



MODERN SLAVERY & HUMAN TRAFFICKING STATEMENT

Modern slavery encompasses slavery, servitude, human trafficking and forced labour. Paynes Dairies has a zero tolerance approach to any form of modern slavery. We are committed to acting ethically and with integrity and transparency in all business dealings and to putting effective systems and controls in place to safeguard against any form of modern slavery taking place within the business or our supply chain.

Our Business

Founded in 1972 Paynes Dairy is a privately owned dairy based in Boroughbridge, Yorkshire. Paynes Dairies operates throughout the whole of the UK, supplying raw and processed milk and cream to wholesalers, retail outlets manufacturing and caterers in a variety of different pack sizes and packaging formats.

Supply Chain

Paynes Dairies is supplied by over 140 Red Tractor Dairy Farmers located in Yorkshire and Cumbria. The company ensures that for all farmers there is a supply contract in place and a positive working relationship with the company.

All milk and primary packaging materials are purchased from approved suppliers who have 3rd party accreditations and produce raw materials in accordance with our agreed specification.

No supplier to Paynes Dairies is in a high-risk sector such as hospitality & leisure, service, retail or construction.

Our Policies

Paynes Dairies operate a number of internal policies to ensure that we are conducting business in an ethical and transparent manner and have in place procedures to be able to identify modern slavery risks and steps to be taken to prevent slavery and human trafficking in its operations:

1. Paynes Dairies is a member of SEDEX (Supplier Ethical Data Exchange). As members of SEDEX we adhere to and apply their codes of practice which cover slavery and human trafficking. Major customers are linked with us on SEDEX which means ethical audit results and actions can be shared.
2. To safeguard against human trafficking or individuals being forced to work against their will, Paynes Dairies operate a robust recruitment policy in line with UK legislation including conducting eligibility to work in the UK checks for all employees and checks to ensure everyone employed is 18 or over. Paynes Dairies do not use 'Agency Staff' preferring to have direct control over the recruitment process to ensure it is robust. To further safe guard against modern slavery and human trafficking Paynes Dairies do not employ temporary staff and contracts of employment are issued to all staff.
3. Staff are paid in line with UK legislation regarding National Minimum Wage Legislation and Paynes Dairies operate a contributory pension scheme to which all employees are auto-enrolled.

| Document Name | Ref No | Issue No | Issue Date | Authorised By | Pages |
|--------------------------|--------|----------|------------|---------------|--------|
| Modern Slavery Statement | QP19 | 1 | 11/10/2017 | Charles Payne | 1 of 3 |



MODERN SLAVERY & HUMAN TRAFFICKING STATEMENT

Our Policies Continued

4. Whistleblowing policy. We operate a whistleblowing policy so that all employees know that they can raise concerns about how colleagues are being treated, or practices within our business or supply chain, without fear of reprisals. This is communicated to all employees at the commencement of employment via the Employee Handbook.
5. Code of business conduct. In the employee handbook, it explains the manner in which we behave as an organisation and how we expect our employees to act and where employees can seek help if they have concerns.
6. We have highlighted the modernslavery.co.uk site to all our employees, which holds useful information on how to recognise different types of slavery, how to spot the signs and provides details of a telephone helpline.

Our Performance Indicators

We will know the effectiveness of the steps that we are taking to ensure that slavery and/or human trafficking is not taking place within our business or supply chain if:

- No reports are received from employees, the public, or law enforcement agencies to indicate that modern slavery practices have been identified.

Looking forward: key performance indicators

Going forward, we aim to work towards developing an employee training module that will be undertaken by all Paynes Dairies employees. This training will outline what modern slavery is, how to identify it and what individuals should do if they suspect there are any cases of slavery occurring. Completion of this training will form a compulsory part of our employees' new starter induction processes.

Charles Payne
Managing Director

11th October 2018

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and sets out the steps that Paynes Dairies has taken and is continuing to take to ensure that modern slavery or human trafficking is not taking place within our business for the financial year ending 30th April 2017.

| Document Name | Ref No | Issue No | Issue Date | Authorised By | Pages |
|--------------------------|--------|----------|------------|---------------|--------|
| Modern Slavery Statement | QP19 | 1 | 11/10/2017 | Charles Payne | 2 of 3 |