

Ethical Trading Policy

Background

Our food should be procured and produced in an ethically responsible manner. This is important not only to Bidfood, but to our customers and their consumers too.

Slavery and its associated activities may be thought of as a moment in history but that is not the case and challenges around slavery are still prevalent across the world today. According to AntiSlavery.org there is an estimated 130,000 people in the UK suffering from some form of slavery or servitude. It is therefore imperative that we act dutifully as a business to ensure we, and our suppliers, are conducting business in an ethical manner and ensuring the rights of our employees are safeguarded and upheld as appropriate to the country of their location.

What is Bidfood doing?

Bidfood is a national UK foodservice provider, covering all product categories – fresh, chilled, frozen, grocery and non-food, supplying both leading brands and own brand products. Bidfood is also a user of various suppliers of services from refrigeration providers to vehicle maintenance. It is part of our mission, vision and values to ensure we act dutifully and always within the law applicable to the UK for all aspects of our business, including ethically within our own network and with our suppliers.

We are proud to be a leading foodservice provider in the UK and understand our business has far reaching supply chains through the food and service provider industries. We are committed to acting diligently at all times with regards to business ethics and expect the same from our suppliers. In line with this vision, we have the following policy in place setting out our requirements and expectations for us and any supplier wishing to work with us.

Policy

We will only engage with those suppliers who approach and manage all their businesses in an ethically and socially responsible manner, within legal requirements as required by their host countries and any applicable UK laws for those importing from overseas. Where these are not clear, as a minimum, we expect our suppliers to be aligned to the standards below. All suppliers' ethical credentials are reviewed during approval and each must submit a copy of their own business ethical statement, a copy of a Modern Slavery Act (2015) statement (where applicable). Own brand suppliers are subject to further checks including SEDEX membership.

Alongside this policy we also have in place Anti-Corruption/Anti-Bribery and Competition compliance programmes and standards to ensure adherence to relevant corruption, employment and environmental legislation.

We also understand the importance of ensuring no aspects of our procurement activity leads to Modern Slavery or ethical breaches both within our own sites and our extended supply chain.

Within our commercial terms agreed with our suppliers we will consider a number of aspects in line with the above which includes reasonable expectations on pricing – including associated benchmarking within the marketplace. We appreciate both from an ethical and ongoing supply perspective the importance of treating our suppliers appropriately such that they would not introduce practices outside of their policies detailed and that all commercial businesses need to operate in a manner appropriate to both parties. As such we will consider ongoing evaluation of

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sustainable pricing from our suppliers, appropriate lead-times and payment terms. Unexpected increases in demand are managed via a forecasting process with our supplier base for key periods of fluctuation – including seasonality and back to schools to avoid late high order volumes.

Key supply agreements are contracted annually with agreed exit dates. We will on occasions operate a cost recovery process should our supplier bases’ actions lead to costs but all have been benchmarked and assessed for reasonableness and fairness.

Scope

The expectations and requirements contained within this policy are applicable to all current suppliers at all times through the life of contract with Bidfood. Any new supplier to Bidfood shall be able to provide sufficient evidence to confirm adherence to this policy, prior to gaining approval status.

Supplier Requirements

Suppliers are required to apply the principles of the Ethical Trading Initiative (E.T.I) Base Code and relevant International Labour Organisation (ILO) Standards and Conventions.

The provisions of the ETI Base Code are:

- Employment is freely chosen – forced or involuntary labour is not permitted
- Freedom of association and the right to collective bargaining is respected –employees must have the right to choose organisations of their choice
- Working conditions are safe and hygienic –compliance with local and national regulations and the provision of adequate training is provided
- Child labour shall not be used – minimum working age regulations must be applied
- Wages and benefits should meet national minimum standards or industry benchmarks, whichever is higher
- Working hours are not excessive (restricted to 48 hours or less or 60 hours in a 7 day period as per International Standards unless in exceptional circumstances), and overtime above this must be voluntary. All hours must comply at a minimum with national laws or industry standards
- Discrimination on the basis of race, origin, age, disability, gender, belief or religion is not tolerated or practiced
- Regular employment is provided
- No harsh or inhumane treatment of employees is permitted

All suppliers are also required to:

- Follow and obey all applicable laws in their originating country as well as any UK laws applicable to businesses importing goods into the UK, ensuring to avoid even the appearance of wrongdoing
- Never compromise ethical standards to achieve a business objective (this includes making an improper payment, gift or encouraging anti-competitive practices)
- Never present false or inaccurate information on their dealings with us and always report financial information accurately
- Be open, transparent and prompt to information requests for evidence of compliance with this policy when requested by us

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- Provide notice of any breach of this policy immediately with confirmation as to why and actions taken to remedy compliance
- Ensure they have adequate systems, procedures and policies in place to mitigate the risk of modern slavery in their business and supply chains

Adherence

Our supplier base is approved and monitored on the adherence to this policy and will be expected to maintain compliance through the life of business with us.

New suppliers who do not meet the requirements of this policy will be refused approval to supply us. Existing suppliers who are found to be acting outside of this policy will jeopardise our ability to continue to business with them and, following investigation, may be delisted.

This policy constitutes our minimum standards, alongside companies complying with national laws. We welcome and encourage those businesses that strive for further best practice and certification in this area.

Procedures and responsibilities

For food and non-food product suppliers, the Technical Services department is responsible for ensuring suppliers are approved against the backdrop of Bidfood policies including ethical trading. On-going monitoring and horizon scanning is also conducted by the Technical Services department who will raise any non-compliance issues with suppliers for investigation. The Group Commercial team will support the Technical Services team by ensuring suppliers sourced for Bidfood are of good commercial, technical and ethical credentials and able to meet our standards.

Customer nominated suppliers will also be expected to comply with these standards and will be assessed by Technical Services prior to approval. The relevant Sales Manager will work with Technical Services to ensure proposed suppliers can meet our requirements.

Signature suppliers, selected for bespoke products by customers will be encouraged to adhere to this policy however, the responsibility of ensuring ethical standards is maintained and legal shall be that of the customer and their selected supplier.

Own brand suppliers are required to sign up to SEDEX, complete the SEDEX SAQ and maintain SEDEX membership throughout supplying us. Technical Services will maintain these relationships and use the data contained within SEDEX to form part of our Modern Slavery risk assessments.

Policy History

| Date | Version | Changes From Previous Version |
|-------------|----------------|---|
| April 2023 | 4 | Full policy review and update. Aligned policy with current processes and supplier expectations. |