

Valpak's 2021 Modern Slavery & Human Trafficking Statement



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1 Valpak Limited - Our Commitment

Valpak is passionately committed to maintaining high standards throughout our dealings with employees, customers, and suppliers, conducting every aspect of our business with inclusivity, honesty, integrity and openness. Valpak will continue to review and seek feedback on our practices, to meet these standards.

Key elements that we seek to address:

Policy

We are committed to ensuring that there is no modern slavery or human trafficking in any part of our business and require all our suppliers to do the same.

We have defined clear standards for our staff and our suppliers in our Business Ethics and expect these to be adhered to, always. The policy is communicated to all staff and suppliers, through onboarding and inductions, to encourage them to act responsibly and affect change.

Risk management

We have identified that our greatest potential risks in relation to modern slavery exist in our supply chain. A risk management approach has been taken to help us identify and understand the potential risks and to ensure we can respond appropriately to any challenges. We will continue to review this approach and seek to strengthen our processes.

Awareness

At Valpak, we recognise our responsibility to ensure staff are aware of the reality of modern slavery in the UK and worldwide. We provide online and induction training that enables staff to recognise and respond to any instances of modern slavery - during work time or otherwise.

The Valpak Slavery and Human Trafficking statement will be updated and published annually.

The Statement has been approved by the Executive Board.

Signature



Name: Steve Gough

Position: CEO

Date: 18 March 2022

2 2021 Introduction

This is the sixth annual statement on slavery and human trafficking. The statement details the steps taken by Valpak Limited (including Valpak Scotland Limited, Valpak Recycling Limited and Valpak Retail WEEE Services Limited) within the financial year ending 31 December 2021 to ensure that modern slavery is not occurring in our business and supply chain.

Since our previous statement, our core activities remain the same, albeit our offices have remained closed and site visits restricted, due to Covid19 and the associated government guidelines.

3 Our Organisation

Valpak has been providing pioneering sustainable solutions to over 4,000 customers since 1997 when the first piece of producer responsibility legislation, the Packaging Waste Regulations, was introduced in the UK.

We have continued to grow our service offering steadily, providing solutions for organisations obligated under a wide range of complex environmental legislation, encompassing sustainability and waste management issues amongst many others.

The compliance and consultancy services are mainly delivered from one office in Stratford upon Avon, but as previously mentioned this has been closed for most of the year. Altogether, Valpak has approximately 180 personnel, across all services.

3.1 Our Supply Chain

Our supply chain includes a wide range of businesses, including SMEs, providing Valpak with services and goods which support our office operations, compliance activity and waste management and recycling services undertaken on behalf of our members and customers. Within 2021, the number of active direct suppliers was just over 400.

Most of these direct suppliers to Valpak are UK based organisations, with less than one percent by spend of purchases being made directly with suppliers outside of the UK. Those services directly sourced from suppliers outside of the UK were all for professional services such as IT or consultancy. It is however recognised that although operating within the UK some suppliers have international operations and for example international end-markets are utilised for recyclable materials. We also appreciate that there are global and UK hotspots for Modern Slavery, and this is considered during the risk assessment process.

3.2 Our Operations

Valpak conducts its business by developing long standing, reliable, inclusive, safe, pioneering, customer focused and sustainable services. Valpak has a Corporate Social Responsibility Policy, and an Ethical Policy for staff which sets out our commitments and standard of conduct to our employees and members. Valpak's mission, vision and values also provide guidance to our staff on what is expected from them.

The Corporate Social Responsibility Policy provides a framework of standards and principles for Valpak managers and employees to adhere to in the following areas:

- Business Ethics
- Health & Safety
- Employment
- Customer
- Community
- Environment

The Ethical Policy includes commitments to:

- Fair and equal pay
- Equal opportunities

- Human rights

Responsibility for the policies and the action to address modern slavery within our business and supply chain is held by the Director of HR and the Chief Executive Officer, who provide the operational and leadership commitment.

Valpak encourages its customers, suppliers, and employees to use the Whistle Blowing policy to report any concerns, including issues regarding Modern Slavery, to the Valpak Board. We have a process in place and clear steps to take if modern slavery was to be discovered in our business. This includes escalation to line management in the first instance, or contacting police if Valpak believe someone is in immediate danger. We would seek advice from the UK Government modern slavery helpline 0800 0121 700 or website (www.modernslaveryhelpline.org). If further advice was needed or as an alternative contact if modern slavery was suspected, we would consult with the charity Hope for Justice (0300 008 8000), to ask about the next steps to take.

Any complaint received will be logged as an incident, investigated thoroughly and appropriate action taken, in line with our process. In addition to whistle blowing, Valpak has grievance procedures in place for employees and complaints procedures for customers and suppliers.

Our recruitment practices always respect human rights by ensuring equal opportunities and fair treatment for all. New employees are screened in compliance with right to work checks and we only work with reputable recruitment consultants with whom we have preferred supplier relationships with. All employees have agreed terms and conditions which accord with employment law and we have an internal commitment to pay our employees above national living wage regardless of age. We have a zero-tolerance approach to slavery, trafficking or forced labour.

3.3 Supplier Management

Valpak has a significant number of suppliers, providing a wide range of services and goods. Valpak has long standing relationships with many of its suppliers and if we have any concerns that they are not meeting our expected standards, we work with them to address this. To identify the risks of modern slavery within our supply chain, Valpak has implemented a risk assessment approach.

The risk assessment exercise was carried out to allocate a low, medium, high risk rating to each category of supplier. This assessment was a desktop exercise to review the known information about the supplier and supplier categories and information available on the potential risks of modern slavery in terms of the supplier sector and location. Higher risk categories of suppliers were identified as those related to waste management activities.

For all new suppliers, Valpak's supplier set-up process is comprehensive; tailored to the type of supplier, we request information from the company on its health and safety, environmental, quality and security systems to ensure maximum visibility. The set-up process includes a request for information regarding the existence of a modern slavery statement and any procedures and policies in place to address modern slavery within their own business and supply chain.

As part of the supplier set up process, Valpak has a Code of Ethics for suppliers which all suppliers are expected to adhere to, or to take steps to become compliant. This includes modern slavery and standards on human rights and employment standards.

Any member of Valpak staff who visits a supplier site are asked to raise any concerns that they may have regarding a site in relation to modern slavery site to their line manager, who will follow the escalation process as mentioned above.

Self-assessment questionnaires were sent to key suppliers focussing on recycling services and all suppliers that responded were ranked as low risk overall. Our next step is to extend this to smaller suppliers, who may not be required to have a statement themselves, but who could be a risk, in both locality and sector.

Any suppliers which fail to respond will be contacted again and then any non-response will be escalated to the service managers for review. A decision will then be taken to help the supplier to comply or to cease trading, by the Executive Management Team.

4 Our Actions

During the financial year, Valpak has continued to implement its existing practices and corporate policies on business ethics and corporate social responsibility which includes modern slavery. These policies, practices and objectives will be monitored and reviewed for effectiveness at least annually, through the internal audit process used by Valpak.

4.1 Corporate Policy

Valpak is committed to conducting business with honesty, integrity and openness, respecting human rights and the interests of our employees. There have been no changes to our corporate policies which include the Ethical Policy for staff and suppliers and a corporate social responsibility policy, as we believe that they continue to be in line with the ambitions of the Modern Slavery Act.

4.2 Communication and Training

Valpak believe that as part of our commitment to help prevent modern slavery and human trafficking, it is important to raise our employee and supplier awareness of the issue.

4.2.1 Internal Communication

To help raise awareness:

- All staff are required to complete and pass, an eLearning Modern Slavery module, which was successfully completed for the third consecutive year.

4.2.2 Communication with suppliers

All new suppliers are asked to sign up to the Code of Ethics. The supplier set up process also asks suppliers to confirm whether they have processes in place to address modern slavery within their own business or supply chain.

5 Progress and Future Actions

Valpak recognises that addressing the risk of modern slavery within our business and the supply chain is an ongoing process and is committed to continual review to ensure that we maintain the commitments set out at the beginning of this statement.

5.1 Our Objectives

This year's progress and actions for the following year are outlined below:

| Objective | Progress Update | 2022 Actions |
|--|--|--|
| 1. Staff are confident in approaching suppliers about their policies and practices in relation to modern slavery | <ul style="list-style-type: none"> All new starts receive awareness training at induction Job specific training (where applicable) has been provided | <ul style="list-style-type: none"> All staff to undertake the e-learning Modern Slavery training Continue to Review training needs for all staff and identify timeframes for appropriate refresher training Complete more in-depth training for the appropriate teams, as agreed in 2021. |
| 2. Suppliers and partners are aware of and share our commitment to tackling modern slavery | <ul style="list-style-type: none"> Supplier set up process, includes modern slavery questions Responses from the supplier set up process are monitored and reviewed | <ul style="list-style-type: none"> Maintain an effective process is in place to check that all new suppliers respond to the modern slavery questions. Circulate our updated Modern Slavery Policy to all suppliers and partners. Work closer with Group companies, to ensure we are sharing best practice. |
| 3. Valpak has confidence that our suppliers apply good human rights and labour practices | <p>We have continually improved our knowledge and evidence base on practices to include:</p> <ul style="list-style-type: none"> Supplier set up process Self-assessment questionnaire Provision of escalation process through departmental managers and Executive management team | <ul style="list-style-type: none"> Ensure the self-assessment questionnaire is completed by all suppliers, to be completed in 2022, for 2021. Any higher risk suppliers identified to be audited Any supplier who has not responded to the questionnaire to be escalated to service managers (decision then to be taken on helping the supplier to comply or to discontinue using them) Ensure there is a process in place to respond to any issues identified through site visits on a case-by-case basis |
| 4. Ensure high standards in relation to action on modern slavery are maintained | | <ul style="list-style-type: none"> Review all relative corporate policies and practices to ensure they are effective |