



## Modern Slavery Statement 2023

The UK Modern Slavery Act 2015 requires all businesses to state the actions taken during the financial year to ensure modern slavery is not taking place in their operations and supply chains. Avara Foods is one of the largest food businesses in the UK, supplying major supermarkets and popular restaurants. We manage an extensive supply chain that includes agriculture, processing, and distribution, with a team of over 6,100 people. Our business operates around four core values: being Inclusive, Ambitious, Excelling and operating with Integrity. These four values shape our standards, our decisions, and our expectations.

This update provides an overview of the actions taken to further reduce the risk of modern slavery in our business. Over the last five years, we continue to see improvements in the robust management and controls to reduce the risk of Modern Slavery and Exploitation within our supply chain. The information within the update applies to Avara Foods Ltd and its subsidiary businesses, Faccenda Foods and Freemans of Newent, covering the financial year 1<sup>st</sup> June 2022 to 31<sup>st</sup> May 2023. The update can be found on the homepage of Avara Foods – [www.avarafoods.co.uk](http://www.avarafoods.co.uk).

The last two years have been characterised by huge upheaval and change. Avara, like many other companies, have been affected by significant labour shortages across the supply chain, which places exceptional challenges on our business. Against this backdrop, we continue to explore ways in which we can contribute to the disruption of organised criminal activity and mitigate risk through innovative solutions: educating our people and supply partners, as well as implementing automation to reduce our reliance on unskilled and agency labour.

We have two key policies in place to reduce the risk of modern slavery, our Human Rights policy and Anti Exploitation policy have both been updated and issued to support our ongoing work in this area:

- Our Human Rights policy outlines our strategy to protect our workforce from exploitation.
- Our Anti Exploitation policy goes further in detailing the framework in place to prevent, protect, prepare and pursue employees against cases of exploitation, and the process required should a case be identified.

### Risk Assessment and Mitigation

Understanding and mitigating the risk of modern slavery is key to our ongoing success. In the last year we have taken the following steps to reduce risk:

- Reducing reliance on agency employment: While the proportion of temporary agency workers within the business has increased from around 6 -7% to 12% of our total workforce, for the reasons outlined above, this still means most of the team at Avara is under our direct management.

- Agency workers continue to be employed on a contract of up to 12 weeks to avoid long term agency working which we know is a factor in modern slavery. Our recruitment partners are all Stronger Together Business Partners promoted by the Association of Labour Providers (ALP). These measures, in addition to our own six-monthly audits of our agencies, provide us with confidence of their own risk mitigation.
- Direct recruitment: We continue to prioritise recruiting new employees directly, rather than via an agency, having invested further in our in-house resourcing team.
- An active member of Food Network Ethical Trade (FNET), sponsoring the worker representation initiative as well as participating in the effectiveness and relevance of the Gangmaster Licencing Abuse Authority (GLAA)/Supermarket protocol.
- We are active members of ALP and Stronger Together and have completed the assessment requirements to become a Stronger Together Business Partner.

### Channels for the worker voice

The UN Guiding Principles on Business and Human Rights published in 2011 requires businesses to provide effective grievance mechanisms for victims of human rights abuses.

Establishing effective channels for workers to communicate concern provides a means to identify worker welfare concerns and exploitation issues. Channels for effective grievance mechanisms operate on several different levels as shown in figure 1, providing access to both employees and agency.

Progress has been made on improving electronic communications, online portals, and a greater focus on 121's and face to face communication, we have engaged colleagues and given them the information and support they need to raise potential issues. We have in parallel both expanded translations of key information and made it widely available, and alongside this continued our support for English language training, utilising several language programmes to improve communication and understanding. This ensures that all our colleagues feel engaged, and no one is excluded.



Figure 1 Channels for the worker voice



## **Due Diligence**

### **Audit Processes**

We continue to audit our agencies every 6 months to ensure that any processes that could be exploited by gangmasters are interrogated.

We have a range of internal ethical checks that are completed each month by the HR teams.

### **Sedex Platform**

The Sedex platform provides visibility throughout the supply chain both upstream to our customers and down stream from our suppliers of SAQ's and SMETA audits.

We continue to utilise the Sedex platform to ensure that our supply chain partners have effective controls and that our values are represented. We have 183 suppliers on the Sedex platform, focusing on ingredients and packaging, where we can review SAQ's, risk and SMETA audits.

We utilise the risk assessment tool, to complement formal assessment processes. Our Oracle system provides enhanced data and insight, enabling us to review suppliers and engage with them in a more robust way on a range of subjects, including pre-qualification, ongoing management and communication.


### **Supplier Code of Conduct**

Recognising that our extended supply chain is an integral part of our business and that its standards must be consistent with our own, we have updated our Supplier Code of Conduct, which forms part of the supplier pre-approval process alongside financial and food safety considerations. Ethical practice is an essential part of this code, and we make clear that suppliers need to meet our expectations.

Our Head of Procurement has completed the CIPS Ethical Procurement and Supply qualification 2022 and all colleagues within procurement have attended the Human Rights & Ethics workshop.

### **Whistleblowing Service**

Our Whistleblowing service remains available and accessible by colleagues and includes our third-party Farming Partners. Independently run to ensure anonymity if required, the service is available 24/7 and, while concerns have been raised, none have related to potential modern slavery cases in the last 12 months.



## Audits

Our internal audits and interviews with colleagues, including close liaison with Trade Union partners continue. We have nine operational sites, all of which have had successful Smeta audits and have not raised significant concerns for us. The most recent audit was at Wednesbury on the 25/05/23 with no non-conformances raised.

We continue to focus on the safety of our employees and engage in both internal and external independent Health & Safety (H&S) audits. These, along with our local Health and Safety Managers, are an important part of engaging with our colleagues helping to maintain our standards; as well as continuously striving for best practice within our industry to keep our people safe.

We run our own Health & Wellness (H&W) centres. Both the H&S and H&W agenda contribute to a culture and climate of care and support which gives confidence to potential victims to reach out for support if they entered our supply chain.

## Training and Awareness

Education on the issue of modern slavery, its risks, controls, emerging issues, and best practices has continued on different levels. We have refreshed our training on modern slavery and trained a further 6 trainers in the delivery of our workshop, now totalling 17 capable of providing the training, who now also form part of our Champions network on sites.

We have now trained 801 individuals through our Modern Slavery workshops and will continue to raise awareness through these sessions.

We have subscribed to the Responsible Recruitment Toolkit (RRT) and used this process to validate what we already had in place in our resourcing practices.

**The Human Rights and Ethic Steering Group**, has been relaunched following the reallocation of Human Rights and Ethics responsibility in the business. This steering group meets monthly to ensure that our activities are aligned across our operations and with our customers and suppliers. This is a cross functional group ensuring all areas of the business are represented.


## Effectiveness

Our robust control measures mean that the likelihood of infiltration is significantly reduced. First and foremost, we are determined not to be an easy target for traffickers and illegal gangmasters.

Ultimately, effectiveness is determined by the number of instances of modern slavery that go unaddressed within our business.

In our 2019 Modern Slavery update we reported about a live case that we identified and worked with relevant authorities to investigate. We have now successfully detected and supported two cases that have resulted in successful prosecutions by the authorities.

Following the link created in handling the above cases, we have worked closely with Migrant Help to support survivors of modern slavery and we have provided employment opportunities to a



further three victims who entered the National Referral Mechanism (NRM) from elsewhere.

If we have any suspicion that modern slavery is taking place within our supply chain, our priority is to protect the victims, through careful and confidential management of the case and by supporting them into free employment, including elsewhere within our business.

### **Next Steps**

We will continue to participate in networks such as FNET, GLAA working groups, Stronger Together and the ALP, as well as work closely with our retailer Ethical leads, to ensure that we are up to date with best practice and latest intelligence.

We are currently undertaking further training and development to enable a wider spread of specialist knowledge across our operation.

Focus is on continuing to develop our approach to managing our supplier's management through Sedex and increasing the requirement on supplier through our Oracle ERP system. We anticipate future SMETA ethical audits will be completed in the next 12 months.

Above all, we will continue to develop a people proposition that makes Modern Slavery hard to establish in our business: maximising direct recruitment and employment of colleagues at 90-95%, implementing communication tools that reach all colleagues that tackle the language barrier through translation, and educating and training Avara's leaders and suppliers to be more aware of the challenges and the risks.

Combatting modern slavery remains a major focus at Avara Foods. We have clear management oversight and strong processes to mitigate risk in our business, work hard to ensure that individuals with responsibility are knowledgeable and that everyone in our business feels confident and able to speak up should they feel the need. We also see good news in the audit scores, internal reviews and the feedback from the wider Avara team. Regardless, we remain vigilant and will continue to strive to ensure that modern slavery does not gain a foothold in our business.



Andy Dawkins  
Chief Executive Officer

Date: September 2023

