

Modern Slavery Act Statement

Transparency in Our Supply Chains

1 April 2016-31 March 2017 Financial Year

Lovering Foods

Red Central, 60 High Street, Redhill
RH1 1SH

T: +44 (0)1737 767325

F: +44 (0)1737 764476

 Member

Our Business

Lovering Foods is a leading UK-based value-added supplier of ambient foods, founded in 1979. Our product range includes fruit, vegetables, Oriental foods, and seafood, sold as our Kingfisher brand and under many major supermarkets' own labels. The majority of our trade is in seafood, with over 50% consisting of tuna. Lovering does not own or operate any processing facilities. Our products are sourced internationally across Asia, Africa, North America, and South America.

▪ Industry Challenges

Awareness of labour issues in the seafood industry has increased in recent years through a number of high-profile media cases. Lack of traceability is a common key factor in these cases of forced labour. Lovering Foods has a publicly stated commitment to 100% traceability throughout our product range and continuously strives to mitigate risks of labour issues in our complex international supply chains. To achieve this, we manage strong direct relationships with our suppliers to ensure visibility to factory level. We are now aiming to expand our scope to gain a deeper understanding of our indirect suppliers (including packaging and raw material) and to address the industry-wide issue of lack of visibility at sea.

Progress and Due Diligence

▪ Our Policies

Tuna is our number one product and we have therefore focused our initial efforts in this area of our business. We currently uphold a number of policies, as follows:

- [Sustainability Policy](#) – This is publicly available on our website;
- [Tuna Sourcing Policy](#) – This requires our tuna suppliers to increase transparency & traceability on the vessels they source from, including by checking working standards on vessels at least yearly;
- **NEW: Supplier Ethical Trade Code of Conduct** and **Supplier Guide to Ethical Trade** – These documents require all suppliers to join an approved ethical scheme and comply with the ETI Base Code. These are in final stages of approval and will be implemented throughout the 2017-18 financial year.

▪ Our Procedures

Lovering Foods is a [Supplier Ethical Data Exchange \(SEDEX\) Member](#) and uses the [SEDEX Advance](#) platform as our main ethical monitoring tool to gain visibility of working conditions at processing sites. Circa **95%** of our current supplier base is registered on Sedex or participating in an approved alternative ethical scheme, such as the [Business Social Compliance Initiative \(BSCI\)](#) – an increase from 75% last year.

Upon registering on Sedex, a desktop audit in the form of a 'Self-Assessment Questionnaire' (SAQ) is completed by the supplier. We then use customer specifications and risk assessment procedures to determine whether an on-site ethical audit is required. Sites identified as high risk are required to conduct a [SEDEX Members Ethical Trade Audit \(SMETA\)](#) from an accredited auditing body at a frequency determined by our customers, and, if necessary, will be given corrective measures to apply within a set timeframe.

Our dedicated Technical and Supply Chain teams ensure all products undergo a rigorous approval procedure before reaching our customers. This includes a variety of quality, food safety, and traceability verifications.

Over the past year, our focus has been on strengthening internal procedures. We expanded our CSR team, dedicating a staff member to ethical trade, which has allowed us to become more involved in the ethical auditing process of first-tier suppliers by providing support and advice throughout improvements and suggesting long-term solutions that benefit both suppliers and customers. We also sought to extend our scope beyond the first tier by working with 4 trusted partners to successfully trial the extension of a customer's ethical trade policy to second-tier suppliers. Finally, we reached out to our fruit and vegetable suppliers, using a questionnaire to gain insight into current practices and identify gaps where we are now working to strengthen policies and practices to support their ethical journeys.

▪ **Collaboration**

To confront the issues facing our industry, we work closely with our suppliers and customers, partner with a number of external organisations, and use our variety of third-party connections to continuously develop, evaluate, and improve our internal policies and procedures. Last year, we became an active member of the [Sustainable Seafood Coalition \(SSC\)](#), contributing to the establishment of UK-wide standards on seafood labelling, risk assessment, and fishery improvement efforts. We are also a Participating Company of the [International Seafood Sustainability Foundation \(ISSF\)](#), an interdisciplinary organisation working to improve sustainability and traceability in the tuna industry. Further, as active members of [SEDEX](#), we track suppliers' progress towards an independently verified ethical standard underpinned by the [ETI Base Code](#).

Our collaboration extends further through participation in conversations organised by groups such as the ISSF and SSC on the development and application of external risk assessment tools, such as the Seafish [Risk Assessment for Sourcing Seafood \(RASS\)](#) tool, and the inclusion of social criteria into the SSC's Code of Conduct. Throughout 2016-17, we were invited to participate in a Steering Group with the [British Standards Institute \(BSI\)](#), developing voluntary guidelines to combat Illegal, Unreported and Unregulated (IUU) fishing and avoid the use of forced labour. Finally, last year, Lovering Foods started a Fishery Improvement Project (FIP) in Peru in partnership with one of our suppliers and an NGO, amongst other stakeholders. Through the FIP, we visited a supplier to gain insight and identify potential improvements towards better working conditions at vessel, port, and factory levels.

▪ **Training**

The CSR Department is responsible for all aspects of ethical trade at Lovering Foods. As such, they maintain relationships with external organisations and attend relevant workshops and conferences, such as Stronger Together's 'Tackling Modern Slavery in Global Supply Chains' (London, August 2015; Boston [UK], October 2016) and the SEDEX conference 'Simplifying Supply Chain Sustainability' (London, March 2016). We believe that everyone in our company has a part to play in ensuring the amelioration of social conditions within our supply chains. Thus, information received from workshops, important news regarding ethics and sustainability, and updates on the progress Lovering Foods has made is shared with all relevant employees through biannual internal newsletters and with customers through regular meetings. As part of the induction process, new staff members participate in our Seafood Sustainability Workshop as well as our Modern Slavery Awareness Training. As the Modern Slavery Awareness Training has just recently been implemented, all relevant staff members were required to undergo training in March 2017.

Next Steps

Over the upcoming financial year (1 April 2017 – 31 March 2018), we aim to develop and strengthen our responsible sourcing as follows:

- 100% of our active supplier base to be participating in an approved ethical scheme;
- Conduct ethical risk assessments on all Kingfisher supply chains, and own-label supply chains where a retailer's own policy is not available, in line with our new ethical sourcing policy (in final stages of approval);
- Carry out an Ethical Trade Policy Gap Analysis across all of our suppliers and distribute guidelines and templates where required;
- Take a leading role in a collaborative ethical project focused on transparency, to encourage similar progress to that made in our Secondary Supplier Project last year and to further establish ourselves as industry leaders;
- Continue to expand our third-party engagement through participation in working groups and conferences around labour conditions and further collaboration with customers and suppliers to share best practice;
- Continue to visit relevant major seafood ports to expand our internal knowledge base and validate responsible sourcing claims;
- Continue extending our supply chain mapping to facilitate the identification of areas of risk;
- Finalise, publish, and internally communicate our new Lovering Foods 'RISE' CSR Strategy.

Contact Information

Caitlin Schindler
CSR Manager
Caitlin.Schindler@lovingfoods.co.uk

At Loving Foods, we recognise our responsibility to source products with respect for the environment and people, and we take pride in our proactive approach. Responsible sourcing is an ongoing process, not an end point; thus, we welcome the opportunity to report yearly on our progress in accordance with section 54(1) of the Modern Slavery Act 2015.

A handwritten signature in black ink, appearing to read 'John Sexton', with a horizontal line extending to the right.

John Sexton
Managing Director
Loving Foods Ltd.