

**VALEO CONFECTIONERY LIMITED's**

**MODERN SLAVERY STATEMENT**

**covering the period 1 April 2022 to 31 March 2023**

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## **1 Message from Kevin Moore, Chief Executive Officer**



This is Valeo Confectionery Limited's Modern Slavery Statement covering the period 1 April 2022 to 31 March 2023. It sets out the steps we have taken as a business to combat modern slavery and human trafficking, measuring our progress against identifiable KPI's. We are committed to improvement and will continue to develop our strategies to tackle this serious issue and prevent slavery or trafficking from occurring in our operations and supply chains.

This year Valeo Confectionery Limited has reinforced its commitment to eradicating modern slavery and human trafficking from its business and its dealings with suppliers including (but not limited to) the following actions:

1. policies encompassing human rights applicable to suppliers and employees have been rolled out;
2. we have moved to one agency for the supply of temporary labour which is audited regularly and takes other steps to ensure modern slavery is not occurring which are set out in this statement; and
3. rolled out annual refresher training for all staff to ensure that the issue of modern slavery is fore front of mind when dealing with our colleagues or entering into or renewing supply contracts.

Valeo Confectionery Limited is opposed to modern slavery at any level and our zero-tolerance approach recognises the responsibility that we share with our suppliers to tackle hidden labour exploitation. We expect and maintain the highest standards from our staff and anyone with whom we do business.

## **2 Introduction**

This statement is made pursuant to Modern Slavery Act 2015 by Valeo Confectionery Limited ("Valeo Confectionery" "we" "our" "us"). It outlines the measures Valeo Confectionery has taken to assess and reduce the risk of slavery and human trafficking occurring in our business or supply chains in the financial year 1 April 2022 to 31 March 2023. It also outlines our commitments to continue to reduce the risks in our financial year commencing 1 April 2023.

## **3 Organisation's structure**

Valeo Confectionery is a private limited company registered in England and Wales with company number 02025064. It is owned by the Valeo Foods Group and is a UK manufacturer of sugar and chocolate confectionery. Valeo Confectionery employs more than 1200 people in the UK and has in excess of 870 active suppliers.

## **4 Our Supply Chains**

Valeo Confectionery operates a supplier policy and maintains a preferred supplier list. We conduct due diligence of suppliers before allowing them to become a preferred supplier and request that they are SEDEX registered and as such conform to all elements of the ETI (Ethical Trading Initiative) requirements set out in section 5.4 below. On site supplier audits are also carried out when deemed necessary.

At the date of this statement, Valeo Confectionery has no issues with any of its suppliers or other bodies representing workers that should be disclosed pursuant to the Modern Slavery Act 2015.

## **5 Our Policies & Memberships**

Valeo Confectionery has several policies and/or procedures in place to help it combat modern slavery. When contracts are updated, renewed or when new suppliers are engaged, they are contractually required to comply with the provisions of the Modern Slavery Act 2015 and our applicable policies, as appropriate.

#### 5.1 Supplier Code of Conduct

This Policy covers issues such as human and labour rights, health and safety and ethical business practices.

Where any non-compliance issue is identified, we require our suppliers to address it and reserve the right to terminate our relationship if this is not done satisfactorily.

#### 5.2 Employee Code of Conduct

This sets out our internal standards, expectations and accountability.

It incorporates an understanding of the risks of modern slavery and human trafficking within our business and supply chains.

The Code of Conduct is available to employees via our intranet and any updates are communicated to employees as appropriate. Employees who breach our Code of Conduct and any related policies may be subject to disciplinary proceedings.

#### 5.3 Whistleblowing Policy

We have an external whistleblowing service, Safe Call, which allows employees an anonymous route for reporting any concerns.

#### 5.4 SEDEX membership

Valeo Confectionery is an active member of SEDEX (Supplier Ethical Data Exchange) a not-for-profit membership organisation and is required to undertake regular, semi-announced audits based on the ETI (Ethical Trade Initiative) Base Code which is founded on the conventions of the International Labour Organisation and its internationally recognised code of labour practice.

#### 5.5 Governance

Responsibility for the preparation of our Modern Slavery Statement sits with our legal team and is approved by our board of directors. The Procurement, Technical, Operations & HR teams are responsible for carrying out the implementation of all applicable policies and procedures.

### 6 Due diligence

The following form part of our due diligence procedures:

- we are an active member of SEDEX which offers a simple and effective way of managing ethical and responsible practices in supply chains;
- appropriate contractual obligations with our supply chain;
- we carry out risk assessments and if any risks are identified, follow-up audits are carried out together with supplier education;
- questionnaires to suppliers with a thorough investigation of responses or procedures conducted where necessary;
- our direct supply chains include the sourcing of raw materials and finished goods from our co-manufacturing partners who are selected for their high ethical standards (and other factors).

## 6.1 Procurement Process

Our technical team with support from our procurement team ensure that efficient, accountable, transparent and ethical practices are applied to acquire the materials and products that our business requires. Due diligence is completed before engaging with a supplier which may include a site visit and auditing of working conditions and:

- initial supplier self-assessment of ethical and environmental aspects;
- SEDEX membership checks ;
- risk assessment and follow up audits if necessary;
- compliance with our policies;
- financial review; and
- annual cross-functional review of supply chain risk.

Our existing tier 1 suppliers are subject to an annual review of supply chain risk which enables us to monitor changes and highlight any areas of concern for further investigation and follow up with the individual supplier.

## 6.2 Risk Assessment and Management

The following groups of workers have been identified as vulnerable to the risks of modern slavery and Valeo Confectionery's HR Team is trained to be mindful of this when dealing with workers who fall into one of these categories:-

- migrant workers;
- minority groups; and
- contract, agency and temporary workers.

Our HR team is trained to be aware of other indicators of modern slavery such as someone who doesn't have their own passport, someone who is withdrawn/frightened or someone who has little control over their finances/who has no access to a bank account. The key consideration is awareness of the potential warning signs. If a concern is raised to us, the matter would be immediately referred to Valeo Confectionery' HR Director who may contact the police, home office or any other body as appropriate.

Valeo Confectionery has several pre-emptive measures in place including:

- we do not accept any communication through a third party on behalf of an employee;
- we do not pay an employee's salary into a third-party bank account;
- we will not raise a cheque in another person's name even if requested by the employee;
- we will not process any application for employment or issue a contract of employment unless the employee has an address;
- we do not prevent membership of a union or representative body; and
- we have in place easily accessible grievance procedures available to all employee and workers.

Other high risk areas identified are raw materials sourced internationally via agents. Risks are controlled by ensuring that all agents evidence that their suppliers are compliant with the ETI requirements.

## 6.3 Supplier relationships

Valeo Confectionery' Head of Procurement is responsible for supplier relationships. If there are concerns over performance, this individual will decide whether to continue to do business with the relevant supplier and take any further appropriate action which may include (but is not limited to) the following:

- reporting concerns to the appropriate authorities;
- more frequent audits; and
- termination of the supplier relationship.

## 6.4 Audit Programme

Audits are principally conducted by Valeo Confectionery' Technical Team.

During the period covered by this statement, we moved to 1 agency to supply all our temporary labour requirement, which is audited every 6 months by the Valeo Confectionery's HR Team, and twice per year our HR team conducts interviews with a cross section of the agency's temporary workers in accordance with its SEDEX membership asking questions pertinent to modern slavery such as how their work was chosen and pay related questions. Before this, our HR team regularly conducted audits of all our recruitment agencies from where temporary staff were supplied which included a verification that the agency provider has developed and implemented a "tracking modern slavery policy" detailing the processes it will take to prevent forced labour.

As part of our SEDEX membership, and our conditions of supply with several of our key customers, we are required to undertake regular semi-announced SEDEX Members Ethical Trade Audits (SMETA).

All suppliers are required to complete the Valeo Confectionery Supplier Questionnaire and Risk Assessment every 12 or 18 months depending on risk. If a supplier is not SEDEX registered such supplier will automatically be considered high risk and must provide documentation to Valeo Confectionery to demonstrate it has conducted due diligence with its suppliers.

As a SEDEX member ourselves, we are also subject to SEDEX audits. A full audit was carried out during the period covered by this statement. Our Technical Team addressed any issues raised and will continue to ensure any recommendations are actioned.

## 7 Key Performance Indicators

To monitor the effectiveness of the steps that we have taken to combat modern slavery and human trafficking in our business and its supply chains, we use the following key performance indicators ("KPI's") during the period covered by this statement:

No.	KPI	Period covered	Percentage achieved or narrative on compliance
1	Risk assessments of tier 1 suppliers.	1 April 2022 to 31 March 2023	100% achieved
2	Due diligence is completed before engaging a new supplier.	1 April 2022 to 31 March 2023	100% achieved
3	Audit of HR agencies to ensure each has developed & implemented a tracking modern slavery policy.	1 April 2022 to 31 March 2023	100% audits achieved
4	Regular semi-announced SEDEX members ethical trade audits (SMETA).	1 April 2022 to 31 March 2023	100% audits achieved
5	All suppliers complete a Valeo Confectionery questionnaire & risk assessment every 12 to 18 months.	1 April 2022 to 31 March 2023	100% questionnaires and assessments completed
6	All employees receive modern slavery training during induction.	1 April 2022 to 31 March 2023	100% compliance
7	All employees received annual modern slavery update training.	1 April 2022 to 31 March 2023	89% compliance
8	Modern Slavery Steering Committee meets at least twice per year to consider how best to assess risk, carry out due diligence and review KPI's	1 April 2022 to 31 March 2023	100% achieved
9	Full SEDEX audit of Valeo Confectionery completed.	1 April 2022 to 31 March 2023	100% completed

There is still more work to do and to reflect our commitment to attaining the best possible results, any KPI's where 100% hasn't been achieved will be further worked on during the next financial year together with the KPI's set out in section 10 below.

## 8 Training

Valeo Confectionery conducts training and assessment as part of the induction into the organisation for all new employees via e-learning with a test to demonstrate understanding of the concepts taken at the conclusion of the session with

employees expected to gain 80% and above. Additionally, annual refresher training for all office-based employees has been rolled out via the company's intranet and annual toolbox talks are conducted for all production employees.

## 9 Going Forward

Valeo Confectionery shall continue its commitment to ensuring that modern slavery and human trafficking does not take place in our supply chains. We will continue to work with our suppliers to identify and tackle hidden labour exploitation. However, we recognise that there is still much to do. During the next financial year we will:

No.	KPI	How KPI will be measured
1	Evaluate our current due diligence and onboarding process including its effectiveness to ensure it remains fit for purpose. Implementing any changes if required.	Review conducted and changes implemented if required.
2	All departments to review its policies and procedures, updating where necessary, providing copies to the Legal Department in order to maintain the central record.	Percentage of policies and procedures reviewed and updated (if required) and thereafter provided to the legal department.
3	Our Supplier Code of Conduct will be included in the Risk Assessment of all new supplier and such suppliers will be asked to agree to comply with its provisions.	Percentage of new suppliers informed about our Supplier Code of Conduct as part of the Risk Assessment process.

## 10 Publication

Valeo Confectionery' Modern Slavery Statements (current and previous Statements) are published on:

- 1) Valeo Confectionery's website at <https://valeoconfectionery.com/>.
- 2) TISC (Transparency In Supply Chains) – open platform reporting tool which meets the requirements of section 54 of the Modern Slavery Act 2015 at <https://tiscreport.org/>; and
- 3) The UK government's Modern Statement Registry at: <https://modern-slavery-statement-registry.service.gov.uk/>

## 11 Conclusion

Valeo Confectionery is constantly striving for improvement to tackle modern slavery head on. During the period 1 April 2022 to 31 March 2023, Valeo Confectionery continued to work to increase awareness of risks and reporting channels. We will continue to develop our commitment to combat modern slavery and will update our company policies, contracts and employee training as appropriate.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending 31<sup>st</sup> March 2023. It was adopted by the board on 13 September 2023.

Kevin Moore, Chief Executive Officer, Valeo Confectionery Limited

*Kevin Moore*

Signature.....

Date: Sep 14, 2023