are not dissimilar to those faced by peer organizations who operate in the food, beverage and grocery sector, which is why collaboration is so important to address systemic issues geographically and within specific commodities. This report details our approach to protecting and advancing human rights within our operations and supply chain and outlines some of the key actions we are taking globally in response to identified and potential issues. You can learn more about our work [here](#).

## Policies & External Alignment

Our Global Human Rights Policy highlights salient rights risks within our operations and global supply chain and details our strategy for prevention and mitigation. These risks were identified through a detailed internal materiality analysis and with the support of a third-party consulting firm, ELEVATE. This policy supplements our other foundational policies, the [Global Supplier Code of Conduct](#) and [Policy Statement Prohibiting Involuntary Labor](#), that guide our operations and inform our expectations for supplier and supply chain partnerships.

Furthermore, Kellanova supports all internationally recognized human rights as codified in the UNGPs, [International Bill of Human Rights](#) (including the [Universal Declaration of Human Rights](#)) and the eight International Labour Organization (ILO) core conventions as set out in the [Declaration on Fundamental Principles and Rights at Work](#). As signatories, we are also committed to upholding the ten principles of the [United Nations Global Compact](#) and the [Women's Empowerment Principles](#). We also reference and follow the [OECD Guidelines for Multinational Enterprises](#). Kellanova believes these rights are inherent for all human beings and we acknowledge that they are interrelated,



interdependent and indivisible. We are committed to ensuring our operations do not infringe upon the human rights of others and that, should adverse impacts be discovered, we will seek remediation aligned with our policies, international standards, and the expectations of our customers, consumers and stakeholders.

“From our earliest days, we have been a purpose-driven organization. We’ve long believed and understood that a critical part of running a good business also is doing good for society. Today, as Kellanova, this vision continues to inspire our philanthropy, sustainability and social equity work. We work hard to make sure that our company and our business practices deliver benefits to people, to communities and to the planet. We take very seriously our commitments and our support of the communities we serve. It is the foundation of everything we do.”

– Steve Cahillane, Chairman, President and CEO

### Our Business

Kellanova is a global consumer goods company with manufacturing operations in 20 countries and products marketed in 180 countries.

We work with over 20,000 Tier 1 suppliers. Agricultural commodities — including corn, wheat, potato flakes, vegetable oils, sugar and cocoa — are the principal raw materials used in our products. Carton board, corrugated and plastic are our principal packaging materials.

Our principal products are snacks, such as crackers, savory snacks, toaster pastries, cereal bars, granola bars and bites, and convenience foods, such as ready-to-eat cereals, frozen waffles, veggie foods and noodles. We also steward a suite of international cereal brands.

These foods are sold to retailers through direct sales for resale to consumers. We use broker and distributor arrangements for certain products and channels, as well as less-developed market areas or in those market areas outside of our focus.

Our snacks brands are marketed under brands such as *Kellogg's*, *Cheez-It*, *Pringles*, *Austin*, *Parati*, and *RXBAR*. Our cereals and cereal bars are generally marketed under the *Kellogg's* name. Our frozen foods are marketed under the *Eggo* and *MorningStar Farms* brands. Our international cereal brands include *Kellogg's Frosties*, *Zucaritas*, *Special K*, *Krave*, *Miel Pops*, *Coco Pops* and *Crunchy Nut*, among others.

### Corporate Governance

At the board level, social issues are overseen by the Social Responsibility and Public Policy subcommittee of the Kellanova Board of Directors, which assists the Board in its oversight responsibilities of social and public policy issues.

At the executive level, human rights issues are overseen by the Chief Sustainability Officer, who reports to the Senior Vice President, Chief Global Corporate Affairs Officer. We also engage functions across the business such as Human Resources, Procurement, Environment Health & Safety, and Legal to assess and track our global activities to inform our strategy and actions. Each group is involved in decisions related to issues such as child labor, forced labor, freedom of association and collective bargaining, health and safety, land rights, water and sanitation, and women's rights.

At the daily work level, these topics are managed collaboratively by our Corporate Affairs, Procurement, Legal, Human Resources, and Supply Chain functions.

Accountability is an important aspect of the Kellanova's corporate culture. Our Office of Ethics and Compliance serves as a resource for clarification of Company policy or reporting issues related to ethics and business conduct.

Employees and suppliers are encouraged to contact the Ethics Office without fear of retribution or retaliation. We protect the confidentiality of all reporting sources.



## Risk-Based Approach

We are committed to engaging and partnering with peers, suppliers, NGOs, and stakeholders to find solutions to issues within our extended and overlapping global supply chains. We set clear expectations, seek to drive accountability, and assess potential and actual risk that our operations may cause or contribute to, both directly and indirectly.

Kellanova utilizes a combination of publicly available indices from reputable sources, including [Sedex Radar](#), to assess forced labor risk, and other salient risks, for supplier operations by region and commodity.

- Risk factors include regional location of operations, sector or commodity, degree of salience to industry identified issues, and supplier specific information.
- Targeted facilities are asked to complete a self-assessment questionnaire detailing policies and procedures related to labor practices to identify gaps that could indicate the possibility of, or potential for, human rights abuses or nonconformance.
- Targeted facilities are also subject to audits upon request.
- We primarily use the SMETA audit scheme, which includes on-site worker interviews based on the most recent methodology to determine the percentage of workers interviewed.

### Kellanova high-risk priority ingredients and sourcing countries combinations:

According to [U.S. Department of Labor ILAB](#)



Sugar  
cane

Brazil  
Colombia  
Thailand  
Mexico



Cocoa

Ghana  
Cote d'Ivoire



Palm Oil

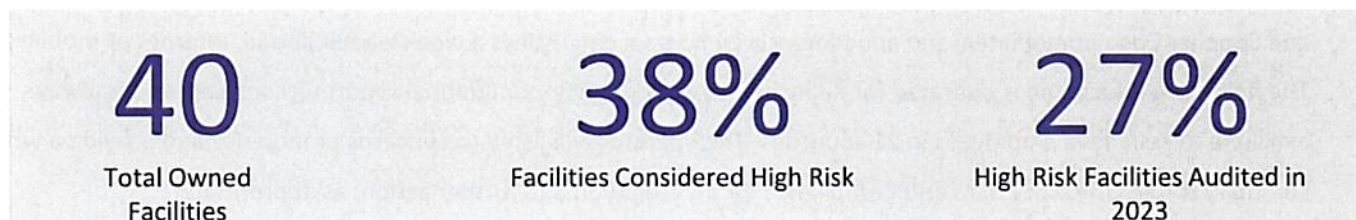
Malaysia  
Indonesia



# 2023 Milestones Global Human Rights

## APPROACH

### Own Operations



In 2023, Kellanova performed annual third-party audits for four of our highest-risk facilities. As part of our ongoing efforts to identify, prevent, mitigate and remediate issues within our own operations, we are committed to expanding our audit capabilities to all our high-risk facilities to ensure continued compliance with internal and international standards of human rights due diligence.

### Supply Chain Operations



As of December 2023, 79% of global in-scope suppliers have registered with the Sedex platform; of those, 79% have registered and linked all Kellanova supplying sites. We have annual goals to maintain 90% in-scope suppliers registered and active on the Sedex platform and 90% of all sites linked. This aids Kellanova to more accurately track Tier 1 supply chain locations and assess current audit status, including open non-conformances or pending actions. In-scope refers to suppliers within the Top 80% spend profile, all high-risk commodity suppliers (palm oil, cocoa, sugar cane), and/or those with high exposure to contract labor.

We are continuing to work with our suppliers to achieve completion of the Sedex Self-Assessment Questionnaire to better assist risk profiling and commodity/country risk exposure.

## Grievance Mechanism – Kellanova Ethics Line

Our Kellanova [Ethics Line](#) offers a confidential way for employees, suppliers, contractors and the general public to ask questions and report concerns regarding ethics, compliance or any other requirements in our Global Code of Ethics and Supplier Code immediately and anonymously 24 hours a day, 7 days a week via telephone, internet or mobile app. The Kellanova Ethics Line is operated for Kellanova by a third-party, confidential reporting company and is always available to Kellanova employees in 21 countries. The operator will listen to concerns or inquiries and provide a written summary to the Office of Ethics and Compliance for investigation and further action, as appropriate.

Regional compliance leaders review and resolve complaints and inquiries consistent with our investigation protocols. All complaints and inquiries are monitored and subject to review at the corporate level. Most investigations can be completed quickly. Our goal is to complete investigations within 30 days. However, completion timelines may vary depending upon additional factors such as the availability of witnesses, etc. Appropriate action is taken based on investigation findings. Lessons learned are leveraged to prevent and detect future misconduct, ensure compliance, and identify any other opportunities for improvement.

### 2023 Kellanova Ethics Line Complaints (as of Dec. 31, 2023)\*

Number of Complaint Tickets Received	580
Number & Percent of Complaint Tickets Closed	460 (79.3%)
Number & Percent of Complaint Tickets Substantiated	148 (25.5%)

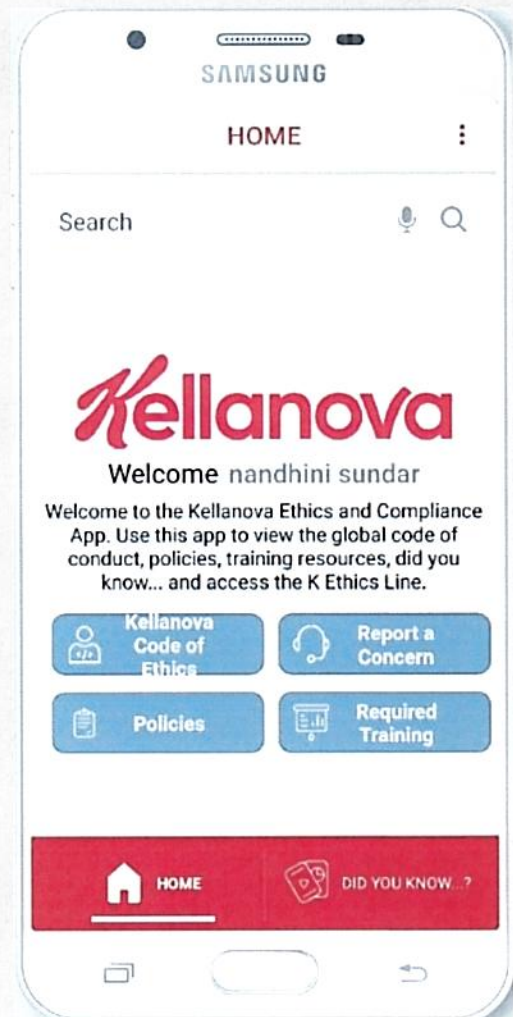
\* No forced labor complaints



In addition to other methods of grievance reporting such as through email, hotline and direct reporting, the Kellanova Ethics Line mobile app allows users to anonymously report issues and track the progress and status of their complaint.

This app is available to anyone.

Aside from the ability to report concerns, the app also provides access to our Code of Conduct, relevant policies, and training courses on various topics.



### Grievance Mechanism – Kellanova Ethics Line

Complaint Topic	# Received in 2023
Accounting, Auditing and Financial Reporting	29
Business Integrity	49
Environment, Health and Safety	79
HR, Diversity and Workplace Respect	403
Misuse, Misappropriation of Corporate Assets	20
Forced Labor	0
<b>Total</b>	<b>580</b>



## ELEVATE Supplier Assessment – 2019-2023

In 2019, Kellogg partnered with [ELEVATE](#), an LRQA company, to develop a comprehensive long-term, data-driven responsible sourcing strategy that addresses salient rights risks within priority Tier 1 ingredient and packaging supply chains. For the first two phases of this program, we concentrated on segmentation and categorization of in-scope\* suppliers and risk assessments for prioritized Tier 1 supplier sites.

Based on the initial segmentation results that identified 46 priority sites, Kellogg and ELEVATE partnered with 16 suppliers representing 27 site locations to administer four types of risk assessments. Overall, 30 assessments were deployed. The type of assessment administered was chosen based on criteria such as geographical location, primary facility operation, migrant worker presence, and inherent social risks. These assessments included:

- Worker Voice Survey:
  - Worker Sentiment Survey, or
  - Critical Issues Survey
- On-site Social Assessment – ELEVATE Responsible Sourcing Assessment (ERSA)
- Child Labor Self-Assessment Questionnaire (SAQ)

Our goal of the program was to partner with our Tier 1 suppliers to gain a deeper understanding of potential and actual human rights risks present within our direct supply chain. By using assessment types that focused on targeted information related to inherent social risks, we sought to go beyond standard audit data collection and achieve actionable insights to address issues that directly affect workers on site.

The assessment ran primarily from November 2020 through April 2021, with full site completion by the end of 2021. For results and analysis, please see our 2020 Human Rights Milestones report [here](#).

*\* Top 80% global spend suppliers plus all suppliers within high-risk categories for cocoa, palm oil, and sugar cane*

## ELEVATE Supplier Assessment – 2019-2023 (cont.)

In 2022, we kicked off phase three – remediation and capacity building – with participating supplier sites. During this phase, supplier site representatives had the opportunity to work with the Elevate team on issues identified during the assessment process. The goal for the remediation and capacity building engagements was to help each site understand the results of the specialized assessment, build internal capacity to manage and further investigate risks, remediate identified issues, and implement effective preventive actions to mitigate future risk.

Opportunities for remediation were identified at all 27 sites. These opportunities were addressed in multiple ways, including evidence reviews, assigned e-learnings and capacity building. Each site received a slide deck with an overview of its specific results and an overall score from 0 – 10. A time-bound action plan also was created for each site to inform root cause analysis and corrective actions, plus deadlines for actions. Project plans were completed for 21 sites, plans were incomplete for four sites, one site only completed the results discussion, and one site cancelled its participation.

The remediation phase concluded at the end of 2022.





## ELEVATE Supplier Assessment – 2019-2023 (cont.)

In 2023, we further advanced the program, from initially focusing on “priority” site to “moderate” sites. This included nine additional Tier 1 suppliers across four countries, engaging over 900 workers. Three specialized tools were included, including a labor risks survey, critical issues survey and ERSA critical issues assessment.

A project plan template was created for each site to address survey/assessment findings. Capacity building calls were then held with each site. These formed the basis of a root cause analysis and informed site-specific corrective and preventative action plans. CAP managers approved the corrective actions and reviewed supporting evidence to close out open issues.

Each site was assigned elearnings based on the specific extreme and high-risk findings identified in the survey/assessment findings. Suppliers were expected to complete their elearnings on LRQA’s learning management system before develop the above CAP plans..

Overall, the work was well-received by suppliers. In the future, ELEVATE recommended that we identify points or another system to incent supplier participation and that we conduct a deeper dive into the supplier engagement practices of suppliers who are more challenging to work with. ELEVATE also recommended Kellanova engage more fully with cooperative supplies to understand and learn from their processes.



As part of our [responsible sourcing](#) goals for our priority ingredients, we directly invest in Kellanova's Origins™ programs with farmers to remedy salient, adverse human rights impacts in the agricultural portion of our supply chain. This section provides 2023 case studies from Kellanova's Origins™ created to promote and protect human rights at origin. Where relevant, these programs also provide funds or technical assistance to promote farmers' climate resilience and restore local ecosystems through improved agricultural practices.





## Sultanas in Türkiye

Every summer, tens of thousands of seasonal workers migrate across Türkiye to work in agricultural production. They travel as families, moving from crop to crop for six to eight months each year, harvesting in the fields. It is common for children to work alongside their parents, contributing to the household income – but at great cost to their own development.

In 2020, Kellogg joined the Fair Labor Associations’ (FLA) [Harvesting the Future Project](#) (HTF) to advance our work in addressing human rights issues at origin and support the responsible sourcing of sultanas originating in Türkiye.

The Harvesting the Future (HTF) project grew from a vision to bring about far-reaching change in child protection and responsible recruitment to field workers by pursuing a “multi-sector, multi-stakeholder, and multi-geography approach.” Companies that wanted to support meaningful and sustainable change for workers but were limited in creating a large-scale impact working on their own, joined forces through this project.





## Sultanas in Türkiye (cont.)

During 2020 we worked together with FLA to engage our suppliers in the project and commence the supply chain mapping and risk assessment process. Two of our sultana suppliers were already active in the project prior to us joining and have been involved from the start. Two additional sultana suppliers joined with Kellogg support. As a result of Kellogg Company's and others' partnership, the project has been able to engage with eight of the most prominent sultana suppliers in the region. Companies and suppliers, through risk assessments at the farm level, developed a shared commitment on six priority issues: child labor, including the risk level for various commodities; hazardous work by young workers; informality of employment relations; excessive working hours, including for children; lack of payment of minimum wages; and lack of access to basic services, such as water, hygiene, sanitation and child protection.

In June 2021, the HTF project kicked off Phase 2. Running through the end of 2023, this phase builds on the assessments carried out during Phase 1 and focuses on areas that were identified as high priority:

- Child protection and child labor remediation
- Elimination of hazardous work for workers under age 18
- Access to basic services for seasonal migrant families in agriculture
- Responsible recruitment
- Grievance mechanisms



### Sultanas in Türkiye (cont.)

#### Phase 2 Project Highlights – June 2021 – December 2023

- Online trainings were delivered to 48 members of the supplier teams on worker rights in agriculture and internal monitoring processes.
- Field visits during the harvest season provided further risk assessment and internal monitoring support by FLA's regional implementation partner.
- 12 trainings on decent work principles were delivered in seven cities reaching 204 members of the Agriculture Chamber.
- Project teams organized three meetings for project partners and three commodity-based (hazelnut, sultana, and spice) working group meetings.
- Participants continued to improve their capacity to tackle core labor rights challenges such as child labor.
- Companies increased coordination and implementation of responsible recruitment principles and child protection programs in their supply chains.
- Specifically in 2023, 422 farmers were involved in pilot projects established to address child labor remediation, farm level monitoring, responsible recruitment, health and safety and grievance and living wages.
  - Across all farmers, progress was made toward child labor remediation, farm level monitoring, access to health and safety and responsible recruitment.
  - No progress was yet made on grievance mechanisms and living wage, so these will be the focus of subsequent efforts.

### AIM-Progress

In 2023, Kellanova funded two projects with AIM-Progress to directly support our Human Rights Due Diligence Supply Chain work.

1. AIM-Progress, Kellanova and 11 other member companies began a three-month child and forced labor prevention supplier capability building initiative and launch child labor remediation guidance for more than 600 US supply chain partners. Supply chain partners including co-packers, co-manufacturers, labor providers and service providers will receive training via webinars or online. The goal of the training is to support supply chain partners to adhere to applicable labor laws, recruit labor responsibly and minimize risks of forced and child labor.
2. Kellanova is also supporting AIM-Progress/Embode capacity-building training to prevent/mitigate/remediate the payment of recruitment fees of foreign migrant workers in our operations and supply chains. Embode will work directly with two labor providers and one logistics supplier to develop and enhance current processes.

### ASACAM/Verite

Also in 2023, Kellanova partnered with five other CPG companies on a one-year initiative to support Verite's development of a user-friendly, actionable mobile program to help ensure sugarcane cutters are protected against recruitment fee payment, have official contracts and are fully compensated for their work. The project also supports the deployment of on-the-ground field supervisors.

We have been members of ASACAM (the Alliance for the sustainability of the Sugarcane Agroindustry) in Mexico since 2019. The working group works directly with the government, mill collectives and workers unions. ASACAM was convened in recognition of the need for sugarcane producers, processors and buyers to establish a common agenda to help ensure industry sustainability in Mexico by collectively addressing the unique opportunities and most salient issues in the country.



## Moving Forward

As we continue our responsible sourcing journey and work to embed human rights due diligence into our operations and supply chains, we will continue to build awareness and share best practices regarding salient human rights issues. We remain committed to furthering our efforts to increase visibility and transparency into the lower tiers of our highest risk areas and commodities.

We will continue to seek partnership with our suppliers, peers and civil society to mitigate, remediate and prevent adverse human rights impacts within our value chain.

We know that the tools to build a sustainable and ethical supply base are often found through activities deemed to be “beyond compliance.” We will strive to increase our efforts through robust policies and procedures to support the fair and appropriate representation of all affected stakeholders.

## CGF Priority Industry Principles On Forced Labor

Kellanova supports the CGF Priority Industry Principles on Forced Labour for both our own operations and those of our suppliers. As with other policies, we require the dissemination and adherence of these principles throughout our supply chain.




## External Membership

- [AIM-PROGRESS](#) – Leadership Team and Responsible Recruitment Work Group Co-Lead
- [Consumer Goods Forum \(CGF\)](#) – Multiple work groups including the Coalitions for Human Rights/Forced Labor and the Sustainable Supply Chain Initiative (SSCI)
- [Roundtable on Sustainable Palm Oil \(RSPO\)](#)
- [North American Sustainable Palm Oil Network](#)
- [United Nations Global Compact \(UNGC\)](#)
- [United Nations Women’s Empowerment Principles](#)
- [SEDEX](#)
- [Palm Oil Transparency Coalition](#)

## 2023 Milestones Global Human Rights

Approved by Directors June 2024

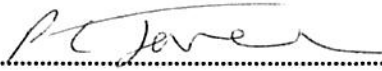
**Kellogg Marketing and Sales Company (UK) Limited**

  
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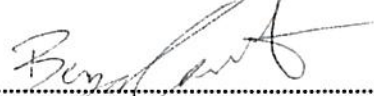
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**Kellogg Management Services (Europe) Limited**

  
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Print Name: BEN LAMENT

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