

Our Commitment

This statement is made by Sofidel UK Ltd (hereafter referred to as “Sofidel”) operating in the UK as part of the Sofidel Group of companies, pursuant to s54(1) of the Modern Slavery Act 2015 and constitutes Sofidel’s modern slavery and human trafficking statement for the financial year from 1st January to 31st December 2020.

At Sofidel we pride ourselves on being a responsible and ethical business committed to always acting with integrity with our customers, suppliers, employees and the communities within which we operate.

Sofidel is committed to conducting business in a manner that respects the dignity and human rights of all people. We acknowledge our responsibilities and obligations arising from the Modern Slavery Act 2015 (the “Act”) and we do not tolerate any conduct that encourages, facilitates or contributes to human trafficking, forced labour (including child labour) or any other human rights abuses.

Sofidel’s Organisation Structure:

Sofidel Group was founded in 1966 and is now one of the world leaders in the tissue paper production market for hygienic and domestic use: toilet paper, kitchen paper, napkins, tissues and handkerchief). It’s best known brand, available in several countries, is Regina, which stands alongside other prestigious brands.

From its headquarters in Porcari (Lucca), Sofidel Group coordinates the activities of 19 companies throughout Europe and the United States, which produce more than one million tonnes of paper each year and provides more than 6,000 people with employment. Sofidel UK Ltd employs approximately 810 staff across its four sites in the UK.

The Group’s daily business includes the creation of value based on a profound sense of respect for the world we live in.

Supply Chain

Whilst the Group’s supply chains are extensive due to its global reach, Sofidel’s supply chains are primarily focussed within the UK.

The primary operations within these supply chains are warehousing, raw material supply and the transportation of finished goods. All of our warehousing is UK based and the majority of transportation is provided by UK based companies. Some raw materials are brought in from outside the UK by transport companies that have been checked and scrutinised by the Group.

We’re continuing to focus on policies and procedures that make sure slavery and human trafficking doesn’t take place in this chain and we will continue to re-evaluate how we engage with current and new suppliers to ensure it is eradicated in our supply chains or in any part of our business.



Preventing modern slavery

In order to ensure that we comply with our responsibilities under the Act and to identify and mitigate risk, we have looked at activities in 3 key areas – policy, risk assessment and due diligence. The steps we have taken/have planned for 2020 include:

Policy

Identifying potential victims of modern slavery can be a challenge because the crime can manifest itself in many different ways. On a global level the Sofidel Group set out its guiding principles and values in its Code of Ethics publication. The Group also expects and enforces effective systems and controls to ensure that the same high standards from all of its suppliers, contractors and other business partners and, as part of its contracting processes, it includes specific prohibitions against the use of modern slavery, and expects that its suppliers will in turn hold their own suppliers to the same standards. In addition, the Group uses its influence to promote and support human rights through its involvement in the United Nations Global Compact initiative.

At a local level our recruitment policies are compliant with all local legislation, including the Immigration, Asylum and Nationality Act 2006 which sets out the UK's requirements for preventing illegal working. These policies are reviewed annually.

As part of a review of the general employment policies, Sofidel has introduced a Modern Slavery and Human Trafficking Policy during 2020 which is applicable to all employees, officers, directors and suppliers. This sits alongside other policies relevant to this issue as part of a suite of measures designed to uphold our commitment to the Act.

Risk Assessment

Sofidel has determined that due to the policies and initiatives outlined above the risk of slavery or trafficking in our supply chain is low. The majority of our raw materials and finished goods are transported within the UK or Europe. The key exception to this is our paper pulp which is sourced from various countries worldwide. However, the risk here is also low due to the approaches taken by the Group's purchasing department and the fact that all of our suppliers and contractors have been evaluated using TenP.

Sofidel's policy regarding labour is to use permanent employees wherever possible and to limit the use of agency labour. We do not employ staff aged under 18 unless it is part of an apprenticeship programme run by a registered UK further education establishment. Sofidel carries out an internal HR audit annually which, amongst other things, looks to identify and eliminate forced or compulsory labour in our workforce.

As a sign of our commitment to respecting human rights, Sofidel is a member of SEDEX. We are audited using SMETA, which is one of the most widely used social audit procedures in the world. These independent audits ensure our systems and standards are legally and ethically compliant and are properly and sufficiently maintained.

We are also audited by clients as part of their approach to ensuring compliance with the Act. Any issues raised during these audits are rectified without delay.



Due Diligence

To ensure that all those in our supply chain and contractors comply with our values we have in place a supply chain compliance programme. Sofidel uses “TenP” as the tool for evaluating suppliers in terms of this along with sustainability. This platform was developed by the Global Compact Network Foundation based on the 10 founding principles of the United Nations Global Compact. It provides companies with a prequalification system by filling out an online self-assessment questionnaire on environmental and social sustainability performance in 4 different areas. These 4 areas are Human Rights, Labour Rights, Environmental Responsibilities and the Fight Against Corruption (Business Ethics).

Following the successful due diligence exercises Sofidel carried out in 2019 and 2020 on the recruitment agencies we use to obtain our temporary labour and the changes that came around owing to this process, this due diligence process is now repeated on an annual basis, with the last exercise in January 2021. This exercise is done internally through screening and a review of their policies and procedures. It has the aim of greater transparency and partnership between the parties.

During the course of 2020 Sofidel was subject to one ethical compliance audit conducted on behalf of a major customer. Sofidel passed this audit successfully with no major non-conformities. In addition, Sofidel continues to evaluate its contractors to establish their compliance with relevant employment legislation and employee vetting rules.

Measuring Effectiveness

Sofidel will use the following key performance indicators (KPIs) to measure how effective we have been in ensuring that slavery and human trafficking has not taken place in our business or supply chains:

- All suppliers, contractors and partners must demonstrate effective policies and controls in their TenP assessments.
- All suppliers, contractors and partners must evidence that they do not promote forced labour or other human rights abuses.
- All employees (temporary and permanent) are screened through the gathering of references, basic DBS checks and checks on the individual’s right to work in the UK.
- All reported breaches under Sofidel’s Whistleblowing Policy are recorded, acted upon and reported each year.
- The number or percentage of staff trained.

Training and communication

A training programme on the issue of modern slavery, and on the risk that the business faces from modern slavery in its supply chains, has been implemented and provided to staff as necessary, so that they know how to identify exploitation and modern slavery and how to report suspected cases.

The Company’s zero tolerance approach to modern slavery will be communicated to all suppliers, contractors and other business partners when entering into new or renewed contracts with them. Going forward we will require our business partners to provide training to their staff and suppliers and providers.



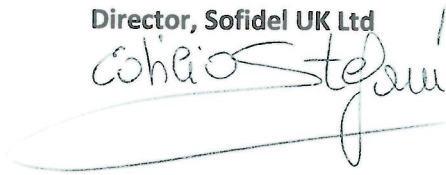
This statement was approved by the Board of the Sofidel Group on 03rd June 2021.

Signature:

Date: 23rd June 2021

Stefani Edilio

Director, Sofidel UK Ltd

A handwritten signature in blue ink, appearing to read 'Stefani Edilio', with a large, sweeping underline.