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**MODERN SLAVERY ACT  
COMPLIANCE STATEMENT**

**FEBRUARY 2017**

**Thorntons, managed under the parent company Ferrero International Limited S.A. (collectively “Ferrero”), is committed to and fully supports the goals of the Modern Slavery Act 2015 (the “Act”).**

Ferrero’s commitment to the respect of human rights, together with its Company values, constitutes the basis of its policies and of its everyday activity. Ferrero confirms its strong determination to contribute to the elimination of all forms of slavery, human trafficking, forced or compulsory labour, prison labour, and child labour, starting from its worst forms. Moreover, Ferrero already strongly promotes human rights respect and has zero tolerance to any forms of human rights abuses along its value chain, through committing to the Ten Principles of the United Nations Global Compact and the United Nation Guiding Principles of Business and Human Rights, to which the Ferrero Group has officially adhered.

## OVERVIEW

Ferrero began its story in the little town of Alba in Piedmont, Italy, in 1946. Today, with a consolidated turnover of over 10 billion euros, Ferrero is amongst the market leaders of the confectionery sector and the third worldwide Group in the chocolate confectionery market.

The Ferrero Group is present with more than 41,000 people across 53 countries; it has 22 production plants around the world, of which 3 are part of the Michele Ferrero Entrepreneurial Project in Africa and Asia. In addition, at the beginning of 2015, the Group set up the Ferrero Hazelnut Company (HCo) that includes 6 agricultural companies and 8 manufacturing plants. Ferrero products are present and sold in more than 170 countries; they have become part of the collective memory and customs of many countries, where they are truly loved generation after generation and often considered as cultural icons.

Furthermore, Ferrero has social responsibility in its DNA. Product freshness and high quality, careful selection of the finest raw materials, sustainable agricultural practices and continuous research and innovation are some of the key elements of Ferrero’s success. Moreover, Ferrero continues to invest in local communities thanks to the Ferrero Foundation, the Michele Ferrero Entrepreneurial Project and the Kinder + Sport programme.

Thorntons is the UK’s largest premium chocolate brand. In 2015, Thorntons become part of the Ferrero Group. The two organisations share core values, derived from rich family traditions and a mutual culture of quality, trust and innovation.

Respect for people has been at the heart of both companies throughout their histories, and Ferrero and Thorntons are now working together to align procurement practices.



## FERRERO CODES AND POLICIES

Ferrero supports the protection of human dignity, as well as the absolute respect of human rights, wherever the Group companies and supply chains operate. In particular, Ferrero also supports the abolition of the exploitation of child labour and of forced and coercive labour, within our sphere of influence along the entire value chain.

Ferrero’s Code of Ethics and Code of Business Conduct policies represent the basis of our approach to human rights and modern slavery in supply chain.

With the solid foundation of our past, our Code of Ethics reaffirms decisions and our actions are based on our values Loyalty and Trust, Respect and Responsibility, Integrity and Sobriety, Passion for Quality, Research and Innovation, Entrepreneurship and “Work, Create, Donate”.

Today, like never before, it is essential to confirm our ethical vision and to state clearly our principles, values and responsibilities. These principles guide our conduct in relationships with the market, in particular the consumer, the communities where we work, the people who work with us and with every stakeholder involved with the Company.

In particular, our Code of Business Conduct for suppliers and business partners defines Ferrero standards in the following areas:

1. excellent product quality and safety;
2. commitment to protecting human rights;
3. environmental protection and sustainability;
4. guaranteeing standards in the workplace environment;
5. business integrity.

This Code of Business Conduct lays out Ferrero human rights expectations to our suppliers and collaborators, that they are contractually required to comply with. The Code, for instance, prohibits imperatively the use of child labour in any way or form, either directly or indirectly, based on the principles of the ILO's Minimum Age Convention No. 138 and the Worst Forms of Child Labour Convention No. 182. Through the Code, Ferrero has started to work with all its partners throughout the supply chain to be compliant with those goals. This ultimately will strengthen the partnership with all actors of the supply chain and increase transparency.

Ferrero reserves the right to verify its suppliers' and other third parties' compliance with our high standards by conducting audits and unannounced inspections of suppliers to examine their business practices, records, and facilities as well as to conduct private interviews with employees. Ferrero uses independent third parties to assess supplier compliance with its Code of Business Conduct and Code of Ethics.

In case of non-compliance, Ferrero will demand corrective measures and reserves the right to terminate any agreement.

**For further information about our commitments on supply chains visit [www.ferreroocr.com](http://www.ferreroocr.com)**

## ABOUT THORNTONS

Thorntons, as one of the UK's leading confectionery companies, has always taken a responsible approach to ensuring that we minimise the risk that individuals might be exploited within our organisation or labour practices. Ferrero and Thorntons are now working together to align procurement practices, and we are united in the vision of an organisation and supply chain that is free from modern slavery in all its forms.

To make even stronger our commitment to keeping modern slavery out of our supply chain, we will create a dedicated team who will work across the Thorntons business to ensure

that colleagues are educated about the key risk areas for modern slavery in all its forms.

## FACTORY

Thornton Park, in Alfreton, Derbyshire, houses the Thorntons head office, factory and packaging facility. On site, we employ around 1,250 individuals. To date, there has never been an issue regarding any form of modern slavery at our Alfreton facility. We require the following information from all new staff at induction stage:

- Proof of identification
- Documentation of right to work
- Proof of address.

As with many large manufacturing facilities, at certain points of the year Thorntons relies on a supply of temporary workers. Our key provider of temporary agency staff is Staffline. Staffline has strict policies and procedures in place to monitor its workforce for the signs of labour exploitation. Amongst its rigorous checks, every Staffline worker is provided with training using the Stronger Together literature. Stronger Together is sponsored by the UK's nine largest supermarkets, and developed in conjunction with labour rights experts across the globe.

**For more information, please visit [www.staffline.co.uk](http://www.staffline.co.uk)**



## SUPPLY CHAIN

Thorntons has always demanded our suppliers conform to a high standard of ethical behaviour, in line with International Labour Organisation principles. Our standards on labour include:

- Observing the laws pertaining in every country of business operation as a minimum standard
- Ensuring employment is freely chosen, using no forced labour
- Prohibiting the use of child labour in all circumstances (defining 'child' as anyone less than 15 years old unless local minimum law stipulates a higher age for work or mandatory schooling in which case the higher age will apply)
- Ensuring working conditions are safe and hygienic and that there are adequate levels of health and safety practices
- Making provision for a living wage to be paid to workers
- Ensuring that working hours are not excessive
- Eliminating any form of discrimination
- Outlawing any form of harsh or inhumane treatment of workers

Thorntons has always insisted on the right to ensure that all of our suppliers are acting with the highest integrity, and with respect to the individuals who contribute to our supply chain. Should these high standards be breached, Thorntons will consider this to be a breach of contract.



This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes the slavery and human trafficking statement of Thorntons Limited for the financial year ending 31st August 2016.

**Pieraldo Oldano**  
Managing Director  
For and on behalf of Thorntons Limited

February 2017