

KETTLE FOODS LIMITED'S MODERN SLAVERY STATEMENT

covering the period 1st August 2019 to 31st March 2020

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1 Introduction

Kettle Foods Ltd is opposed to modern slavery at any level and recognises the responsibility that we share with our suppliers to tackle hidden labour exploitation.

We are committed to understanding modern slavery and human trafficking risks and ensuring that such activities are not taking place in our supply chain or any part of our business. We have a zero tolerance approach to modern slavery and have taken steps to ensure a high degree of ethics is incorporated into our commercial dealings including all business relationships and supply chains. As a result, we expect and maintain the highest standards from our entire staff, contractors, suppliers and anyone with whom we do business.

One of the key principles of our company ethics is to treat everyone fairly, with dignity and respect. We are committed to continuous improvement in our practices to combat slavery and human trafficking.

This statement is made pursuant to Modern Slavery Act 2015 by Kettle Foods Ltd ("Kettle Foods" "we" "our" "us"). It outlines the measures Kettle Foods has taken to access and reduce the risk of slavery and human trafficking occurring in our business or supply chains in the financial year 1st August 2019 to 31st March 2020. It also outlines our commitments to continue to reduce risk in the Kettle Foods financial year commencing 1st April 2020.

2 Kettle Foods Mission Statement

Kettle Foods is committed to continuously improving its practices to identify and eliminate any slavery and human trafficking in its business and supply chains whilst always acting ethically and with integrity in all its business relationships.

3 Organisation's structure

Kettle Foods is a private limited company registered in England and Wales, company number 2238320.

During the initial period covered by this statement Kettle Foods was owned by Campbell Soup Company but since 11th October 2019, it has been owned by Valeo Foods. Kettle Foods is a UK snack manufacturer supplying snack food to a number of countries and employing over 450 people in the UK.

Founded in 1988 and with potatoes being one of our key raw materials we chose Norfolk as our home in order to be as close as possible to many of our potato growers.

Having expanded our snack portfolio to include Vegetable Chips, Popcorn and Rice Cakes, we now have in excess of 400 direct product suppliers.

4 Our Supply Chains

Kettle Foods undertakes the manufacture of various snacks foods as set out below:-

4.1 Potato Chips

The majority of our potatoes are sourced from farms within a 30 mile radius of the Kettle Foods factory in Norwich. Kettle Foods' Head of Agriculture is responsible for managing the supply chain and part of that role is to ensure that our potato suppliers maintain high ethical and environmentally sustainable practices. We only contract with potato suppliers who maintain high standards across all of their practices. As testament to this, our suppliers are audited annually as part of the Red Tractor Assurance Scheme which is an organisation that promotes and regulates food quality in England, Wales and Northern Ireland ensuring food is traceable, safe to eat and produced responsibly.

All raw materials required to produce the potato chips including seasonings, film, cardboard and oil are sourced direct by our procurement team who ensure that due diligence is carried out before orders are placed. Kettle Foods has long standing relationships with the majority of our suppliers who maintain high standards and are as equally committed to ensuring that modern slavery is eradicated.

4.2 Vegetable Chips

Our Vegetable Chips are entirely sourced from our co-manufacturing partner within the EU, Yellow Chips B.V. (a company owned by the same parent company as Kettle Foods), and are supplied to either our Norfolk warehouse or direct to the customer. We maintain our high levels of ethical and environmental sustainability by working in close collaboration with our co-manufacturer.

As part of our responsible supply chain governance we ensure that raw materials such as root vegetables are sourced from reputable sources who undergo periodic audits by our co-manufacturer.

4.3 Popcorn

Our popcorn brands are all manufactured under Kettle Foods' control at our Wednesbury facility in the West Midlands of the UK. The Wednesbury facility is managed under the same high ethical and environmental sustainability practices as our Norwich facility.

The popcorn kernels are all sourced from a sole supplier within the EU, this supplier is working with selected farms to develop a more sustainable and ethically aware process of producing popcorn kernels.

4.4 Rice Cakes

Our Rice Cakes are entirely sourced from a co-manufacturing partner within the EU before being supplied to either our Norfolk warehouse or direct to the customer. We maintain our high levels of ethical and environmental sustainability by working in close collaboration with this co-manufacturer.

As part of our responsible supply chain governance we ensure that raw materials such as rice and chocolate are sourced from reputable sources who undergo periodic audits by the co-manufacturer.

At the date of this statement, Kettle Foods has no issues with any of its suppliers or other bodies representing workers that should be disclosed in the context of the Modern Slavery Act 2015.

5 Our policies on slavery and human trafficking

Kettle Foods has a number of policies and/or procedures in place to help it combat modern slavery:

5.1 Kettle Foods' Anti-Slavery Policy

All suppliers are required to comply with our Anti-Slavery Policy as part of their contract. Our Anti-Slavery Policy sets out the minimum standards for working conditions that Kettle Foods expects its suppliers to adhere to in the production of raw materials required to make our products.

The Policy is subject to ongoing review and an updated version was made available in September 2020. Some of the principles included in the Policy are:

- Suppliers shall comply with all applicable local legal and regulatory requirements of the country where the factory is located;
- To recognise international standards;
- To allow workers the freedom of movement that is not restricted either physically or through threats, intimidation, abuse or through actions such as the retention of passports;
- No worker should have to pay for employment; and
- No worker should be coerced or indebted to work.

Kettle Foods will not tolerate modern slavery, forced labour or human trafficking within our business dealings or supply chains. Where any non-compliance issue is identified, we expect and require our suppliers to address it. If this does not occur within a reasonable timeframe, we reserve the right to terminate our relationship with the supplier/third party in question.

5.2 Code of Conduct Policy (Employees)

This policy sets out Kettle Foods' 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

The Whistleblowing Policy allows employees a route for anonymous reporting of any concerns that they have in relation to a number of issues and it can be used to report suspected incidents of modern slavery. The Policy is reviewed and updated as necessary and then communicated to employees. The main options for reporting are:

- Line management;
- Contact the external whistleblowing provider SeeHearSpeakUp via email, telephone or online, details of which are provided to employees through internal communications.

The Policy also includes our zero tolerance of retaliation.

5.4 Governance

Responsibility for the preparation of our Modern Slavery Statement sits with our legal team and is approved by our board of directors. The following departments are responsible for carrying out the implementation of policies, codes and procedures: Legal, Procurement, Technical, Agriculture & HR.

6 Due diligence processes for slavery and human trafficking

Kettle Foods is an active member of SEDEX (Supplier Ethical Data Exchange), a not for profit membership organisation that offers members a simple and effective way of managing ethical and responsible practices in supply chains.

Our direct supply chains include the sourcing of raw materials related to the manufacture of our products, as well as finished goods from our co-manufacturing partners. These supply chains stretch across Europe and the UK.

To ensure that Modern Slavery is not present in these supply chains, we have communicated our commitment to the Modern Slavery Act 2015 and expressed a requirement that our suppliers and any new supplier that we contract with make the same commitment.

To this end, we have investigated how these direct suppliers are tackling the challenge and have carried out risk assessments to satisfy ourselves that their actions are sufficient; should we identify a risk then we will carry out follow up audits and education for the supplier. This will be an ongoing programme throughout 2019, 2020 and beyond, as we expand our reach into our extended supply chains.

Ethical risk is currently managed via an annual questionnaire to suppliers with a thorough investigation of responses or procedures conducted where necessary. All Kettle Foods' suppliers are located within the European Union.

Kettle Foods has a rolling programme to ensure that Modern Slavery obligations are included in each of its Potato Contracts as they come up for renewal, as well as adding such provisions to all Potato Contracts agreed with new growers to make sure that its farmers/suppliers are aligned and eradicate Modern Slavery in this aspect of its business.

All of Kettle Foods' seasoning houses who supply the blended seasonings that are used to give the flavours to our snack products are SEDEX approved.

Kettle Foods imposes contractual obligations regarding Modern Slavery on its Suppliers and operates an ongoing programme of ensuring that such provisions are incorporated into the wording of its contracts starting with those that pose the highest risk, including but not limited to the following:

- In performing its contractual obligations, each Supplier shall (and ensure that each of its subcontractors shall) comply with:
 - All applicable laws, regulations (& codes) from time to time in force including but not limited to the Modern Slavery Act 2015;
 - Kettle Foods' Anti-Slavery Policy.

6.1 Procurement Process

Our procurement team ensure, through the governance of the procurement process, 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.

Governance of the procurement process includes:

- Initial supplier self-assessment of ethical and environmental aspects;
- SEDEX membership checks (see below);
- Risk assessment and follow up audits if necessary;
- Compliance with the Kettle Foods' policies on Bribery & Corruption and Modern Slavery;
- Financial review; and
- Annual cross-functional review of supply chain risk.

Our existing first tier suppliers are subject to an annual review of supply chain risk in terms of ethical, environmental, sustainability and supply. This enables us to monitor changes and highlight any areas of concern for further investigation and follow up with the individual supplier.

As our portfolio of raw materials and co-manufacturing changes, we endeavour to only source from countries that have a low ethical and sustainability risk, as such our current first tier supply chains stretch across Europe, and include Italy, France, Netherlands, Denmark, Germany, Slovenia and Czech Republic.

6.2 Risk Assessment and Management

The following groups of workers have been identified as vulnerable to the risks of modern slavery and Kettle Foods' Human Resources (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.

In addition to the above, the following have been identified as potential indicators of modern slavery and our HR team is trained to be aware of these and act as appropriate:-

- Someone who does not have their own passport, ID or travel documents;
- Someone who always allows others to speak for them or talks as though being instructed or coached by someone else;
- Someone who may be withdrawn or appear frightened and may have injuries;
- A person who has limited social interaction and may always be dropped off and collected from work (they may not be able to contact their friends and family easily);
- A person with very few possessions or who lives in a very poorly maintained, overcrowded place (and is often overcharged for this);
- A person who has little control over their finances or who has no access to a bank account
- Recruitment fees and labour agents;
- Cash in hand payments;
- No unions; and/or
- No access to grievance mechanisms.

This is not an exhaustive list and other factors may also be considered relevant but the key consideration is awareness. The above are not conclusive evidence of modern slavery, but should be taken as warning signs. In the event that a concern is raised to our HR team, the matter would be immediately referred to Kettle Foods' HR Director. Depending on the severity of the issue and warning signs, the HR Director may contact the police in the first instance.

In consideration of the indicators above, Kettle Foods has a number of 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.

6.3 Supplier relationships

Kettle Foods' Head of Procurement and its Head of Agriculture are responsible for supplier relationships. If there are concerns over performance, these individuals 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 conducted by Kettle Foods' Technical Team. Also, our HR team conducts regular audits of our recruitment agencies where temporary staff are supplied to our 3 sites in the UK which includes 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 a number of our key customers, we are required to undertake regular semi-announced SEDEX Members Ethical Trade Audits (SMETA).

Where our suppliers are not currently linked to our business on SEDEX or registered on SEDEX, then they are required to complete our ethical supply questionnaire and are encouraged to register.

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") for each financial year:

- All employees are provided with appropriate training on induction to the business as detailed in section 7, below;
- Our Modern Slavery Policy and any updates are communicated to all employees via the intranet;

- We will ensure that we continue to revise our Modern Slavery clauses in our contracts with our suppliers;
- We will continue to ensure that our suppliers are provided with a copy of our Modern Slavery Policy;
- We have established the Modern Slavery Steering Committee comprising of key individuals from the business who meet quarterly to consider how best to assess risk, carry out due diligence and review KPI's;
- We will establish which suppliers are considered to be high risk and ensure that our zero tolerance approach to modern slavery is communicated and require them to confirm adherence to our Modern Slavery Policy as a minimum; and
- We will continue to develop our risk assessment and due diligence processes and put in place further measures where areas of risk are identified;
- The Procurement, Agriculture, Technical and HR teams will each draft a Mission Statement for their department underpinning the company's Mission Statement set out in section 2 of this Statement ensuring that the issue of modern slavery is utmost in the thoughts of its employees when forming new business relationships and making sure that similar standards are maintained in its existing business connections; and
- The Procurement, Agriculture, Technical and HR teams shall all review their department policies/procedures and thereafter a central record of such documents will be collated and retained by the Legal Department.

8 Training

Kettle Foods conducts training and assessment as part of the induction in to 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.

9 Conclusion

Kettle Foods is constantly striving for improvement to tackle modern slavery head on. During the period 1st August 2019 to 31st March 2020, Kettle Foods 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 31st March 2020. It was adopted by the board on 21 September 2020.

Ashley Hicks, Managing Director of Kettle Foods Ltd

Signature: 

Date: 22 September 2020