



Vitacress Slavery and Human Trafficking Statement – 2019

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, employing 1538 colleagues.

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

- Group Technical Director, responsible for leading the Modern Slavery agenda
- 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 and the on-going people training plans
- Managing Directors of the Business Units with their respective Heads of Human Resources are responsible for ensuring their senior leadership team drive compliance to ensure their business unit and supply chains are slavery free

This is Vitacress' third Modern Slavery Statement. The links below refer to the previous annual statements.

- [Vitacress Slavery and Human Trafficking Statement – 2018](#)
- [Vitacress Slavery and Human Trafficking Statement – 2017](#)

1. Policies and Codes of Practice

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

Policies

- Modern Slavery
- Preventing Hidden Labour Exploitation
- Agency Labour Provider
- Human Rights - Equal Opportunities and Dignity at Work
- Young Person and Child Worker
- Grievance
- Whistleblowing
- Recruitment
- Stronger Together
- Anti-Bribery

Codes of Practice

- Employee Code of Conduct
- Supplier Code of Conduct

2. Risk Management and Due Diligence

Introduction

Working within the frameworks of our policies and codes of practice enables the business to carry out due diligence and manage risk through communications and supplier relationships.

Company Communications

In order to ensure that Modern Slavery is foremost in everyone's mind there are various forums through which we constantly review any issues, the risks and due diligence measures around the subject.

Supply Base

Vitacress is committed to the highest standards of ethical conduct and social and environmental responsibility. Vitacress requires suppliers to operate in accordance with the principles of its Supplier Code of Conduct and in full compliance with all applicable laws, regulations and codes. Our Supplier Code of Conduct highlights the minimum requirements expected of a supplier to Vitacress and as such may be augmented by the law and by higher standards of expectations as set out in any contract between a supplier and Vitacress.

Vitacress' Purchasing Policy also provides clear guidelines, committing every individual involved in purchasing and supply management processes to use their best endeavours to ensure that our purchasing and contracting activities are aligned with our Slavery and Human Trafficking Statement.

Vitacress sources both raw material and non-raw materials from around the world. The supply base currently covers the following countries: -

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

Due Diligence

We have introduced and work with a live ethical risk assessment tool in collaboration with the Supplier Ethical Data Exchange (SEDEX), which is reviewed on a regular basis. This tool uses a Red/Amber/Green (RAG) rating for the programmed supply base of grown raw materials sourced from around the world. Any supplier with red status will be investigated and the resulting outcome will determine any actions necessary to resolve the issue(s).

Raw Material Sourcing

Raw material sourcing can include countries that are classified as high risk in terms of human rights abuse. When sourcing from these geographies programmed suppliers will have a SEDEX Members Ethical Trade Audit (SMETA), undertaken by an approved independent audit body. Non-conformances identified in any audit must be closed off in the agreed time.

Vitacress representatives will undertake visits to Vitacress' programmed raw material suppliers during the year; our people who visit these sites have had Modern Slavery Act (MSA) awareness training and will actively look for evidence of ethical breaches.

Vitacress in its risk-based approach to the supply base uses a framework of controls to provide assurance on the suitability of programmed suppliers and prioritises critical areas. Vitacress places emphasis on SEDEX with an objective of 100% compliance to this standard across our supply chain partners, complemented by our Supplier Code of Conduct, which is mandatory for all new suppliers. Finally, there is the Technical Warranty pack which must be fully completed.

Non-Raw Material Sourcing

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 of a supplier to either UK hot-spots, as prescribed by the Transparency in Supply Chain (TISC) report, or the Global Slavery Index (GSI) assessment to identify areas where Modern Slavery is prevalent or at risk of occurring.

Using these reference points, we can build a risk assessment of the suppliers which Vitacress consider as tier one, higher risk suppliers. In this first tier the Group would look for additional assurance through SEDEX in combination with our own Supplier Code of Conduct, which sets out the responsibilities and ethical practices that suppliers should adhere to. These registrations would also be complemented with Vitacress performing annual reviews to monitor performance across the supply chain.

Vitacress expects its non-raw material suppliers to adhere to the values and expectations of the Vitacress Supplier Code of Conduct and all new suppliers are required to sign up to the code. During 2019 the Group have implemented a new supply chain monitoring system, which is embedded within its ERP, providing visibility and

traceability of Supplier Code of Conduct and SEDEX registrations from within its supply base – both raw material and non-raw material. Vitacress also uses third party software in its supplier management process to support the supply chain risk assessment and store due diligence documentation.

In 2020 Vitacress will look for opportunities to widen the utilisation of the systems in the Group.

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 RADAR, a brand new tool, based upon a new methodology that was created in collaboration with sustainability experts, Anthesis, and supported by labour and human rights experts, Ergon Associates, 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 (programmed 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 on fulfilling these terms. Labour providers must also achieve compliance with the Supplier Code of Conduct.

In 2019 Vitacress invited a specialist company, Ardea International, to partner with the leadership teams. The brief for Ardea International was to identify gaps in the business' policies and procedures to address the risk of modern slavery in the business and its supply chains. Key aspects of the analysis included an in-depth review of:

- the Modern Slavery Statement
- a high-level review of procurement and other key policies
- the completion of a due diligence checklist across the business units
- a workshop meeting and a final report with recommendations

The gap analysis covered the Vitacress Group's key policies and procedures and it incorporated the checklist responses from the subsidiary business units in Portugal and Spain.

Having conducted the gap analysis it was evident that not all the business units were at the same stage of development in managing modern slavery risks. Section 6 headed "**Areas of Focus 2020**", describes how Vitacress will address this.

3. Learning and Development

2019 Courses	Internal/ External	Trained	No. Employees
Tackling Modern Slavery through Purchasing Practices	External Internal	100% - 44% 56%	9 - Purchasing
Tackling Modern Slavery in the UK – Supervisors (Blended E-learning and 121 training)	Internal	100%	21 – Supervisors including Recruiters Compliance Training
Tackling Modern Slavery in the UK - Recruiters (Online)	External Internal	100% 44% 56%	9 - Human Resources
Tackling Forced Labour in Business – Agriculture (Online)	Internal	100%	13 - Farm
New employees inducted in 2019	Internal	100%	130 – 54 Salads, 74 Herbs, 2 Limited
Supply Chain Risk Assessment Workshop - Ardea International	External	100%	15 – Directors and Senior Leaders
END Slavery Programme - Ardea International	External	100%	2 - Human Resources
Analysis of slavery incident in another fresh produce company – Operation Fort	External	100%	1 – Group Technical Director

2020 Courses	Internal/ External	Trained	No. Employees
Revisit Stronger Together Programme (inductions, refresher training and signposting using digital resources and notice boards)	Internal	N/A	All
Investigation Interview Skills in the Workplace	External	N/A	9 - Human Resources
Good Practice – handling suspected and reported cases of forced labour	External	N/A	9 - Human Resources
Gap Analysis Workshop x 2	External	N/A	16 Senior Leaders

4. Employee Engagement

Our employee engagement survey for Vitacress Salads in February 2019, with a response rate of 80%, showed key metrics improving, with 73% 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 81.25% agreed with this statement.

Vitacress UK also makes available an employee assistance programme (through Aviva), whereby anyone 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.



Vitacress UK has implemented the Stronger Together programme and trains all employees in this comprehensive initiative about slavery and human trafficking

In the UK our partnership approach with agency labour providers ensures we can trade with them as they are SEDEX and GLA registered. The agency representatives have undertaken Stronger Together training.

5. 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 continuing compliance.

Auditing (2019)

Vitacress is registered on the Supplier Ethical Data Exchange (SEDEX). Vitacress Salads, Vitacress Herbs, Vitacress Portugal, and Vitacress Real are also SMETA audited by an external agency.

6. Areas of Focus for 2020

- Two further Ardea International workshops on the Modern Slavery Risk Gap Analysis Report, addressing any identified issues
- Share best practice with Vitacress Portugal, Vitacress Real and Vitacress Espana
- Identify a Stronger Together provider in Portugal and Spain who could partner with the business units
- Become a member of a food industry intelligence network combating Modern Slavery
- A roadmap with a set of recommendations for improvement, identifying quick wins
- New SAQs on SEDEX which give greater clarity and accuracy of information
- New online auditing methods of high-risk suppliers (agencies) to ensure compliance during travel restrictions imposed under Covid-19
- Create a separate Risk Section on Modern Slavery and Human Trafficking in Vitacress Risk Register
- Supplier contract assessments (raw material) to include a documented consideration of Modern Slavery risks, based on SEDEX performance
- Plan a group-wide employee engagement survey in 2021.

Across all our businesses we will continue to add new initiatives, processes and partnerships in order to reduce the risks of slavery and human trafficking. 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.

This statement has been approved by the Board for the Financial Year Ending 31 December 2019



Toby Brinsmead
Chief Executive Officer



John McManus
Group Human Resources Director



Helen Brierley
Group Technical 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

Date: - 20 July 2020

