

Modern slavery statement



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This statement has been issued in accordance with the Modern Slavery Act 2015 and covers BFS Group Limited trading as Bidfood. It has been considered and approved by the Bidfood Board of Directors. This statement demonstrates our commitment to ethical trading, tackling modern slavery and the steps being taken to increase transparency within our supply chain and our own operations.

Introduction: company commitment and pledge

Modern slavery is the umbrella term used to encompass the offences of slavery, servitude, forced or compulsory labour and human trafficking. The term extends to slavery-like practices such as debt bondage, sale and exploitation of children and forced or servile marriage. It is widespread and recognised to be a growing issue, given the rapid rise in global migration. It exists in every region and every type of economy; industrialised, developing or in transition. No sector or industry is untainted. Modern slavery thrives on vulnerable and unprotected workers, and is driven by discrimination, inequality, poverty, and greed for financial gain.

According to the International Labour Organisation (ILO), in 2016 an estimated 40.3 million people were victims of modern slavery, and of these, 24.9 million people were in forced labour in various sectors, including construction, agriculture and fishing.

At Bidfood we recognise that modern slavery is a crime that can take many forms; we have a zero-tolerance approach to modern slavery within our own business, with our suppliers of agency labour and in our dealings with our food and non-food product suppliers. We're committed to putting effective systems and controls in place to safeguard against any form of modern slavery within our business or our supply chains.

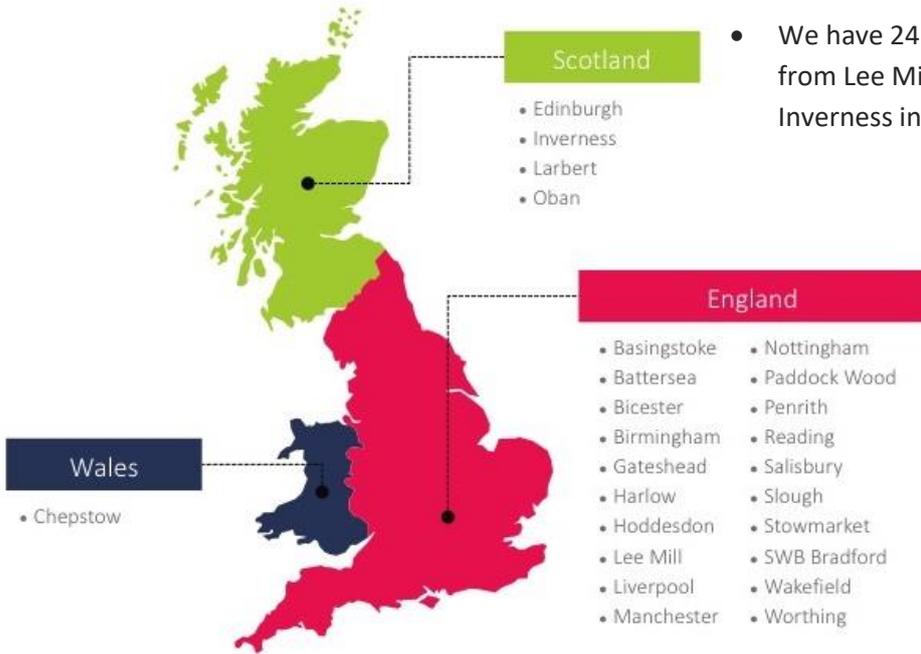




Our business and supply chains

Bidfood is a leading foodservice wholesale distributor and a preferred supply partner for over 40,000 customers across the UK who operate in education, healthcare, hotels, pubs, restaurants, contract catering and leisure sites.

Our comprehensive product range includes the best of both own brand and leading foodservice brands, everything from store-cupboard ingredients to ready to serve solutions, frozen and chilled food. We also offer a comprehensive range of carefully selected wines, beers, ciders and spirits, as well as quality catering equipment and supplies, including cutlery, cookware, cleaning and disposables.

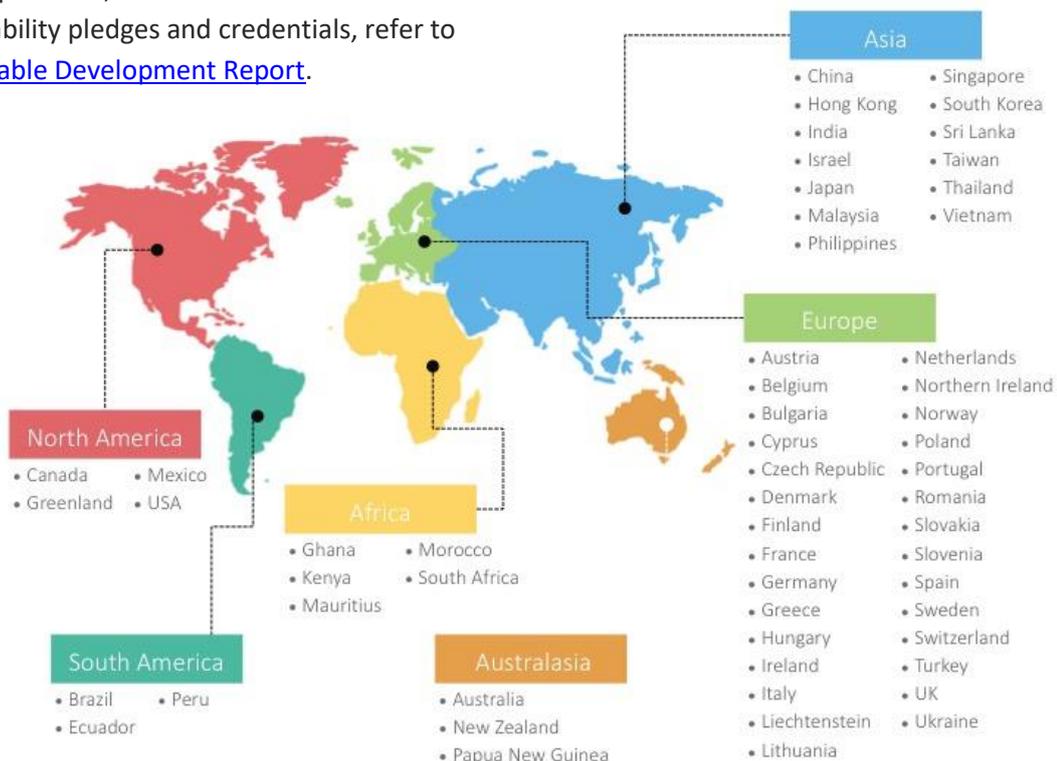


- We have 24 sites spanning the country from Lee Mill on the south coast to Inverness in Scotland.

- In 2015, we launched www.plate2planet.co.uk with the aim of sharing information and best practice on sustainability across the foodservice industry; the site continues to develop with the support of suppliers, customers and our own sustainability champions.



- We support and provide a range of ethical and sustainable products; for further information on our sustainability pledges and credentials, refer to our [Sustainable Development Report](#).



- Our range includes over 13,000 food and non-food products across core range branded and own brand lines.
- We have over 1,200 supply chain food partners located around the world.

Our culture and values

At Bidfood we have a simple mission: to deliver service excellence, make customers' lives easier and help them to grow



Our *three values* have become an important part of our company culture:



Care

Take pride in what you do, no matter what you do



Share

Work together to make great things happen



Dare

Take brave steps to deliver extraordinary results.

As sustainability covers such a diverse range of topics, for 2019/2021 Bidfood is focusing on these specific priorities:

Sustainability priorities



Relevant policies

Employee conduct and ethics:



We have strict HR policies and standards in place to ensure compliance with legislation and fundamental rights at work including: freedom of association, dignity at work and prevention of discrimination throughout employment. Prior to recruitment, we check the eligibility of all our employees to work in the UK, and we pay at least the living wage to our employees. Our policies and standards are readily available to our employees through our intranet and notice boards. We operate a Preferred Supplier List (PSL) for the provision of agency labour and expect agencies that provide staff to Bidfood to adhere to the same strict standards. All of our PSL Agencies undergo assessment prior to being added to the PSL to check their compliance with applicable laws and regulations.

We have put in place a comprehensive code of conduct which includes fairness, non-discriminatory reporting, respect for human dignity and human rights, social justice, health and safety and ethics. All employees are required to engage proactively on environmental, social and corporate responsibility matters. This is enforced by annual appraisals which include evaluation of individuals' behaviours against our 'Care, Share, Dare' values. These values are brought to life in our 'Vision, Mission and Values' training and engagement sessions that we run as part of employee induction. Our values are referenced frequently and consistently in internal communications, job descriptions and 1:1s with line managers, to make sure they are central to our ways of working. Additionally, we have an Anti-corruption and Bribery Act compliance programme in place. If any employee's behaviour falls short of our expected code of conduct, we have a performance management approach that includes everything from coaching and guidance right up to termination of employment.



We're a signatory of the [Dignity at Work framework](#), which means we've committed to a charter that actively encourages inclusion; we won't tolerate anyone being subject to physical, sexual, racial, psychological, verbal, or any other form of harassment, bullying or abuse.

If any employee has a concern that they feel they can't raise at work, they can contact our external and independent 24 hour whistleblowing hotline, which is described in more detail under 'Monitoring and Remedial Action'.

Code of conduct for suppliers:

We're committed to working with our suppliers to operate ethically and to build greater transparency within our supply chains. We aim to act dutifully and always within the law and regulations in the UK. As a minimum we expect all suppliers to comply with our ethical code of conduct ([Ethical Trading Policy](#)) which is based on the principles of the Ethical Trading Initiative (ETI) and relevant International Labour Organisation (ILO) standards and conventions. Suppliers must also comply with national and international laws. This would include not only suppliers of our food and non-food products, but also suppliers of "non-inventory" goods and services, which are not for resale i.e. used and/or consumed internally within Bidfood.

Prior to trading, all suppliers undergo a thorough supplier approval process and are expected to provide documented evidence of compliance with Bidfood's Food Safety and Legality standards, the Bribery Act and



Bidfood’s Ethical Trading Policy. All product suppliers are required to provide their ethical policy, and where applicable, their modern slavery statement. Additionally, social standard certifications such as BSCI, SA800 or a membership to ETI or SEDEX are also preferred. The non-inventory suppliers’ commitments on modern slavery, anti-bribery, health and safety and ethical trading are further reinforced by our standard non-inventory purchasing terms. In addition, suppliers of our own brand products are subjected to further risk assessment and due diligence checks.

When Bidfood runs a tender process, all invited non-inventory suppliers will be subject to more detailed compliance checks and industry-specific requirements, at which time they will be required to provide documentary evidence of their various policies.

As part of the tender process, Bidfood’s standard non-inventory purchasing terms and conditions are issued to suppliers. Under these terms, suppliers have an obligation to comply with all Bidfood policies and standards. Further, such suppliers must represent and warrant that they do not use nor have attempted to use, trafficked, bonded, child or forced labour and that they have taken appropriate steps to verify that the same applies to each person within their supply chains.

A non-inventory supplier unable to demonstrate its adherence to the standards required by us would be eliminated from our selection / tender process and, if a current supplier, may be precluded from working with us.

Failure by a supplier to meet our standards may jeopardise their ability to continue to do business with us and are addressed on a case-by-case basis. If, following an in-depth investigation, the supplier still refuses to cooperate with Bidfood’s Ethical Trading Policy and due diligence process, we will cease trading with that supplier. If modern slavery or human trafficking is identified in our global supply chain, appropriate investigations will be conducted internally and the relevant authorities would be contacted.



Due diligence processes

In our business

An annual business risk assessment by the Risk Register Advisory Group evaluates all internal and external risks Bidfood might face, and assigns priorities based on the relevant business department. Tackling modern slavery remains a top priority for us. We aim to strengthen our understanding of modern slavery within the business and supply chain and implement effective controls to mitigate it.

We have implemented a quarterly check of our HR and payroll data to highlight potential indicators of exploitation, for example, duplicate addresses by unrelated employees or duplicate next of kin phone numbers. If there is sufficient evidence to warrant further investigation, then we refer this to our Asset Protection and Investigations Department, who in turn, will establish if it warrants escalating to the authorities.

In our supply chain

As compliance and adherence to the Modern Slavery Act 2015 remains a top priority, we have re-evaluated our approach to mitigate this risk.

We divide manufacturing sites in our own brand supply chain into two tiers:

Tier 1 includes manufacturing sites supplying product directly to us



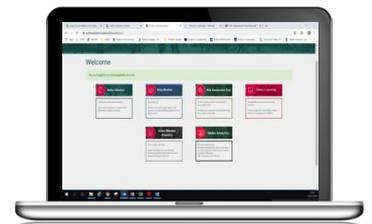
Tier 2 includes manufacturing sites supplying via their supplier to us (external sites under agents and brokers)

This allows us to create a visual representation of the countries our supply chain extends to and to comprehend the complexity of it.

As of June 2019, we became AB members of the Supplier Ethical Data Exchange (SEDEX). A new policy has been introduced where all existing own brand suppliers and future suppliers will be required to join this platform. This illustrates their commitment to ethical trading and developing their understanding of ethical standards and practices. Using the knowledge and tools provided by both organisations, SEDEX and Stronger Together we aim to approach the risk of modern slavery more effectively and improve our responsible sourcing practices.

We are in the process of:

- 1) connecting with our own brand suppliers on the SEDEX platform; suppliers have been requested to complete the SEDEX self-assessment questionnaire which covers information on the four pillars: labour rights, health and safety, the environment and business ethics
- 2) reviewing and modifying our modern slavery product risk assessment to incorporate the information collated on SEDEX, and to take into account the following key elements:
 - *geographical location* - this takes into account several factors such as historical incidents, prevalence and vulnerability within the country, e.g. in the form of political instability, poverty, climate change etc. and government responses to modern slavery
 - *sector profile and manufacturing site function* – this is targeted at the food and textile industries and takes into account different aspects of the four pillars of business which may pose a risk



- *ingredients* - due to the range and complexity of products supplied from our own brand suppliers, high risk ingredients have been identified based on prevalence of association with modern slavery, in the forms of forced labour, slave labour and human trafficking.



Suppliers who are identified as high risk will be requested to submit further information about their supply chains, and the practices and procedures they have in place. The information received is then included in the risk assessment. The risk is investigated internally and an appropriate action plan discussed with the supplier.

Monitoring and remedial action

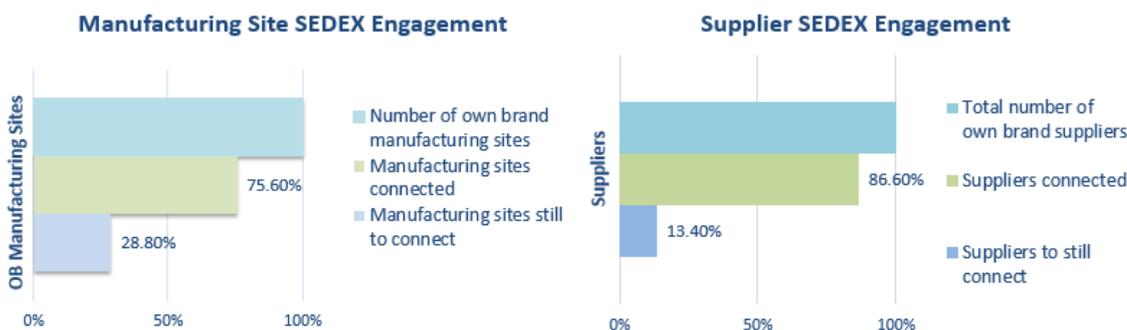
Within our business

Often employees are the first people who realise that there may be something seriously wrong within an organisation but often they don't express their concerns. This may be because they feel that speaking up may be seen as being disloyal to colleagues and the organisation, or fear that they may be victimised as a result. Our Whistleblowing Standard aims to encourage and enable our employees to raise serious concerns within Bidfood through approved channels rather than overlooking a problem. We have a 24 hour whistleblowing hotline that anyone can call (employee, visitor or agency worker) if they suspect malpractice, and this is well advertised across all Bidfood sites. Our whistleblowing procedure is designed to make it easy for anyone to make disclosures, without fear of retaliation; they can telephone, email or log an issue via the website, all in multiple languages.

We operate a corporate risk register committee, which includes members of our Board of Directors and entails the review of all risks on a quarterly basis as well as the updating of actions to mitigate those risks. Modern slavery and exploitation within our operations are included on the risk register, which means we are regularly reviewing our current ways of working and how to improve them.

Within our supply chains

We have successfully established relationships with over 90% of our own brand tier 1 sites on the SEDEX platform, and we aim to complete all tier 1 sites by February 2020. Internally we are reviewing the information collated and identifying the most effective way to use this in our risk assessment. We will further evaluate any suppliers identified from the risk assessment as high risk. Suppliers may be requested to complete a 3rd party ethical audit, if it is deemed necessary, and complete e-learning modules on the SEDEX platform based on any non-conformances that arise.



Any suppliers that are implicated in the media as associated with modern slavery issues will be subject to a full investigation to address any potential issues.

Figure 1. shows the total number of manufacturing sites, both tier 1 and 2, and the percentages of sites which have connected and sites which still need to connect. **Figure 2.** shows the total number of suppliers and the percentages of supplier which have connected and suppliers which still need to connect.



Training: raising awareness and capacity building

In 2019, key members from different departments across the business, from HR and Technical Services to Supply Chain and Commercial teams, completed training with *Stronger Together* with the aim of developing a greater understanding of modern slavery and the best approaches to minimising the risk and implementing effective controls within our business and supply chain.

As a result of the Stronger Together training, we've commissioned the creation of two e-learning modules, one for all Bidfood employees and a second module focused on supply chains, which will be targeted at relevant teams.



New employees will complete this at their induction and existing employees will have this module added to their e-learning schedule. The e-learning module will be made available to the business in the second half of 2020, as part of a wider programme of awareness to be launched at our leadership conference in June 2020. The module for all employees will include 'Do the Right Thing', an online video created by the GLAA (Gangmasters and Labour Abuse Authority) showing the right way to respond to suspicions of exploitation.



Plans going forward

Within our business

Our current processes and procedures have led us to assess the level of risk of modern slavery and exploitation within our operations to be low, but this doesn't mean that we should ever be complacent given that the food industry as a whole is identified to be high risk.

Our future plans to further mitigate further the risk of trafficking, exploitation and slavery include the following:

We will be making available resources on our intranet, including a guide on 'How to recognise and respond to signs of modern slavery or exploitation'.

We're reviewing our ethical trading and modern slavery policies to ensure they include our current standards and policies

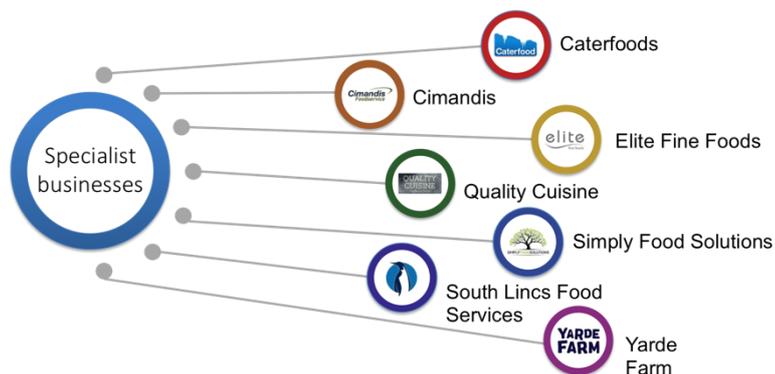
We're aiming to become a Stronger Together business partner, and a prerequisite of this is to significantly increase the awareness and knowledge of modern slavery amongst our employees, so we have an action plan to do this.

We're in the process of reviewing our own internal processes to make sure they're fully robust.*





*In the future, we will look to include our specialist businesses and recent acquisitions (including Elite Fine Foods, South Lincs Food Services, Caterfoods, Simply Food Solutions, Yarde Farm, Quality Cuisine and Cimandis) within our modern slavery audit and verification processes.



Within our supply chains

We aim to have completed phase 1 of our SEDEX engagement i.e. to have connected with all own brand and exclusive suppliers (both tier 1 and 2) on SEDEX by June 2020.

Following the engagement process:

- all suppliers will be required to update their SEDEX self-assessment questionnaire annually
- all sites identified as high risk on SEDEX will be requested to complete an additional ethical audit, if one has not been completed in the previous 12 months
- any non-conformances which have been identified and not addressed within the given time period will be subject to further evaluation.

In 2020, we will review and amend our Ethical Trading Policy, for all own brand and exclusive suppliers to become members of SEDEX. Phase 2 of our approach will be to consider our non-inventory supply chain and to understand the potential risks associated with these areas. We aim to then identify the best ways to collaborate with our non-inventory suppliers to mitigate the risk of modern slavery, and provide effective remediation strategies where any modern slavery is identified within their supply chains.

To date, no modern slavery has been identified in our internal operations nor are we aware from our audit and verification processes of any in our supply chains. We will continue to monitor the effectiveness of our existing controls internally, and review annually what improvements may be made to strengthen our auditing and verification procedures.

Supporting the principles and standards of:

- Ethical Trade Initiative
- International Labour Organisation
- Dignity at Work Charter
- UK Gangmasters and Labour Abuse Authority



- Supplier Ethical Data Exchange (SEDEX): www.sedexglobal.com
- Stronger Together: www.stronger2gether.org

This statement has been approved by the Board of Directors of Bidfood UK and will be reviewed annually.



Andrew Selley, CEO at Bidfood UK, February 2020