

# Anti-Slavery and Human Trafficking Statement 2019



## INTRODUCTION FROM THE CEO

ALLOS Holdings Ltd and its subsidiary companies are committed to preventing slavery and human trafficking occurring in any of its corporate activities, as well as seeking to ensure that our supply chains are also free from such practices. The Directors are responsible for ensuring compliance in their respective departments and for their supplier relationships. Staff are expected to report concerns and management are expected to act upon them.

This statement has been published in accordance with the Modern Slavery Act (2015) and provides an update on our activities and commitments to prevent modern slavery in our operations and supply chains and sets out the steps we have taken during our last financial year.

## OUR ORGANISATIONAL STRUCTURE

ALLOS Holdings Ltd is an independent UK company founded in 2016 with subsidiary companies Lionel Hitchen Ltd and Lionel Hitchen USA Ltd. supplying flavour ingredients to the food and beverage industries since 1965.

Until March 2019 ALLOS Holdings Ltd was known as LHEO Holding Co Ltd, with subsidiary companies of Lionel Hitchen Ltd and Lionel Hitchen USA Ltd, and additional subsidiary companies of Allos Enterprises Ltd, Laughland Ltd and Kingsgate Ltd which have since been dissolved.

Lionel Hitchen Ltd is the main operating company and has employees based at two UK sites, in Barton Stacey and Andover. Lionel Hitchen USA Ltd. has an office in Florida.

## OUR SUPPLY CHAINS

We have zero tolerance towards slavery and human trafficking, and therefore expect all those in our supply chains and contractors to comply with our values.

Our supply chains are worldwide and cover every continent except Antarctica. A wide range of raw materials are sourced principally related to the provision of flavour ingredients for food and drink, including items such as botanicals, essential oils, oleoresins and flavouring substances. A range of other suppliers provide us with services such as laundry, pest control, waste removal and site contractors.

We actively encourage our key suppliers on their social responsibility journey and the continuous improvements they are making.

## **POLICIES RELATING TO SLAVERY AND HUMAN TRAFFICKING**

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our Business Ethics Policy reflects our commitment to acting ethically and with integrity in all our business relationships together with implementing and enforcing effective systems and controls.

ALLOS Holdings Ltd and its subsidiaries are committed to treating their employees in a respectful and equitable manner, providing fair rewards and benefits for the jobs they carry out. We have policies in place to demonstrate our determination and commitment to tackling slavery and human trafficking that are regularly reviewed and approved by senior management:

- ✓ Anti-Corruption & Bribery Policy
- ✓ Anti-Harassment & Bullying Policy
- ✓ Business Ethics Policy
- ✓ Equal Opportunities Policy
- ✓ Grievance Procedure
- ✓ Pay & Benefits Policy
- ✓ Whistleblowing Policy

Lionel Hitchen Ltd have been members of Sedex for over 10 years, but in 2019 increased the level of membership to AB, demonstrating our commitment to tackling modern slavery & human trafficking. This increased membership allows us to utilise the Sedex Analytics tools, which further improves our knowledge of our supply chains. Information on supplier SMETA audit non-conformances are reviewed and can then be discussed during supplier visits to work towards best practice & opportunities for improvement.

Lionel Hitchen Ltd last had a SMETA audit in September 2017 but are taking a further SMETA audit in 2020 providing our customers with ongoing assurances that we are operating in a responsible and ethical manner.

## **RISK ASSESSMENT**

Our food ingredient supply chains are regularly evaluated and include reviews of geographical risks and supplier's ethical principles. These are then assessed against pre-determined criteria in order to identify areas of highest risk with regard to modern slavery. We acknowledge that certain countries will provide an increased risk of modern slavery.

## Anti-Slavery and Human Trafficking Statement 2019



Guidance is taken from The Global Slavery Index [www.globalsslaveryindex.org](http://www.globalsslaveryindex.org) and their modern slavery prevalence index rank is used for reviewing the geographical risks.

We have identified heightened risks where raw materials are sourced from countries which have a higher prevalence of modern slavery and suppliers are not members of Sedex. In these instances, further evaluation is conducted in order to confirm suitability of supply.

We will continue to assess the segments of our supply chain then put in place measures to mitigate identified risks. Identified actions will be put in place detailing the tasks to be carried out together with appropriate timescales and responsibilities.

### **DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING**

Supplier assessment is taken seriously as part of our due diligence with new suppliers being fully assessed prior to use & existing suppliers subject to regular review.

In order to monitor and mitigate the risks of slavery and human trafficking occurring within our supply chains we have been undertaking the following due diligence processes in relation to all new suppliers:

- ✓ Suppliers are required to complete self assessment questionnaires and provide product information on each raw material they supply to us. This information is reviewed and then decisions made with regards to approval for our raw material supply.
- ✓ All suppliers are requested to sign an Ethical and Social Accountability Declaration and to complete a detailed Supplier Questionnaire. This requirement has now been extended to more of our key service providers.
- ✓ As part of our supplier approval process, we monitor which suppliers are members of Sedex & which have their own ethical declarations. These aspects are then evaluated which go towards the supplier's overall approval.
- ✓ Higher risk suppliers are visited on an annual basis by senior managers from Lionel Hitchen Ltd and if we identify cases of unethical working practices, we will undertake a review with the supplier and any suppliers deemed to be high risk will undergo further discussion or investigation and could lead to them being de-listed and not approved for the purchase of raw materials, goods or services.

### **STAFF TRAINING**

We provide training to all key staff, particularly those involved in making purchasing decisions, to ensure that they understand the risks of modern slavery and human trafficking infiltrating our business or supply chains and effectively operate our policies and procedures aimed at mitigating this risk.

## Anti-Slavery and Human Trafficking Statement 2019



For example, the Whistleblowing Policy is made clear to staff during site inductions, routine refresher training & via the staff newsletter available on our intranet system.

A Sustainability Working Group was formed in 2019 with the purpose of assessing, reviewing & setting objectives on sustainability and ethical standards.

In 2020, training on modern slavery has been made available for all staff on the company intranet system utilising the tools and resources available on the Stronger Together website. This covers the following:

- ✓ How to identify the signs of slavery and human trafficking
- ✓ What initial steps should be taken if slavery or human trafficking is suspected
- ✓ How to escalate potential slavery or human trafficking issues to the relevant parties within the Company
- ✓ What external help is available, for example through the Modern Slavery Helpline and Stronger Together initiative
- ✓ What steps the Company should take if suppliers or contractors do not implement anti-slavery policies, including their removal from the Company's supply chains.

Stronger Together materials are being displayed on noticeboards to provide details on what employees should look out for and how they can raise any concerns and information is being provided at new starter inductions.

### EMPLOYEE SUPPORT

In 2019, Lionel Hitchen made available to its employees a confidential helpline and an employee assistance programme which they can ring free of charge 24 hours a day for support and advice. This enables any employee to raise any issue including being a victim of slavery.

### MONITORING OF OUR EFFECTIVENESS IN COMBATING SLAVERY AND HUMAN TRAFFICKING

We measure how effective we have been to ensure that slavery and human trafficking is not taking place in any part of our business or supply chains.

- ✓ We monitor internal labour and payroll.
- ✓ We assess our material and packaging suppliers against pre-determined criteria.
- ✓ We make our staff aware of human rights.

In 2020, we are introducing the following Key Performance Indicators which we will use not only to monitor our own performance, but to report to external interested parties how we are doing against our policy and standards:

## Anti-Slavery and Human Trafficking Statement 2019

- ✓ We will require all Directors, Managers and the HR Department of Lionel Hitchen to have completed modern slavery training and to attend regular refresher training.
- ✓ We will be undertaking ethical audits of the recruitment agencies that we use.
- ✓ We will continue to monitor the percentage of suppliers with formal commitments on modern slavery.

These KPIs will ensure that we focus on improving modern slavery risk awareness and understanding across our business and through our supply chain.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our Company's Slavery and Human Trafficking Statement for the current financial year.

I, Eva Agnew, hereby certify that the information contained in the above Statement is factual and has been approved by Lionel Hitchen Ltd.'s Board of Directors.



Eva Agnew, Chief Executive

30<sup>th</sup> March 2020

Statement for financial year ending 30<sup>th</sup> September 2019

This statement was posted on the Lionel Hitchen Limited website and the Modern Slavery Registry on 31st March 2020