

## Modern Slavery Statement

### Introduction

This statement is issued by Fresh Direct (UK) Limited (trading as Fresh Direct, Fresh Kitchen, M&J Seafood, Wild Harvest and Roots) (“Fresh Direct”).

Fresh Direct is a leading specialist supplier to the foodservice industry of products including fresh produce, dairy, fish & seafood, meat, and poultry. We employ around 1400 employees across the UK. We are part of the Sysco Corporation, the global leader in foodservice.

Fresh Direct is fully committed to ethical working practices, and regards inhumane conditions such as slavery, worker exploitation, and human trafficking as completely unacceptable either within our own business or in our supply chains.

Given our global reach, we understand our responsibilities and have a zero-tolerance approach to modern slavery. We recognise that modern slavery, which can take many forms, is a crime, and we strive to act ethically and with integrity in all our business dealings and relationships, and to implement and enforce effective systems and controls to ensure modern slavery is not taking place anywhere in our own business, or in any of our supply chains.

Fresh Direct has in place ethical trading standards to which each of our suppliers is required to adhere, as well as a set of values which require us, among other things, to be the best we can be, and to always do the right thing. Our commitment to anti-slavery and human trafficking is further strengthened with the introduction of our Modern Slavery Policy which applies to all employees, officers, workers, contractors, suppliers, and other business partners.

We are committed to ensuring there is transparency in our own business and in our approach to tackling modern slavery throughout our supply chains, consistent with our disclosure obligations under the Modern Slavery Act 2015. Our Board fully supports the aims of the Act and is committed to combating the risk of slavery and human trafficking in our business.

### Our Supply Chain

Whilst many of the products sold by the Fresh Direct are sourced from the UK, we also source globally to support the range, quality, provenance, availability, and price requirements of our customers.

### Prevention of slavery and human trafficking in Fresh Direct’s workforce

#### Right to Work Checks

All colleagues employed by Fresh Direct who work on a temporary, fixed term or permanent basis are subject to a right to work check in accordance with UK legislation. A person is unable to commence work for Fresh Direct unless they satisfy us that they are legally able to work within the UK.

### **Resourcing**

Where Fresh Direct employs the services of an employment agency to source candidates for permanent or fixed term positions, we endeavour to only use agencies of good repute and who are listed on our preferred supplier list. Fresh Direct requires the agencies to undertake the appropriate background checks on prospective colleagues, in conjunction with our own checks.

### **Agency Workers**

Where Fresh Direct uses temporary workers supplied through an employment agency, we expect and require the agency to undertake the appropriate checks. We operate a preferred supplier list for these agencies and those listed are expected to undertake the appropriate background checks on prospective colleagues and to comply with our Ethical Code of Conduct, which incorporates compliance with the Modern Slavery Act and other critical legislation.

If Fresh Direct identifies that an employment agency is not adhering to our standards, the agency will be removed from the preferred supplier list and will not be engaged in any further recruitment activity on any basis.

### **Whistleblowing policy**

Fresh Direct has a whistleblowing policy in place under Sysco's Global Code of Conduct, which applies to all employees, casual workers, agency staff, contractors, subcontractors, agents, sponsors, suppliers, or any other person associated with Fresh Direct. Any colleague who has concerns about any aspect of Fresh Direct is able to disclose their concerns, through the Ethics Line. Any concerns are investigated thoroughly.

## **Prevention of slavery and human trafficking in Fresh Direct's supply chain**

Fresh Direct requires all suppliers to adhere to its standards, which are based on the standards set by the Ethical Trade Initiative (ETI) and reflect the key elements of the International Labour Organisation (ILO) conventions. Fresh Direct's Ethical Trading Policy is regularly reviewed and requires Fresh Direct's suppliers to join Sedex, being one of the world's largest collaborative platforms for sharing responsible sourcing data on supply chains. The Sedex platform assists Fresh Direct and its suppliers with managing and improving performance when it comes to labour rights, health and safety, the environment and business ethics and we are currently working with our existing own brand suppliers to enhance transparency in these important areas.

### **Supplier adherence to our values**

To ensure all those in our supply chain comply with our values we have in place a supply chain compliance programme.

Our risk framework, against which all new suppliers are assessed, and existing suppliers are monitored for compliance, determines the level of ethical risk at each stage of the supply chain. Effective escalation processes are in place to support decision making, should Fresh Direct become aware of non-compliance. Suppliers are required to undertake an independent ethical audit of their full supply chain if it is deemed necessary by the risk assessment. The outcome of such an audit is used to determine whether Fresh Direct will work with the supplier. Fresh Direct would address any failure by a supplier to meet Fresh Direct's standards on a case-by-case basis,

however, suppliers who fail to meet Fresh Direct's standards may jeopardise their ability to continue to do business with Fresh Direct.

Supplier's ethical performance will be monitored on an ongoing basis using the Sedex risk assessment tool. Our suppliers will be required to review and update the Sedex Self-Assessment Questionnaire (SAQ) on Sedex defined basis (6 monthly / annual basis) and to maintain ethical audits at the frequency determined by the level of risk and vulnerability within their supply chain. We will continue to review the effectiveness of these controls in reducing the risk of unethical practices. Our Merchandising, Technical, HR and Legal teams have the primary responsibility for ensuring supplier and contractor adherence to our values.

### **Due Diligence Processes**

As part of our ongoing strategy to identify and mitigate risk, we have systems in place to:

- Identify and assess potential risk areas in our supply chains;
- Mitigate the risk of slavery and human trafficking occurring in our supply chains;
- Monitor potential risk areas in our supply chains;
- Protect whistle blowers.

### **Training**

Fresh Direct's policies and standards are readily available to colleagues through the intranet and notice boards. To ensure a high level of understanding of the legislation and the risks of modern slavery and human trafficking in our supply chains and our business, we provide training to our colleagues in the Procurement team.

### **Reporting on our Progress**

Following the introduction of the Modern Slavery Act 2015, we took the opportunity to review and update our Terms and Conditions of Purchase; Supplier Charter; and Ethical Trading Code of Conduct, and we engaged with our suppliers to ensure they were aware of our joint responsibilities and our requirement for them to adhere to the practices and controls we put in place to ensure the welfare of those employed within their supply chains. We also continue to remind our suppliers that we require their cooperation with any inspections and / or investigations conducted by Fresh Direct from time to time to allow us to verify compliance with our policies.

Fresh Direct continues to train all managers in conducting right to work checks in respect of new starters and we have improved our processes such that no new employee can be set-up on payroll without having first passed a right to work check. Further guidance is provided to managers in a document known as the 'manager's toolkit' and is accompanied by a short video to support their learning and understanding.

Fresh Direct has formed a working committee which comprises colleagues from our Procurement, Technical, Human Resources and Legal teams to review our Modern Slavery Statement and related policies and to consider what further improvements can be implemented by the business.

We have amended our Supplier Charter to include a requirement for all new and existing Fresh Direct suppliers to join Sedex, which will allow those suppliers to manage and share their data on responsible sourcing within their supply chain with Fresh Direct. The data allows us to manage and improve performance when it comes to labour rights, health and safety, the environment and business ethics and to categorize suppliers and/or products into low, medium and higher risk categories, thereby allowing us to take a risk-based approach and to require additional due diligence on any suppliers that fall within the medium to higher risk categories.

We continue to review the effectiveness of our supply chain controls in reducing the risk of unethical practices and we have now started to utilise a new Sedex tool that provides us with enhanced visibility of the ethical risks across our supply chain by allowing us to review our supplier data more closely and, thereby, better identify risk areas.

During the last 12 months we can confirm that there have been no reports of slavery or human trafficking within the Fresh Direct supply chain.

## **Further Steps**

We recognise that more can always be done to tackle Modern Slavery and, as a business, we remain committed to helping to increase awareness of the issues and engaging in an ongoing review of our practices and policies to combat the risk of slavery and human trafficking. We intend to take the following steps to continue to further combat these risks, going forward:

- We will continue to build on the ethical trading training provided to our supplier facing Procurement, Technical and Product Development teams that has been developed by Fresh Direct having regard to the Ethical Trading Initiative (ETI) principles. This training focuses not only on developing an understanding of core ethical issues but also on the practical steps businesses can take to tackle the root causes of modern slavery issues in their supply chains. The training has been completed and attended by Fresh Direct colleagues. We will ensure that all new starters in these areas are provided with appropriate training on their induction and deliver a refresher training programme as required.
- Having undertaken a review of the effectiveness of our supply chain controls in reducing the risk of unethical practices we are continuing to look at ways to enhance the transparency in our supply chain by using best-in-class tools such as Sedex. We have worked in collaboration with independent experts to help validate our plans and provide additional support.
- Sedex have released a new Self-Assessment Questionnaire that we will require our suppliers to complete within 6/12 months to provide us with an updated risk profile of the supply chain. This, coupled with the enhanced risk assessment tool and reporting that Fresh Direct now has access to, improves our visibility of potential ethical risks across our supply chain, allowing us to undertake extended due diligence where higher risk areas are identified.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015