The CompiEAT Food Group: Modern Slavery and Human Trafficking Statement

Financial Year 2017

This statement is in response to the Modern Slavery Act 2015, and sets out the Company commitment to identifying and preventing modern slavery and human trafficking in any part of its business and supply chain.

The CompiEAT Food Group is a fast-growing food business that supplies own-label chilled and frozen foods to the major supermarket chains in the UK, as well as Food Service and branded products. They source food products from a wide number of manufacturing facilities based throughout Europe.

The CompiEAT Food Group refers to:

- Winterbotham Darby & Co Ltd. (Distribution warehouse and Offices), Redhill, Surrey.
- Deli Solutions Ltd. (Manufacturing Facility), Clitheroe, Lancashire.
- Alatoni Ltd. (Manufacturing Facility), Bicester, Oxfordshire.

The Company commits to developing and adopting a proactive approach to tackling modern slavery and human trafficking within its UK business practices, as well as through risk assessment and due diligence of its supply base throughout Europe.

The supply chain

Winterbotham Darby & Co Ltd. is a UK based warehouse and head office with functions including: procurement, technical, product development, commercial and finance. This company is a supplier of continental products typically produced in manufacturing sites across Europe. The supply base is complex with primary sites being based throughout Europe who procure raw materials from a worldwide supply base.

Deli Solutions Ltd. and Alatoni Ltd. are both manufacturing sites of olives and anti-pasti. These sites import raw materials from a worldwide supply base for further processing within their UK based manufacturing facility.
Steps to prevent modern slavery and human trafficking

The Company has policies and procedures in place which state that modern slavery and human trafficking will not be tolerated throughout its supply chain. Risk assessment is regularly undertaken, in line with company policy and with support of external stakeholders, to identify potential risk of modern slavery and human trafficking.

The procedures in place to identify and prevent modern slavery and human trafficking in the supply chain include:

1. All primary manufacturing partners undergo ongoing risk assessment and auditing of their manufacturing practices, in line with Company policy.
2. Confidential reporting structures for the reporting of modern slavery and human trafficking within the businesses are in place.
3. Where cases of modern slavery and human trafficking are suspected investigations are carried out with the manufacturing facility, and appropriate local authorities.
4. Commencement of supply is reviewed from any aspects of their supply chain where modern slavery and human trafficking is discovered or suspected.
5. Where modern slavery and human trafficking is discovered or suspected the decision to re-commence supply with a manufacturing facility will be based on findings of the investigation, and will be risk assessed by the Company, and where relevant the customer
6. All cases of identified modern slavery and human trafficking will be reported:
   a. According to country specific local law
   b. Where appropriate, the customer of the final products affected

Implementation within the UK

A multifunctional team has been formed in order to embed the fundamental principles of identifying and removing any forms of modern day slavery or human trafficking from within our UK facilities. The team which includes stakeholders from different departments, has thoroughly analysed the provision and flow or workers within our business and identified areas where they may be vulnerable. By engaging people from different departments it has helped us devise policies and procedures best suited to business operations, ensuring they are relevant and functional and therefore implemented correctly and in full.

The Modern Day Slavery team has created a business recruitment policy which details how recruitment should be undertaken, the procedure for interview, those staff who should be involved in the recruitment process and details of the written job contract.

Recruiter compliance principles have been introduced for all staff involved in the recruitment process. Recruitment agencies and labour providers now complete self audit questionnaires, and agency workers are also required to complete questionnaires on their employment, confidentially, offering them the means to alert the business to any concerns they may have.

Over the next 12 months we will be working on standardising our policy and procedures for auditing labour providers, with the aim of creating a group wide bank of approved labour providers from which temporary agency should be sourced from.

The company requires all labour providers to be registered with the ALP (Association of labour providers) and our aspiration is for all labour providers to also become registered Stronger Together business partners by 2018 and members of sedex. Already 40% of our labour providers have shown this commitment.

We recognise that other third party service providers, such as transport and hauliers present further vulnerable areas where exploitation could be occurring within our supply chain. With this in mind, over the next 12 months we intend to review the practices of our third party service providers.

Training

Over the past year the Company has built extensively on the overall business’s knowledge and understanding of Modern day slavery and human trafficking. This has been achieved through various methods;

- Bespoke training courses conducted by an independent compliance body have been attended by staff from HR, operational and technical auditing functions.
- Members from the technical and HR teams have participated in Stronger 2gether workshops on tackling Modern Slavery in UK businesses and in Global Supply chains.
- In house training has been given to all employees in the form of on line videos (multi languages), formal briefings, posters and awareness leaflets (multi languages). This training requirement extends to all temporary and agency labour, who are all required to watch the briefing video and receive awareness material before starting employment.
The Company’s intention is that all staff should be able to recognise the signs of worker exploitation whether it be on our own sites or our manufacturing partners, and know how to confidentially report their concerns.

Future aspirations will be to extend understanding throughout our supply base. We have made initial progress with our agency labour providers in the UK, and will continue to develop this over the next year. Next steps for 2017-2018 will be to initiate knowledge sharing tools for our manufacturing partners to develop further understanding of the issues of hidden labour exploitation.

**European Manufacturing**

Over the past 12 months efforts have been focused on the engagement of our manufacturing base in the issues surrounding modern day slavery and human trafficking.

All existing and new suppliers are required to comply to the company’s Ethical Policy, which has been reviewed and re-issued to all production partners.

To obtain an understanding of the ethical status of new sites before supply commences we have introduced an Ethical section within our New Supplier Questionnaire. This gives initial information which will then be followed by membership of Sedex or Completion of a SAQ depending on the supplier/customer.

Sedex (Supplier ethical data exchange) is a useful tool to the business helping to identify and mitigate risk within our supply chains. Sedex provides us with an initial risk assessment for a supplier taking into consideration known inherent country and industry risks. This allows us to identify and monitor specific high risk products or areas that are identified.

The Company requires all sites that supply UK retailer own brand products to be members of Sedex. Sites must be fully linked to WBD, with fully visibility rights of their SAQ and audit information. Sites must have a fully completed SAQ to be reviewed every 6 months.

For production partners that supply branded lines and ingredients, we have this year introduced a new requirement that they either join the sedex network, or they complete the WBD Ethical SAQ. This has seen 44% of our branded sites joining sedex since the policy was issued in December.

Further down our supply base, we recognise the need for further education on the fundamentals of modern day slavery and human trafficking. Our supply base consists of hundreds of small growers and farmers and reaching out to these producers using appropriate communication methods and materials remains a constant challenge. Initial grower, farmer and slaughter house SAQ’s have been shared with these producers, allowing us to start the data gathering process, and we foresee a continuation in efforts to inform and engage our primary producers.
Risk Assessment

For many years we have been using a bespoke IT system to enable us to clearly map our supply chains. This transparency has enabled us over the last year to undertake detailed risk analysis of our sourcing countries and identify where the biggest risks are associated. Our risk assessment is largely based on the FNET Risk Assessment tool, and uses data provided from a number of different sources, to ensure that appropriate consideration is given to known industry and country issues. Source data used to devise the risk assessment, includes the ITUC Global Rights Index 2016, Freedom House and UNDP 2015 Work & Employment Rankings and Verité Forced Labour Commodity Atlas as well as internal due diligence documents and supplier SAQ responses.

Where country and or producers are highlighted to have higher inherent risks of modern day slavery, then the Company will carry out additional steps and evidence gathering to ensure that operations comply with the business's ethical policy.

Through the risk assessment, we have identified growers, heavily reliant on seasonal harvesting labour as posing the greatest risk for worker exploitation. We have been working with these suppliers to further understand the processes currently in place for safeguarding temporary and seasonal labour, assisting where necessary to implement more robust controls. We intend to increase our understanding of the sourcing of temporary seasonal labour within our supply base, through visits during harvesting and working with third parties and external collaborations where appropriate. The business is sourcing some specialist products from Morocco and Turkey and we recognise that there have been reported incidences of human rights violations within these countries. We have therefore identified that our suppliers in these countries need particular attention. We have started ethical data gathering visits of suppliers in Morocco, which we will build on over the next year, and will also initiate the same process with our supply base in Turkey.

Audits

We work with a team of global independent auditors to conduct regular audits and monitor compliance. We use local auditors who are familiar to the laws, working practices and language of the country where the audit is taking place. Audits consist of observations from a site tour, paperwork reviews, confidential employee interviews and management interviews.

Since publishing our statement in August 2016, we have commissioned 29 independent ethical audits.

Where non conformances are identified our aim is to work together with sites to implement sustainable solutions to resolve these issues.

We trend audit non conformances to highlight common areas which require focus. We have identified 2 key areas where non compliances often occur; fire safety & working hours. Best practice guides have been written on these areas and communicated to sites, encouraging business to internally review their procedures against these suggestions, with the aim of driving sustainable change.

The new SMETA 6.0 standard launched 1st June, and we have communicated to sites guidance regarding the new requirements.
The scale, complexity and seasonality of our supply base of primary growers and farmers, means that specific independent audits are not always possible. Therefore additional ethical compliance questions have been incorporated into the standard WBD visit template, so this data can be captured whenever a site visit is undertaken.

Collaboration

The Company acknowledges that the most powerful means of driving sustainable change within global food supply chains is through collaboration and the collective leverage of the food industry as a whole.

As such the company is now participating in a number of joint initiatives;

The Company including the UK manufacturing sites are business partners of Stronger Together, a multi-stakeholder initiative aiming to reduce modern slavery, particularly hidden forced labour, labour trafficking and other third party exploitation of workers. As business partners we provide evidence to publicly demonstrate the business’s commitment to tackling hidden labour exploitation.

The Company have joined the recently created FNET group. The Food Network for Ethical Trade (FNET) has been established to improve human rights in global food supply chains through a common approach to managing ethical trade. It aims to support suppliers to identify, manage and respond to global food supply chain ethical trade risks, to improve the food industry’s understanding of ethical trade, to identify and facilitate collaboration opportunities, to promote trust and build a forum for sharing issues and challenges and, in the longer-term, to support the food industry to focus on promoting human rights in global food supply chains.

Having been members of sedex for many years, the Company has this year also become members of the Sedex Stakeholder Forum. The Sedex Stakeholder Forum (SSF) brings together manufacturers, brands, retailers, NGO’s, auditing bodies and industry experts to discuss challenges in ethical trade and responsible sourcing and solve these problems collaboratively.

The Company has been working closely with Authenticate (provider of our Supply Chain mapping IT system) to create a live link with the sedex platform. Allowing us to view as one the sedex status of all sites in any specific product supply chain.

In addition to the above, the Company are actively engaged with our retail customer Ethical Trade workstreams. Supporting best practice groups and guidance workshops.

Throughout 2017-2018 we envisage continued active involvement in such collaborative working.
Ethical Strategy

In order to assess the effectiveness of the Company's work to tackle modern day slavery within our supply base we will routinely monitor the following KPI's;

- Number and nature of major non conformances reported through audit
- Time taken to effectively resolve these non conformances
- Review the SAQ and Risk Assessment
- Number and nature of concerns reported on employee hotline.

Signed:

[Signature]

Steven Higginson
CEO

Date: 20/09/2017