



## ***Modern Slavery Statement 2020/2021***

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### ***Introduction:***

The UK Modern Slavery Act, 2015 (MSA) requires businesses to state the actions taken during the financial year to ensure modern slavery is not occurring in their operations and supply chains. In the Silver Spoon Company (SSC) we are fully committed to playing our part in preventing modern slavery in our business and supply chains.

Modern slavery encompasses slavery, servitude, human trafficking and forced labour. The SSC has a zero-tolerance approach to any form of modern slavery. We support transparency and collaboration to eliminate the risks of modern slavery. We have effective systems in place to safeguard against any form of modern slavery taking place within our business or supply chains.

This slavery and human trafficking statement for the financial year ending September 2020 and it is made in compliance with the MSA. It sets out the steps taken and continues to take by SSC to prevent modern slavery and human rights infringement within our business and supply chains.

Since the Act came into force in 2016, we have gained more insights into the risks and trends relating to modern slavery we continue to implement to strengthen our due diligence approach as a result.

Over the past year –

- We have provided training to more colleagues and suppliers to facilitate the identification of modern slavery issues and actions to be taken to prevent the risk of modern slavery and human trafficking from occurring
- Enhanced our due diligence programme and reporting
- Undertaken a review of our human rights risks in support of our procurement and outsourcing practices
- Obtained greater visibility across our supply chain

Our business activities centre around the sourcing and supply of grocery food products for retail and food service in own brand and customer brands.

Going forwards, we plan to develop our due diligence approach further in order to manage the risks of modern slavery within our business and supply chains whilst considering the mitigation in the unlikely event of breaches being identified.

***Our business and supply chains:***

We supply ambient stabled products across the grocery sector in our own brand and in customer own brand. We have two manufacturing facilities in the UK –

- Wheat milling and flour packing – Alinson Flour mill
- Sugar processing and packing of syrups, glace fruits and special sugar products - Bardney Syrup Plant

We outsource the manufacturing and packing of some of our products across the UK and Africa where we work in partnership with third party suppliers. We endeavour to work in partnership as much as possible to have positive impact and opportunities for people where we operate, creating jobs and opportunities.

Modern slavery is tough to find and it is indiscriminate. It can happen anywhere and it is often difficult to find. Our commitment to human rights is embedded in our Code of Practice for Sourcing with Integrity. We utilise over 110 production sites and suppliers in over 19 countries employing in excess of 30,000 staff.

To gain understanding of what is going on when we are not physically present there, we require suppliers to undertake third party approved social systems audit such as SMETA. The audit is carried out on an un-announced basis by third party ethical auditors from an approved social systems audit organisation. Through this type of audit, issues are identified through worker interviews and observations made during the audit. Furthermore, we engage with our suppliers to find realistic solutions to the issues affecting workers at the sites. Ethical audits are good at capturing issues such as health & safety and wage discrepancies' and as such serve a vital purpose in the programme.

Independent, confidential hot lines are installed within our facilities and we require the same to be installed in our third-party facilities.

The Silver Spoon Company is a member of “Stronger Together”, a multi-stakeholder business-led initiative with the aim of reducing modern slavery and other hidden third party exploitation of workers. Modern Slavery risks are generally not readily apparent or seen. They rely on direct feedback from workers and this enables us to get a better knowledge of how workers are treated in the workplace and how they feel.

***Policies in relation to modern slavery:***

In our approach, we incorporate internationally recognised declarations such as –

- UN Universal Declarations of Human Rights
- ILO Declarations on Fundamental Principles & Rights at Work
- The UN Guiding Principles on Business & Human Rights
- The Base Code of the Ethical Trade Initiative (ETI)

Our COP for Sourcing with integrity outlines our expectations for our colleagues, business partners and suppliers. We have a publicised confidential telephone line to enable issues of concern to be raised at any time. Further down the supply chain where we do not have direct commercial relationship, we encourage our direct suppliers to communicate and work with their suppliers to ensure that there are no breaches to our COP.

***Governance:***

Our policies and procedures incorporate internationally recognised human rights standards. We conduct regular reviews and monitoring to ensure that there is conformance in the supply chains. Our ethical compliance programme is led by Head of Technical & Ethical Compliance. Governance and progress monitoring sits with the Ethical Compliance team and reviewed with the Human Resource Director and the Sourcing Director. We update the dashboard to the Board of Directors periodically. We expect our suppliers to monitor and enforce standards in their own operations and supply chains.

***Ethical Compliance Due Diligence:***

We have due diligence processes in place for identifying and mitigating the risks of any modern slavery or human trafficking taking place in any part of our supply chains and business operations. We share our Policies with our direct suppliers with a fundamental requirement that they in turn communicate the requirements to their own supply chains.

One of our approaches is to undertake regular monitoring for indications of any form of slavery or human trafficking and whether we have sufficient controls in place. Information gathering through direct engagement with suppliers and other stakeholders is undertaken by our ethical compliance and responsible sourcing teams. The information is used for risk assessments and planning of mitigation should issues arise. As soon as discussions commence with potential suppliers, checks against our standards are carried out including physical site visits as part of knowledge building of the prevailing activities.

The risks of modern slavery are constantly changing, as a result we review and improve our approach to ensure we are doing all we can as a business to prevent modern slavery or human trafficking taking place in our business and supply chains. We are committed to taking appropriate actions to remediate potential human rights issues when identified

**Framework:**

- Establish perspective of direct suppliers (Tier 1: T1) of goods and services. Our starting point is to engage with reputable suppliers. We engage with suppliers to ensure that they will adhere to our ethical standards. We are prepared to take actions if we find suppliers who do not wish to adhere to our values and the way we work.
- Risk assessment to determine priorities based on risk level
- Identify process for risk mitigation
- Training and communication
- Improvement to working conditions on sites where we have direct leverage.

**Our Operations:**

Within our business, all employees are core workers, permanently employed. We believe that the greatest risks of modern slavery and human trafficking lie with temporary/Agency workers. We have provided clear guidance to our Sourcing colleagues highlighting our requirements and watch-out when engaging with suppliers.

To ensure we mitigate this risk, one of our approaches involves engagement with employment agencies in order to understand how recruitment is managed. We have not established any cases that would be classed as modern slavery or human trafficking. From third party ethical audits, a number of non-conformances which can be classified as “labour abuses” were identified and addressed.

**Risk assessment:**

We analyse our risks from point of view of goods, services and country of origin. Majority of our suppliers are based in the UK but, we also sourced from countries rated as high risk e.g. China. Taking the following factors into consideration –

- Supplier risk assessment
- Country of origin from where we source products and raw material
- Human rights and trafficking risks
- Understanding of labour rights
- Industry
- Type of work
- Horizon scanning to gather information about emerging risks

All direct suppliers (T1) are required to undertake unannounced social standards audit at a frequency commensurate with our risk assessment results. The audits are carried out against best practice international standards as set out in the ETI Base Code.

During 2020/2021, 169 non-conformances were identified of which 37% were associated with labour and welfare standards and 45% with health & safety. Suppliers are required to ensure all non-conformances are closed out and we provide support to address the issues. We use supply chain maps to obtain visibility and transparency beyond our direct T1 suppliers.

Engagement with stakeholders to understand modern slavery and human rights risks and the steps required to tackle them. Targeted training for colleagues who have direct contact with suppliers and workers in our supply chain

**Raw materials:**

Audits alone cannot resolve endemic issues such as modern slavery. However, it plays a vital role in ensuring minimum standards are met. Palm oil used in production, chain of custody certification by the RSPO is in place. Some of the Cane sugar imported for packing is Fairtrade certified. The Fairtrade Standard addresses slavery through areas such as child labour, forced labour and workers’ rights. Eliminating modern slavery is addressed within Fairtrade Producer Standards and Fairtrade Trader Standard.

***Progress monitoring against commitments made in 2019/20***

<b><i>Aim</i></b>	<b><i>outcome</i></b>
Training & awareness raising in the supplier base	Commenced but delayed due to the pandemic shut down
SMETA audits – timely close out of non-conformances established	Own operations – achieved Direct suppliers – partially achieved. Progress delayed due to suspension of physical presence on sites
Risk assessment of supply chains	Commenced. 62% of supply chain maps have been prepared and utilised in risk assessment of the supply chains
Stronger Together	Engagement has commenced with training and assessments using Stronger Together tools. Score from self-assessment report - 34%

***Plans for 2021/2022***

There will be more focus to ensure that the non-conformances raised during SMETA audits prior to the pandemic shut down are closed off correctly.

We will engage with suppliers through integrated site visit assessments

We will endeavour to partner with stakeholders as appropriate in order to help address global challenges on modern slavery and trafficking and drive changes in our supply chain

We will incorporate the results from the Stronger Together self-assessment report with the aim of addressing as much of the areas of weakness affecting the score.

The SSC Board of directors approved this Modern Slavery Statement and it is signed by the Managing Director on their behalf

A handwritten signature in black ink, appearing to be 'M Brewis', written over a horizontal line.

Martin Brewis

***Managing Director***

Date: 6/7/21