Modern Slavery and Human Trafficking Statement

Introduction
Produce World Group supplies the UK with quality fresh vegetables, providing produce into major retailers, food service and food manufacturing customers. As of 30 June 2016 we employed over 640 people and sourced our raw materials from 13 countries.

We know that slavery, servitude, forced labour, compulsory labour and human trafficking is a significant issue given the increase in global migration. Produce World has a zero tolerance approach to any kind of Modern Slavery found within our own operations or our supply chain.

Our policies
Produce World internal policies include our Code of Conduct policy, Whistleblowing policy and Ethical Trade policy. Our policies set out our ambition, processes and resources to ensure our products are produced to acceptable standards worldwide. This will aid our employees to identify and report any concerns with Modern Slavery via the appropriate channels and allow a full investigation without putting any of our staff or those affected at risk.

Modern Slavery due diligence processes
We understand that our end to end produce supply chains are our biggest exposure to Modern Slavery. Our due diligence focuses on 4 sections within the supply chain:

- Our own packing sites - we have undertaken third party audits for over 6 years to the ETI Base Code using the SMETA standard.
- Our use of agency labour - we conduct second party audits of our agency providers (to the Gangmaster Licensing standards). These audits involve in-depth interviews with staff to help identify any indicators of modern slavery.
- Our suppliers’ sites - we require the fulfilment of ethical documentation for all as well as the completion of ethical audits for higher risk countries.
- Our suppliers’ use of agency labour - we conduct risk assessments and active checks of all UK agency providers declared by our suppliers. All our suppliers are clear on the expectation that specific and detailed checks are completed into their agency provision.

During the last year our supply chain ethical audits have not identified any issues under the heading 'employment is freely chosen’. We recognise that audits alone will not identify all instances of modern slavery but building relationships, capacity and trust with suppliers is much more critical when it comes to preventing and identifying the incidence of modern slavery.

Risk of Modern Slavery within our supply chain
All suppliers are risk assessed and must be ethically approved prior to commencement of supply. The Sedex risk assessment system is used as well as the use of personal experience of suppliers and countries. Full visibility and transparency of supply chains is ensured through mapping end to end chains using bespoke supplier approval system. Certain minimum standards must be confirmed before supply can commence.
In terms of understanding our greatest risk, there are regularly reported instances in the food industry in the UK of forced labour from Eastern European in agricultural work. We have put considerable resources into addressing the use of agency labour in the UK. In the last year we have focused overseas on our Israeli suppliers (one of our higher-risk sources of supply) and have used a local expert to ensure compliance and are pleased to report good progress has been made.

Modern Slavery training
Collaboration and stakeholder engagement is an important aim for us in identifying and preventing modern slavery within our supply chain. We completed training on forced labour as part of our annual Grower Day for many of our major growers in the UK. This covered key aspects of Modern Slavery and specific documentation to check in order to complete initial checks on labour providers. Our staff who interact with growers (Technical, HR and Procurement) have completed an ethical auditing course conducted by an industry expert in forced labour to enable our staff to complete initial assessments of suppliers and assist in resolution of issues.

All our production and agency staff have viewed the Stronger Together video on forced labour and the use of posters in relevant languages throughout the sites to reinforce the messages.

Produce World staff at supervisor level and above were recently trained on indicators of forced labour based on materials from Stronger Together. Our Technical and HR team regularly attend industry events such as the Fresh Produce Consortium briefings, Association of Labour Providers updates and supermarket seminars to be well-briefed on current best practice.

Next steps to prevent Modern Slavery
We believe that leadership makes all the difference in an effective response. At our production facilities and in our supply chains the senior management teams of each area are responsible for compliance in their respective departments and for their supplier relationships.

Our focus over the next year will be to continue to work closely with our colleagues, contractors and suppliers to identify and address modern slavery. To further demonstrate our commitment to tackling hidden labour exploitation we will become a business partner with Stronger Together.

Assessment of effectiveness in preventing Modern Slavery
To assess the effectiveness of the steps taken by Produce World our Ethical Steering Group we will be monitoring the following key performance indicators:

- Awareness for all staff (our own and agency staff), on forced labour using Stronger Together materials.
- Briefing for all supervisors and above regarding indicators of Forced Labour to look out for.
- Capacity building and steps taken with our higher risk suppliers.
- Follow up and corrective action taken into Modern Slavery non-conformances identified.

This statement was approved by the Board of Produce World Group Ltd

Signed

[Signature]

William Burgess
Chief Executive Officer