

# LDH (LA DORIA) LTD

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## 2018 Modern Slavery and Human Trafficking Statement

We are committed to upholding the International Labour Organisation Declaration on Fundamental Principles and Rights at Work (1998) and implementing the United Nations Guiding Principles on Business and Human Rights (2011). Pursuant to these principles, LDH (La Doria) Ltd ("**LDH**") has developed systems and controls to identify and address the risks of modern slavery within our business and supply chains.

This is our third statement prepared in accordance with the Modern Slavery Act 2015. Here, we describe the steps taken by LDH during the financial year ending 31<sup>st</sup> December 2018 to prevent, identify, and remediate acts of modern slavery taking place within our business and supply chains.

### Business Organisation, Structure and Supply Chains

LDH is an importer and distributor of ambient grocery food products, packed seasonally and throughout the year, to UK retail, foodservice and manufacturing sectors. The company ownership encompasses a small number of shareholders; Gruppo La Doria S.p.A, Thai Union Group PCL, Pastificio Di Martino Gaetano & Fili S.p.A, and LDH company directors.

Historically the company has focussed on private-label ambient pasta, canned vegetables, pulses, fruits, and fish. More recently LDH has added chocolate, cooking sauces, condiments, and meal kits to its private-label offering. Due to the nature of products carried the majority are sourced from outside the UK. We have developed strong relationships with our suppliers globally and are broadening our supply chain mapping process to cover an increased range of products back to source. As set out below, LDH has policies in place to support the verification and monitoring of its suppliers to ensure that suppliers meet the standards that LDH expects.

The image below illustrates LDH's responsible sourcing engagement with suppliers, which is broadly determined by their size, existing capacities, and risk profile.





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The Responsible Sourcing Manager is primarily accountable for the development and implementation of all activities to safeguard against and mitigate modern slavery and human trafficking in our supply chains. The Technical Director has oversight and close involvement with the responsible sourcing programme and informs all company directors of progress and issues on a quarterly basis.

LDH also has a whistleblowing policy which sets out the process for our employees to raise any concerns that they may have in relation to compliance with our legal obligations, including in relation to modern slavery and human trafficking, and to ensure that there is adequate protection for employees who make protected disclosures.

### **Due Diligence and Assessments**

We recognise that modern slavery risks exist in our supply chains, and we have therefore taken practical steps to identify and prioritise addressing these risks.

#### **1. Information gathering**

LDH has been a member of Sedex (Supplier Ethical Data Exchange) since 2007 and required production sites to upload information through the Self Assessment Questionnaire ("**SAQ**"). Updated on an annual basis, this resource provides visibility of our suppliers' ethical performance, policies and processes. In addition, we are in the process of mapping all supply chains back to source with in-depth details regarding farm workers and vessel crew.

#### **2. Audits**

SMETA audits are conducted at sites on a risk basis as determined by customer policy. Audits provide visibility and a record of compliance against the Ethical Trading Initiative's ("**ETI**") Base Code. Compliance against the ETI Base Code is widely regarded as the highest measure of ethical labour performance at factory level. In addition, an increasing number of our supply chains are implementing GlobalG.A.P GRASP at farm level.

#### **3. Assessment**

All tier 1 suppliers have been assessed against LDH's responsible sourcing risk assessment framework. Information sources include the Food Network for Ethical Trade ("**FNET**") risk tool, SMETA audit reports, Sedex SAQ, and supplier visits. The outcome of this assessment is a high/medium/low rating that prioritises and informs supplier action plans whereby targets and indicators are developed in dialogue with suppliers. We aim to complete supply chain assessments back to source by the end of 2019.

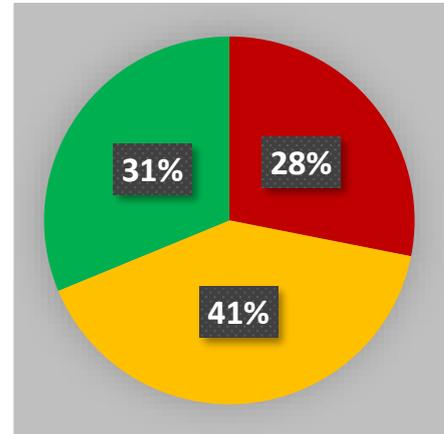
Audits to assess compliance against the ETI Base Code and assessments such as GRASP are helpful in determining whether human rights risks and violations are present. But they are only one tool within the evolving LDH toolkit against modern slavery. Open and transparent relationships with our suppliers are also essential in order to know, understand, and improve



working conditions in our supply chains. The ability to assess supply chains for supplier selection is completed with a view to forming long-term partnerships with frequent communication, both remotely and on-site. We conduct our assessment using a range of performance indicators and targets.

**Performance Indicators and Targets**

To date, LDH has primarily used Sedex to understand and monitor supplier ethical progress and performance, through self-assessment questionnaires and SMETA audits. The latter give a full understanding of whether the supplier is in compliance with national labour legislation, and the ETI Base Code. We also now have the responsible sourcing assessment framework to evaluate supplier performance against known risks and criteria. The results of tier 1 supplier assessments for 2018 are seen here. It is important to work with all our suppliers, but we are prioritising high risk (red) action plans, before moving onto medium risk (amber).



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Our targets for the next five years focus on moving all high and medium risk suppliers and supply chains to medium or low risk. We plan to achieve this progress through the action plans, responsible recruitment, gaining worker voice perspectives to inform our efforts, and moving to a beyond audit approach. Action plans will involve setting objectives and monitoring progress against these.

Suppliers that fail to improve in accordance with their action plan are required to take immediate corrective action, and LDH will provide increased support and assistance where necessary to help get their management system back on track. Employees who violate LDH's policies are likely to be subject to disciplinary action up to and including termination of employment.

**Training and Capacity Building**

A training programme for relevant staff has been developed, aimed at increasing capabilities for detecting modern slavery during technical supplier audits, which will complement visibility afforded through SMETA audits. In addition, modern slavery training has been conducted at Director level, with the participation of 80% of relevant staff. Our staff training demonstrates a pro-active approach to addressing these complex ethical issues and to support this further we are evolving and strengthening our approach in order to provide a greater understanding of the issues surrounding modern slavery from the source of the product and throughout the supply chain. This will enable us to advance the development of skills, processes and resources within our organisation: for example, our Responsible Sourcing Manager has attended Stronger Together training on *Tackling Modern Slavery in Global Supply Chains*, with further training and capacity building being planned for relevant staff across LDH.



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### **Collaboration and Engagement**

LDH recognises that there are entrenched, systemic socio-economic realities that negatively influence worker and stakeholder rights and we also acknowledge that addressing the source of modern slavery and human trafficking is often beyond the capability of any single Buying organisation or supplier. Therefore, LDH actively participates in FNET working groups and the ETI Italian Agriculture working group, so that through co-operation and the sharing of best practice we can identify and collectively overcome the modern slavery risks in supply chains.

### **Statement Approval**

This statement is made pursuant to section 54(1) of the UK Modern Slavery Act 2015 and constitutes LDH (La Doria) Ltd's slavery and human trafficking statement for the financial year ending 31 December 2018

This statement has been considered and approved by the Board of Directors on 24<sup>th</sup> June 2019

A handwritten signature in black ink, appearing to read 'Barry Fine', with a long horizontal line extending to the right.

**Signed by Barry Fine, CEO**