

KARIUM

Modern Slavery Statement 2017-18



1. Introduction

This statement sets out Karium's actions to understand all potential modern slavery risks related to its business and to put in place steps that are aimed at ensuring that there is no slavery or human trafficking in its own business and its supply chains. This statement relates to actions and activities during the financial year 1 April 2017 to 31 March 2018.

As part of the FMCG sector, we recognise that we have a responsibility to take a robust approach to slavery and human trafficking.

Karium is absolutely committed to preventing slavery and human trafficking in its corporate activities, and to ensuring that its supply chains are free from slavery and human trafficking.

2. Organisational structure and supply chains

Karium is a UK based FMCG company primarily operating in the personal care industry with a presence in haircare, skincare and body care categories. Its turnover for FY 17-18 was £58 mn gross sales. We are largely a Sales and Marketing organisation. Our owned brands are Inecto, Cuticura, Soft & Gentle, Pro:Voke and Aapri and we also distribute Bio Oil, P20 and Perspirex in the UK.

We work with all major mass market retailers and grocers including Boots, Superdrug, Tesco, Sainsbury's, Morrison's and Asda as well as all of the major discounters. In addition we work with pharmacies, wholesalers and the convenience sector in the UK. We also export some of our brands and products internationally, our biggest markets are Europe and Australasia.

Our manufacturing operations are outsourced to various third party suppliers in the UK, Europe and Sri Lanka. Similarly our warehousing and logistics are also outsourced to a third party supplier in the UK.

All our employees are in office based roles and some of our staff are home based.

2.1 Countries of operation and supply

We are based in Hounslow, London and the company does not have any physical presence or offices outside of the UK. As noted above, we do have third party suppliers outside of the UK i.e. in Europe and Sri Lanka.

Amongst all the countries where we have a supplier base, we believe Sri Lanka is the only country that could be at risk in relation to modern slavery. We hold this belief due to protection against breaches of human rights being limited as compared to the more developed parts of the world, such as Europe. We believe this risk being managed as our Group company subsidiary in Sri Lanka deal with the supplier directly.

2.2 High-risk activities

We do not consider any activities carried out in our offices as high risk. Similarly we do not believe that activities carried out in any of our manufacturing supplier locations or third party warehouse are at a risk of modern slavery as our partners are reputable and we have had a long and successful business relationship with them. Also all our manufacturing suppliers are accredited (e.g. ISO 9001, GMP, ISO 14001, BRC).

We do believe that packaging and raw material sourcing could be exposed to a risk. This is because some of our packaging and raw materials, which are procured by our third party manufacturing suppliers, may be sourced from countries in Asia and Africa which have limited protection with regards to human rights.

3. Relevant policies and processes

The company operates the following policies and processes to enable prevention of slavery and human trafficking in its operations:

- **Whistleblowing policy:** We encourage our employees to report any concerns related to unacceptable, improper or unethical practices being followed in the organization. The company's whistleblowing procedure is designed to make it easy for employees to make disclosures, without fear of retaliation. Employees who have concerns can use our confidential helpline.
- **Recruitment of Agency workers:** We use only specified, reputable employment agencies to source agency workers and always verify the practices of any new agency before accepting workers from them. This involves ensuring that the wages paid by the agency to the worker are at least in line with the national minimum wage and other benefits such as holidays are as per legislation. We also ensure that our agency workers have the same rights as our permanent employees with regards to policies/practices such as time off for antenatal care, access to all office facilities, equal pay, working hours, etc.
- **Health and Safety policy:** We have a health and safety policy in place that ensures a safe and healthy working environment for all its employees, including agency workers.
- **General Employment practice:** We ensure compliance with legislation regulating employment, working conditions and employee/worker rights.

4. Due diligence

As noted above, we only use reputable and accredited third party suppliers for our manufacturing and warehouse operations. We are however committed to improving our supplier due diligence process, our current and future plans have been outlined in Annexure I.

Annexure I Priorities for FY 18-19

- **Policies**

We will develop a Human Rights and Ethical Sourcing policy and share that with our employees and suppliers and monitor compliance.

- **Due Diligence**

We will introduce a self-evaluation based risk assessment process for evaluating the modern slavery and human trafficking risks of each new and existing supplier. Based on the self-assessment, we will take steps to improve substandard suppliers' practices, including providing advice to suppliers and requiring them to implement action plans.

- **Training**

We will introduce training/self-awareness sessions for our technical and HR team members to make them aware of the risk of slavery and human trafficking in relation to various aspects of the business, steps to be taken if slavery or human trafficking is suspected and what external help is available.

Board Member approval

This statement was approved on 3rd September 2018 by the company's Managing Director who would review and update it annually.

Director's signature:



Director's name:

Lee Gelderd

Date:

3rd September 2018