1. **Introduction**

Reynolds Catering Supplies Ltd. is a wholesaler and distributor of fresh produce, chilled, ambient and frozen products to the UK foodservice and catering industries. Reynolds was founded in 1945 and is now a fourth generation, family business. Our National Distribution Centre is located in Waltham Cross, Herts, with eight additional regional depots located across the UK.

The company has an annual turnover of approximately £200 million, employing around 1,000 people and managing over 3,000 orders every day.

Our supply base comprises of over 200 companies, who source products from over 100 countries of origin across the world. We deal directly with growers, larger co-operatives, international importers, wholesalers and agents.

2. **Reynolds approach**

Reynolds’ board of directors and senior management team are fully committed to the implementation of the requirements of the Modern Slavery Act (MSA) 2015. Regardless of a product’s country of origin, our policy is to only deal with products which have been sourced in an ethically responsible and legal manner.

This report outlines our approach to ensuring compliance with the MSA 2015. The following steps have been taken in 2016 and 2017:

- A website statement has been published on Reynolds home page.
- Reynolds’ MSA Policy has been prepared.
- All suppliers have been asked to sign a MSA compliance agreement.
- All suppliers have been risk assessed.

3. **Company Statement**

Legislation requires organisations with turnover of £36 million and above, that carry out business in the UK, to prepare and publish on their website a Modern Slavery and Human Trafficking Statement for each financial year.

In November 2016, Reynolds prepared a statement that was approved and signed by Tony Reynolds, Managing Director, and subsequently published on the company website. The Company statement includes:

- A description of Reynolds’ business model and structure.
- A description of Reynolds’ supply chain.
- Company Policies in relation to slavery and human trafficking.
- Reynolds’ due diligence risk assessment.
- Relevant key performance indicators that will enable assessment of the effectiveness of the activities described in the statement.
- Commitment for continuous improvement and next steps.

We have declared in our statement that we will never knowingly accept products from suppliers who exploit the people or the natural resources within their environment.

4. **Company MSA Policy**

Reynolds MSA Policy was approved and agreed by the board of directors in January 2017. It describes our approach to the MSA 2015, the steps taken to ensure that we comply with the act, and appoint relevant parties responsible for stated activities regarding it.

The company has declared that in the first year of reporting it will concentrate on assessing the risks associated with Reynolds’ owned food products, not risks associated with third-party and non-food products.

All Reynolds’ food suppliers will be risk assessed, with initial focus given to those sourcing from outside the UK.

We have agreed that it is the responsibility of the board of directors and senior management team to ensure that the policy complies with our legal and ethical obligations, and that all those under their control comply with it. The Technical Director and Procurement & Supply Chain Director have primary day-to-day responsibility for implementing Reynolds’ MSA Policy.

5. **Reynolds Supplier Compliance Agreement**

All of our current suppliers have been asked to confirm, to the best of their abilities, that there is no slavery or human trafficking within their businesses or supply chains by signing ‘Reynolds Supplier Compliance Agreement’. Those unable to give assurances, or who are found to be in breach, face risk of termination of their contract, as well as removal of the opportunity to quote for new contracts.

‘Reynolds Supplier Compliance Agreement’ has been added to Reynolds Technical Code of Practice, which must be completed by every new supplier prior to contract commencement.

Data regarding ‘Reynolds Supplier Compliance Agreement’ was reviewed in May 2017 to understand how many agreements have not been signed and any associated reasons:
• **191** out of 213 contracted suppliers signed the agreement, or approximately 90% of the total number of suppliers.

• **16** suppliers (7%) did not sign the agreement and declared that their annual turnover is less than £36 million. Those suppliers will be asked to complete an additional questionnaire relating to slavery and human trafficking (preparation in progress).

• **6** suppliers (3%) did not sign the agreement and are being reviewed by Reynolds’ technical team.

**Graph 1. Supplier compliance agreement in % terms**

**Supplier compliance agreement**

- Signed
- <36 million
- Not signed

- 90%
- 7%
- 3%

6. **Supplier risk assessment**

   We have developed a risk assessment method based on a Red/Amber/Green scoring system. In our risk assessment, the following factors have been assessed:

   • Did the supplier sign ‘Reynolds Supplier Compliance Agreement’?

   • Are sourcing regions present on the ‘Products of Slavery and Child labour’ risk map (as published on www.antislavery.org)?

   • Is there any historical evidence associated with the product sourcing region, product sector or supplier relating to slavery and/or human trafficking?
Findings from the risk assessment enable us to score suppliers as green, amber or red, before deciding next steps for each.

Suppliers assessed as **green** signed the compliance agreement and there are no historical evidences in relation to slavery and human trafficking associated with the product/product sourcing region/supplier, including within the ‘Products of Slavery and Child labour’ risk map. No further actions need to be taken until the next contract is awarded.

Suppliers assessed as **amber** did not sign the agreement declaring that their turnover is below £36m or did sign the compliance agreement, but there are historical evidences of slavery/human trafficking associated with the product sourcing regions, product sector or supplier (including the risk map). An additional questionnaire will be sent to those suppliers (preparation in progress).

Suppliers assessed as **red**, failed to sign the compliance agreement and/or complete the questionnaire despite multiple attempts to contact them. Suppliers whose replies were not satisfactory for the questions included in the questionnaire and were unwilling to implement any improvements also fall into this category. A decision will be made by the Board in association with the Technical and Procurement Departments to delist such suppliers and exclude them from future contracts.

Outcome from the risk assessments were analysed in February 2017:

- **121 suppliers assessed as GREEN (57%)**,  
- **86 suppliers assessed as AMBER (40%)**,  
- **0 suppliers assessed as RED (0%)**,  
- **6 suppliers (3%) on hold – awaiting confirmation from suppliers regarding country of origin for the individual ingredients.**
Graph 2. Supplier scoring results

Graph 3. Suppliers scoring results in % terms
7. **Next steps**

The Board has reviewed progress relating to Reynolds MSA Policy and has agreed the following:

- Complete missing information from suppliers, including signed agreements and country of origin information for all ingredients, by the end of June 2017.

- Generate a questionnaire for suppliers who did not sign the agreement or those who declaring their turnover below £36 million and for those who has been assessed as amber by the end of July 2017.

- Design and implement company-wide training. Company training will comprise 5 different levels:
  
a. Board Members - bespoke training on MSA awareness and its importance to the business, Reynolds responsibilities under the law, including consequences for the business of not being compliant (customer needs, economic, moral and business protection aspects) - completed by the end of June 2017.

  b. MSA working party – consultancy visit to review work done on MSA and develop next steps/ action plan with suppliers with focus on the Reynolds systems and circumstances. Consultancy visit was held on May 2017.

  c. Procurement, Technical, Recruitment and Operations – bespoke Stronger Together training to cover UK and Global Supply Chains. MSA awareness and its importance to the business, Reynolds obligations under the law, including consequences of not being compliant, understanding of Reynolds Policies related to MSA, managing global supply chains, social compliance, red flags/signs of slavery, reporting incidents of slavery – 2 sessions completed by the end of August 2017.

  d. Online training for the general awareness of MSA, reporting slavery, examples of red flags. Training to be completed by the end of October 2017 for the following staff:

    - Head of Departments and senior managers,
    - Staff who interface with the suppliers directly,
    - Recruiters,
    - Facilities representatives,
    - Goods in representatives,
    - Distribution representatives (backhaul drivers),
- Depots representatives.

e. All Reynolds staff - training of MSA awareness and reporting incidents of slavery: induction, posters, and presentations, leaflets (Stronger Together materials available on the website) – by the end of November 2017.

This statement has been approved and published by the board of Reynolds Catering Supplies Ltd. and will be reviewed at least once annually, before being published on our website at www.reynolds-cs.com

Should you have any questions, please email us at info@reynolds-cs.com.

Signed

Tony Reynolds

1 June 2017