



## **Vitacress Slavery and Human Trafficking Statement – 2018**

Vitacress is one of Europe's leading growers and packers of watercress, leafy salads, spinach, and fresh herbs. We have operations in the United Kingdom, Portugal, Spain and Benelux. We work closely with our suppliers and aim to build long-term sustainable business relationships.

Vitacress has made progress in delivering on the commitments it made to Modern Slavery.

As with all other sensitive areas of our business, Vitacress has adopted a governance approach to Modern Slavery by appointing a named individual to oversee the compliance with the Modern Slavery Act 2015. This person is the Vitacress Chief Executive Officer supported by the Vitacress Operating Board members, each of whom has a specific responsibility as follows:-

- Growing and Procurement Director responsible for leaf, vegetable and herb raw material supply chain risk assessment
- Group Finance Director responsible for non-raw material supply chain risk assessment
- Group Human Resources Director responsible for human resource policy compliance. Working with the UK Learning and Development Manager, the Group Human Resources Director is also responsible for the on-going training plan for Vitacress employees
- Managing Directors of the Business Units with their respective Head of Human Resources are responsible for ensuring their Senior Management team drive compliance to ensure their business and supply chains are slavery free.

We have a number of policies and codes relating to and supporting our vehement opposition to and determination to drive out child labour, forced labour, slavery and human trafficking:-



- Modern Slavery Policy
- Preventing Hidden Labour Exploitation Policy
- Stronger Together
- Code of Conduct
- Agency Labour Provider Policy and Procedure
- Equal Opportunities and Dignity at Work Policy
- Young Person and Child Worker Policy and Procedure
- Grievance Policy and Procedure
- Whistleblowing Policy
- Recruitment Policy
- Group Procurement and Purchasing Policy
- Supplier Code of Conduct

We have introduced and work with a live ethical risk assessment tool in collaboration with the Supplier Ethical Data Exchange (SEDEX), which is reviewed monthly by the business units' senior management teams. This tool uses a Red/Amber/Green (RAG) rating for the entire supply base of grown raw materials sourced from around the world. The same SEDEX platform is used for non-raw material purchases and any SEDEX registered supplier is now on this system. These are also reviewed monthly by the business units' senior management teams. Any supplier that flags up as moving into red status will be suspended, pending further investigations. Re-admission to supply will only be agreed by the Managing Director of the business unit, based on evidence that the supplier has regained compliance.

Raw material sourcing is a global operation which involves countries that are classified as high risk in terms of human rights abuse. When sourcing from these geographies all suppliers will have a SMETA (Sedex Members Ethical Trade) audit, which is undertaken by an approved independent audit body. Moreover, if there is, or there is assumed to be, a high risk of breaching our Ethical Trading Code of Conduct a SMETA audit will be undertaken. Non-conformances identified in any audit have to be closed off in the agreed time or supply cannot commence. The current list of countries from which Vitacress sources raw material and non-raw material is:-

Australia, Benelux, Brazil, China, Cyprus, Czech Republic, Denmark, Estonia, Ethiopia, France, Germany, Greece, Hungary, India, Ireland, Israel, Italy, Japan, Jordan, Kenya, Lithuania, Morocco, Netherlands, Portugal, Slovakia, South Africa, Spain, Sweden, Thailand, United Arab Emirates, United Kingdom and United States of America.

Our Head of Procurement is a qualified member of the Chartered Institute of Procurement and Supply (CIPS). To maintain this status, CIPS requires members to pass regular tests (bi-annual) specifically around ethical sourcing, alongside a yearly submission to CIPS of our chosen country supply partners. This ensures a continuous learning environment for our procurement team, enabling them to be fully updated with current trends and issues facing purchasing professionals regarding ethical sourcing.

All of our raw material suppliers will have at least one visit from a Vitacress representative during the year; our people who visit these sites have all had Modern Slavery Act (MSA) awareness training and will actively look for evidence of ethical breaches. A key element of any supplier visit includes a request to meet and speak to the youngest member of staff, recording that individual's details as part of the due diligence process. Any decisions regarding a supply contract will have a supplier's ethical status as the highest single KPI.

Vitacress in its risk based approach to the supplier base uses a framework of controls to provide assurance on the suitability of suppliers and prioritise critical areas. Vitacress places emphasis on the Supplier Data Ethical Exchange (SEDEX) with an objective of 100% compliance to this standard across our supply chain partners. We complement this with our Supplier Code of Conduct, which is mandatory for all new suppliers in our supply chain.

For the non-raw material supply chain, we consider additional risk factors in our supplier selection review, including industry, size of organisation and geographical location, assessing the proximity to either UK hot-spots as prescribed by the TISCreport (Transparency in Supply Chain) or the GSI (Global Slavery Index) assessment to identify areas of prevalence or vulnerability worldwide. Vitacress also perform a rolling basis of on-site reviews to monitor performance across the supply chain. This approach dovetails with our retail partners who also drive high standards that we meet in all of our work.

Our focus going forward is to drive the same awareness and enhanced governance over the tier of smaller, non-supply chain organisations with whom Vitacress work. We expect the same standards and performance from all partners and recognise that international frameworks and standards are yet to permeate smaller enterprises. However, we expect equal adherence to the Vitacress Supplier Code of Conduct by all.

For those smaller suppliers not registered with SEDEX, we have our own warranty documents with which suppliers are required to comply and sign in agreement to our ethical purchasing policies and standards. Local suppliers will be visited by Vitacress employees who will be looking for any breaches of the Modern Slavery Act.

At the end of 2018 the details for our UK Business Units' supply base is as follows:-

<b>Supplier</b>	<b>% SEDEX Registered</b>	<b>% Signed Technical Warranty/Supplier Code of Conduct</b>	<b>% In progress to Sign Technical Warranty/Supplier Code of Conduct</b>
Fresh Herb	100	100	0
Fresh Herb Packaging and Consumables	78	22	0
Fresh Herb Agency Labour	100	0	0
Fresh Salad and Ingredient	100	100	0
Fresh Salad Packaging and Consumables	77	23	0
Fresh Salad Agency Labour	100	0	0

The clear focus for 2019 will be to continue with the aforementioned process and apply it to other Vitacress suppliers, including Engineering, Technical and Contractors.





## Learning and Development

Learning and development for employees, external stakeholders and labour providers and our plan for 2019 ongoing training is detailed below.

	Course	Internal/ External	% Trained	Number of Employees Trained
Training	Stronger Together Global Supply Chains Workshop	External	100	4 - Supply Chain
	Company Induction to Stronger Together – Refreshed every 3 Years	Internal	100	700
	Stronger Together Tackling Modern Slavery in UK Businesses	External	100	9 - Human Resources
	Business Compliance Recruiters Training	Internal	100	92 - Various
	<b>2019 - New Course</b>	<b>Internal/ External</b>	<b>% Trained</b>	<b>Number of Employees Trained</b>
	Tackling Modern Slavery through Purchasing Practices	External	N/A	9 - Purchasing
	Tackling Modern Slavery in the UK – Supervisors (Online)	External	N/A	21 - Supervisors
	Tackling Modern Slavery in the UK - Recruiters (Online)	External	N/A	9 - Human Resources
	Tackling Forced Labour in Business - Agriculture (Online)	External	N/A	13 - Farm

Stronger Together Initiatives			
Signposting	Stronger Together Information and Training Programme on company Intranet	Internal	Reviewed regularly to update and rotate information. Stronger Together video posted every 12 weeks on Home page
	Stronger Together posters, including Landlord posters and topical information	Internal	Posted around business units

Company Communications			
Business Meetings	Stronger Together/Modern Slavery a fixed agenda point on Business Unit Leadership meeting	Internal	Weekly Meeting
	Stronger Together/Modern Slavery a fixed agenda point on Employee Forum meeting	Internal	Bi-Monthly Meeting
	Stronger Together/Modern Slavery a fixed agenda point on Managing Directors Briefings	Internal	Quarterly Meetings
	Stronger Together/Modern Slavery a fixed agenda point on Human Resources Group Meeting	Internal	Monthly Meetings

Company Partnerships			
Partnerships	 Stronger Together Business Partner	External	3 <sup>rd</sup> Year
	 Sedex Members (Supplier and Buyer)	External	Working towards getting all Vitacress Suppliers Sedex membership
	 Ethical Trade Initiative	External	ETI Base Code given out on employment offer to all employees
	 Gangmasters' and Labour Abuse Authority	External	Vitacress is subscribed to the Active Check and Live Update Information services

## Employee Engagement

We completed our employee engagement survey for Vitacress Herbs in September 2018 with a response rate of 87% and were pleased to see key metrics improving, with 85% of respondents saying Vitacress was a good place to work.

We asked our employees to respond to the following statement:-

*"I am aware of the Stronger Together programme that is in place to ensure human trafficking and slavery does not exist in the company"*

The combined response of employees was that 88% agreed with this statement.

We carried out the same survey in February of 2019 in Vitacress Salads and are currently awaiting the analysis of the results.

We actively encourage our employees to report any abuse of human rights. Across the UK sites there are notice boards where we publish the confidential help lines of our key customers which encourage employees to report any knowledge of breaches of supplier conduct; a major one being modern slavery abuse.

Vitacress also makes available to its employees a confidential help line and an employee assistance programme (through Aviva), which they can email or phone the free 24 hour confidential help line for support and advice. The phone numbers are displayed on all company notice boards and the company intranet. This enables any employee to raise any issue including being a victim of slavery and they would be given advice on how to formally progress with this.



Vitacress has implemented the Stronger Together programme and trains all employees in this comprehensive initiative about slavery and human trafficking. This training happens as part of the induction process for all new employees. We will be running refresher training throughout the year and in the Managing Directors' quarterly briefings to all employees there will be a section reminding employees of the help provided and also the need to report any suspected breaches of the MSA.

Our intranet site has a link to the Stronger Together website and within the training section also has the Stronger Together training video for any of the computer network users within the business. The intranet is also available to access from mobile phones or tablets.

We use the services of temporary agency labour providers. Our partnership approach ensures we can trade with their businesses with confidence knowing they are also compliant with SEDEX. Members of our Human Resources team conduct a six month audit of the agencies and monthly select a random sample of agency workers to question using the Stronger Together framework, looking for signs of breaches of the MSA. The agency representatives have undertaken Stronger Together training.

Vitacress has an active employee representative committee which has elected and trained representatives from all functions within the business. This forum meets a minimum of 6 times a year and facilitates any reporting of suspected MSA breaches to be raised and escalated, as it is a fixed agenda item.

Identified key individuals who have responsibilities for large numbers of employees will have personal objectives to include elements related to strengthening focus on MSA compliance.

Our Senior Human Resources team members regularly attend briefings and conferences organised by our key retail customer partners, all of whom have signed up to Stronger Together and are members of the ETI, thus keeping them informed of current and relevant industry concerns and policies. Both UK sites have passed SMETA audits.

## **Verification**

Vitacress has performed assessments of many of its potential raw material and packaging suppliers to identify any issues with its ability to achieve compliance with the Supplier Code of Conduct and Supplier Technical Warranty. Vitacress performs this assessment internally as part of its authorisation process, using the Sedex platform and Verisoft Maplecroft application for supply chain risk assessment. Becoming a supplier in the Vitacress supply chain is conditional upon the Vitacress Supplier Code of Conduct and Supplier Technical Warranty (Raw Material ONLY) being fulfilled and renewed annually.

Vitacress has Service Level Agreements (SLAs) which define the code of conduct to be adopted by potential labour providers and becoming a labour provider is conditional in fulfilling these terms. Labour providers must also achieve compliance with the Supplier Code of Conduct.

## **Auditing**

In addition to the verification process, Vitacress reserves the right to conduct both announced and unannounced audits of the internal operations of our own business (including factories, farms and accommodation inspections and audits), our suppliers and our labour providers to ensure the continuing compliance with the requirements of all laws, standards, regulations and codes of practice, including the prohibition against child labour, forced labour, slavery or human trafficking.

To date we have audited 100% of our labour providers. Our standard is that we will audit all labour providers annually.

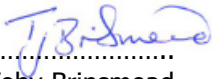
## Vitacress Auditors

Role	Internal/ External	Number	Business Unit	Scope
Lead Auditor	External	1 1 1	Group Herbs Salads	<ul style="list-style-type: none"> <li>External supplier audits such as labour providers, farms and other (generally food or packaging) suppliers</li> <li>Setting of auditing standards</li> </ul>
Auditors	Internal	1 12	Herbs Salads	<ul style="list-style-type: none"> <li>Auditing of systems and procedures, e.g. HACCP, metal detection, training</li> <li>Cross functional approach to ensure consistency</li> </ul>

Vitacress is registered on the Supplier Ethical Data Exchange (SEDEX). Vitacress (Vitacress Salads, Vitacress Herbs, Vitacress Portugal, Vitacress Espana, and Vitacress Real) is also Sedex Members Ethical Trade Audited (SMETA) by an external agency to ensure that Vitacress achieves the standards as laid down in the ETI Base Code. Farm suppliers complete and continually review a self-assessment questionnaire. All of our labour providers in the UK are registered with the Gangmasters Licensing Authority (GLA) and Vitacress is subscribed to the Active Check and the information updates services which the GLA provides.

This is the start of our drive to have our supply chain be and remain free from slavery and human trafficking. We will continue to add new initiatives, processes and partnerships in order to reduce the risks of slavery and human trafficking taking hold. We will keep this subject a talking point in all parts of our business – supply chain, employees, shareholders, internal and external stakeholders and the external communities in which we operate.

Financial Year End 31 December 2018



Toby Brinsmead  
Chief Executive Officer

March 2019



John McManus  
Group Human Resources Director



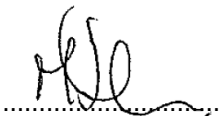
Ashley Cooper  
Group Finance Director



Kees van Poortvliet  
Growing and Procurement Director



Simon Conway  
Managing Director UK Herbs



Mike Sheldon  
Managing Director UK Salads



Luis Mesquita Dias  
Managing Director Vitacress Portugal

