



## Modern Slavery Statement - 2019

Dunhill's (Pontefract) PLC welcomes the requirements of Section 54 of the UK Modern Slavery Act to understand all potential modern slavery risks related to its business and to review and increase our preventative measures to ensure that there is no slavery or human trafficking in its own organisation and its supply chains.

As part of the Sugar Confectionery Manufacturing supply chain, Haribo UK recognises that it has a responsibility to take a robust approach to slavery and human trafficking.

The organisation is absolutely committed to preventing any form of slavery and human trafficking in its corporate activities, and to ensuring that its supply chains are free from slavery and human trafficking.

We continue to measure our performance through key performance indicators (KPIs) as below:

- Requiring all staff to complete training on Stronger Together during their induction.
- Complying with the ETI base code for all staff, including our on-site catering and hygiene labour providers.
- We are committed to ensuring that all our first level suppliers are linked to us on SEDEX and have a valid audit when required.

This statement relates to actions and activities during the financial year 1 January 2019 to 31 December 2019.

### 1.0 Organisational Structure and Supply Chains

This statement covers the activities of Dunhill's (Pontefract) PLC, part of Haribo Holding GmbH & Co. KG and is the largest sugar confectionery manufacturer with the brands Haribo and MAOAM. We supply to all the major UK retailers, discounters and foodservice customers. We have 2 manufacturing sites in the UK with 780 employees and at most 50 additional temporary workers at peak holiday times.

### 2.0 High Risk Activities

The following activities are considered to be at high risk of slavery or human trafficking:

1. As a food manufacturer, the industry is known to have a heavy reliance on temporary agency labour. We continue to have a minimal number of colleagues on this form of contract and therefore our risk is greatly reduced, we appreciate that this will be a common issue to other organisations within our supply chain.
2. Raw Materials and packaging where farming or mining exists (Gelatine, Sugar, Glucose, Palm Oil as examples) are known to be at risk from the use of slavery. Our Group Procurement team ensure that suppliers are selected based on their suitability and historical performance. All suppliers are encouraged to register with SEDEX and are required to sign up to the group managed Supplier Code of Conduct.
3. Reports show that Modern Slavery within the construction industry is high risk. We only use reputable contractors all of whom go through an approval process managed by the Operations team.

### 3.0 Risk Assessment

The risk of slavery and human trafficking within our organisation we believe is mitigated as a result of strict policies and good practices within our operations and the knowledge and skills of our colleagues.

Good Practices already embedded within our UK's sites include:

- Stronger Together
  - Stronger Together awareness carried out by all HR colleagues
  - Procurement colleagues' attendance at Stronger Together workshops
  - Posters displayed on all sites
  - Every colleague joining the business attends an induction where Modern Slavery is discussed and what someone should do if they feel it affects them
- Agency
  - All agencies that supply to us hold the appropriate GLA licence
  - All workers via agency are paid at the correct rate of pay for the role that they are contracted to carry out
- SEDEX
  - Haribo Holding GmbH & Co. KG has made a commitment that all its manufacturing sites will have an ethical audit
  - The UK's audit took place June 2018 and a comprehensive action plan developed. All agreed actions and recommendations have been completed. Our next Audit is scheduled to take place in 2021
- Employees
  - We have a recognition agreement with the GMB and will proactively work together on the issues of Modern Slavery and human trafficking
  - All employees and those connected to the Company (e.g. contractors/agency labour) are expected to work with integrity and respect for each other. Colleagues are free to raise any issues of concern direct to their line manager or through their Trade Union Representative
  - We have communication forums in place to encourage all our colleagues to feel that they have a voice and can be heard
  - We have recently undertaken a Pulse Survey in 2019 following our Global Employee Engagement survey which took place in 2018. Action plans have been developed and implemented as a result of these

The standards set out above are under the responsibility of the Head of HR.

We consider the greatest risk of slavery and human trafficking is in our supply chain where we undertake procurement activities and where operations and managerial oversight are out of our direct control.

Through our Supplier Code of conduct, the Company is committed to ensuring that suppliers adhere to the highest standards of ethics. Suppliers are required to demonstrate that they provide safe working conditions, treat workers with dignity and respect, and act ethically and within the law in their use of labour. We work with suppliers to ensure that they meet the standards of the agreement and improve their worker's working conditions.

However, serious violations of our Supplier Code of conduct may lead to the termination of the business relationship.

Suppliers are expected to be members of SEDEX and show full visibility of any ethical audits.

#### **4.0 Due Diligence**

Our Global and UK Procurement team undertake a due diligence exercise when considering taking on new suppliers, and regularly reviews its existing suppliers. A review is currently underway. These include:

- mapping the supply chain broadly to assess particular product or geographical risks of modern slavery and human trafficking;
- reviewing on a regular basis all aspects of the supply chain based on the supply chain mapping;
- conducting supplier audits or assessments through SEDEX or SMETA Code of Conduct (depending on the supplier being Global or Local), which have a greater degree of focus on slavery and human trafficking where general risks are identified;
- taking steps to improve substandard suppliers' practices, including providing advice to suppliers through SEDEX or SMETA Code of Conduct (depending on the supplier being Global or Local) and requiring them to implement action plans;
- participating in collaborative initiatives focused on human rights in general, and slavery and human trafficking in particular such as participation in "Stronger together";
- using SEDEX website and the SMETA Code of Conduct, where suppliers can be checked for their labour standards, compliance in general, and modern slavery and human trafficking in particular; and
- invoking sanctions against suppliers that fail to improve their performance in line with an action plan or seriously violate our supplier code of conduct, including the termination of the business relationship.

#### **5.0 Training and Awareness**

- We continue to support our colleagues by providing training on Stronger Together during induction, and taking the opportunity to raise awareness and the importance of demonstrating integrity and respect to fellow colleagues.

#### **6.0 Board Member Approval**

This statement has been approved by the Company's board of directors, who will review and update it accordingly.

Managing Directors Signature:



Managing Directors Name: Jon Hughes

Date: 29 March, 2020