

Modern Slavery Statement

Introduction

The Sysco Speciality Group 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 through 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.

The Sysco Speciality Group 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.

Organisation and Business Structure

The Sysco Speciality Group is a leading specialist supplier to the foodservice industry of products including fresh produce, dairy, fish & seafood, meat, and poultry. This statement relates to one of the principal trading companies in the group, Fresh Direct (UK) Limited, trading under the brand names Fresh Direct, Fresh Kitchen, Fresh Prep, M&J Seafood, Wild Harvest, Roots of Oxford and Fresh Fayre. The other principal trading company in the Sysco Speciality Group is Kent Frozen Foods Limited, whose Modern Slavery statement can be found at: www.kff.co.uk/modern-slavery.

As a Group, we employ around 1400 employees across the UK. We are part of the Sysco Corporation, the global leader in foodservice.

Our Supply Chains

Whilst many of the products sold by the Sysco Speciality Group 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 the Sysco Speciality Group

Right to Work Checks

All colleagues employed by the Sysco Speciality Group 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 the Sysco Speciality Group unless they satisfy us that they are legally able to work within the UK.

Resourcing

Where the Sysco Speciality Group 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. The Sysco Speciality Group requires the agencies to undertake the appropriate background checks on prospective colleagues, in conjunction with our own checks.

Agency Workers

Where the Sysco Speciality Group 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 the Sysco Global Code of Conduct, which incorporates compliance with the Modern Slavery Act and other critical legislation.

If the Sysco Speciality Group 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

The Sysco Speciality Group 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 the Sysco Speciality Group. Any colleague who has concerns about any aspect of the Group is able to disclose their concerns, through the Ethics Line. Any concerns are investigated thoroughly.

Prevention of slavery and human trafficking in the Sysco Speciality Group' supply chains

The Sysco Speciality Group 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. The Sysco Speciality Group is committed to trading ethically and expects its suppliers to implement appropriately high standards.

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 measured 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 the Sysco Speciality Group 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 the Sysco Speciality Group will work with the supplier. The Sysco Speciality Group would address any failure by a supplier to meet the Sysco Speciality Group's standards on a case by case basis, however, suppliers who fail to meet the Sysco Speciality Group's standards may jeopardise their ability to continue to do business with the Sysco Speciality Group.

Suppliers' ethical performance will be monitored on an ongoing basis.

We will continue to review the effectiveness of these controls in reducing the risk of unethical practices.

Our Procurement, 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

Sysco Speciality Group policies and standards are readily available to colleagues through the HR department 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

With the introduction of the Modern Slavery Act 2015, we took the opportunity to review and update our Terms and Conditions of Purchase and Ethical Trading Policy. We wrote to all of our suppliers to ensure our suppliers 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 have also reminded our suppliers that we require their cooperation with any inspections and / or investigations conducted by the Sysco Speciality Group from time to time to allow us to verify compliance with our policies.

The Sysco Speciality Group 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'.

The Sysco Speciality Group 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.

Having amended our Ethical Trading Policy to include a requirement for all new and existing Sysco Speciality Group' brand suppliers to join Sedex, which will allow those suppliers to manage and share their data on responsible sourcing within their supply chain with the Sysco Speciality Group, we have largely completed the roll-out of this Sedex requirement, with 96% of all active supplier sites having obtained Sedex membership and sharing the required data with the Sysco Speciality Group. 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.

In collaboration with NSF International, Sysco Speciality Group prepared a number of audits that were designed to assess suppliers of Sysco Speciality Group against ethical standards set by the Sedex Members Ethical Trade Audit (SMETA). These audits will assist us in driving best practice in our supply chain and provide us with greater transparency into the labour standards, health and safety, environmental and business ethics adopted by our suppliers. We will continue to explore how such audits and enhanced due diligence can provide further transparency into our suppliers' ethical performance.

Sysco Speciality Group has continued to provide training throughout the business to ensure that the legislation and new ethical requirements are understood and updates to our policies and standards are widely communicated.

During the last 12 months we can confirm that there have been no reports of slavery or human trafficking within the Sysco Speciality Group 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 a process of 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:

- 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 the Sysco Speciality Group 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 the Sysco Speciality Group' Procurement, Product Development and Technical 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 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 the Sysco Speciality Group 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.
- We have launched the Sysco Code of Conduct which included the introduction of an Ethics Line and the provision of further training to colleagues on the high standards that we expect as a business. Refresher training on the Sysco Code of Conduct will be delivered annually.

- Further training will be provided to our managers in the requirements of our Modern Slavery Policy. To assist those colleagues who are supplier facing, Sysco Speciality Group is proposing to develop a list of 'red flags' to help our colleagues identify potential issues that may require further investigation.
- We will complete the review of the effectiveness of our supply chain controls in reducing the risk of unethical practices.
- We will review the audit status of our suppliers and look to implement the audits with an independent ethical body and selected suppliers.
- We intend to write to all of our suppliers who are identified as high risk, whether by virtue of the product category, location or otherwise to reiterate our commitment to a policy of delivering products that are sourced in an ethical and responsible manner and to ensure the suppliers are 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.

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