



Modern Slavery Update Statement 2020

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 7,000 people. We are a business that operates around four core values: being Inclusive, Ambitious, Excelling and operating with Integrity. These four words shape our standards, our decisions and our expectations.

While COVID-19 has been a significant challenge for our business we have continued to not only operate throughout the pandemic, ensuring healthy British poultry is consistently available to consumer, but to do so while keeping all our colleagues safe. In this challenging environment it would have been easy to lose focus on the issue of modern slavery. However this has not been the case. Protecting our people from the threat of modern slavery is well embedded within our business and we have established clear expectations of our supply chain in our latest Supplier Code of Conduct, which was published in June 2020.

This update provides an overview of the actions taken to further reduce the risk of modern slavery in our business, and protect all the people that work with, and for, Avara Foods. The information within the update applies to Avara Foods Ltd and its subsidiary businesses, Faccenda Foods, Faccenda Foods (Lincs) and Freemans of Newent, covering the financial year 1st June 2019 to 31st May 2020. The update can be found on the homepage of Avara Foods – www.avarafoods.co.uk.

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 agency employment:** We have reduced the number of temporary agency workers within the business, to 6 -7% of our total workforce, meaning the vast majority of the team at Avara is under our direct management. The agency workers continue to be employed on a contract of up to 12 weeks to avoid long term agency working which is also a factor in modern slavery
- **Direct recruitment:** Our work to recruit more new employees directly, rather than via an agency, has accelerated significantly during COVID and we are in the process of embedding this change to a direct model as part of business as usual. Direct control of the recruitment and onboarding process enables us to more closely manage risk. During the pandemic, we saw higher-than-usual levels of applicants with English as a first language. The ability to communicate more easily makes it easier for us to raise awareness of modern slavery and for them to raise any concerns; which reduces the risk of modern slavery further.
- **Suppliers:** We have also reduced our supplier base by 40%, narrowing the scope of risk



Enhanced Communication

Recognising that awareness and the ability to raise concerns is critical, we have worked hard to engage employees and equip them with the information and support they need to flag potential issues. Since the COVID lockdown started we have made translations of key information widely available and launched an employee communication portal, “my avara”, to enable direct communication. We have also started a trial of new online English language training platform, ‘U-talk’, to support existing language programmes and improve communication and understanding. Complementing these are efforts to solicit feedback from employees, including through our first Avara employee survey which had a response rate of 72%, and 1 to 1’s with colleagues as well as third party interviews.

Due Diligence

Audit Processes

Despite the limitations placed on us by COVID-19, we have continued to audit our agencies on a regular basis, but have moved these online. The online approach improves the process by allowing a fuller scope and the ability to include more remote or lower volume agencies that otherwise might not have been covered as regularly.

Sedex Platform


We continue to utilise the Sedex platform to ensure that our supply chain partners have effective controls and that our values are represented. From August 2020, Sedex offers an updated risk assessment tool, which enables our suppliers to see their own risk rating and take early action if needed. Complementing formal assessment processes, we have also conducted internal ‘Hot Topic’ checks to ensure that our own processes and controls are robust.

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 introduced a formal 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 first priority, is therefore to work with them to raise standards and continually improve, rather than risk moving a potential issue out of our supply chain, but into someone else’s.

Effectiveness

Our controls 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.



People Survey

Feedback from individuals at Avara suggests our measures are effective. No concerns have been raised though any of our formal feedback procedures, including our employee survey, which ran for the first time in 2020. With high participation rates (~70%) and overall satisfaction working at Avara (72%), specific questions intended to draw out potential concerns over treatment of workers did not raise issues.

Whistleblowing Service

Our Whistleblowing service remains available and accessed by colleagues. 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 Trades Union partners, have not identified cause for concern or allegations of modern slavery. External audits have not raised significant concerns either, having passed an ethical audit conducted by a major online retailer in 2020. This is supported by one of our retail customers that has identified us as being “low risk” in their supply chain.

Ultimately, effectiveness is determined by the number of instances of modern slavery that go unaddressed within our business. Since our last update we have supported two GLAA investigations into suspected modern slavery, neither of which were ultimately confirmed. We had previously identified a victim of modern slavery at one of our sites and worked hard to support them into free employment elsewhere in our business. Our view is that any victim of trafficking or modern slavery must always be protected and supported.

Training and Awareness

Education on the issue of modern slavery, its risks, controls, emerging issues and best practices has continued on different levels.

The Human Rights and Ethic Steering Group, of which modern slavery is a key area of focus, have continued to develop their understanding and knowledge. Working closely with external bodies, like the Food Network for Ethical Trade (FNET) and Business in the Community has been particularly effective and enabled Avara to be more engaged within the wider community.

Compliance Training

Using an external expert on right to work compliance, 60 individuals have been trained across the HR function. This was a refresher for some and new training for those that have recently joined our business and included recent changes, COVID impact and looking ahead to Brexit implications.



Management Awareness

Key managers throughout the business have completed awareness training on modern slavery and it has been established as a mandatory component of our Poultry Passport – a series of training modules that must be completed by all our farm employees.

Within our wider supply chain, in addition to the Supplier Code of Conduct, we have been sharing progress, updates and advice with all sides of our supply chain, including suppliers and customers.

Next Steps

We are implementing a new Enterprise Resource Planning system, which will open significant opportunities to use enhanced data and insight to review suppliers and assess their ethical practices.

We are anticipating revision to the Red Tractor standard, to incorporate aspects of ethical trading. This is a development we welcome and greatly support.

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 7000 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.



Andrew Dawkins
Chief Executive Officer

15th October 2020

