

Modern Slavery Statement

52 weeks ending 28th April 2023



YOUR FIRST CHOICE PRODUCE PARTNER

Introduction

This modern slavery statement has been created pursuant to Section 54(1) of the UK Modern Slavery Act 2015. It demonstrates how the Fresca Group Limited and its subsidiaries (the Fresca Group) are positively engaged in tackling modern slavery and labour exploitation. The health, safety and welfare of our employees is, and always has been, our primary focus and we commit to being proactive in our approach to mitigate risks posed by exploiters.

The International Labour Organisation (ILO) estimates that fifty million people worldwide were living in modern slavery in 2021 – ten million more than five years earlier. Human rights risks, including modern slavery and labour exploitation, are prevalent in the fresh produce industry and the Fresca Group acknowledges that our business activities fall within three of the GLAA's highest risk industries – agriculture; food processing, packaging and production; and warehouse and distribution. Therefore, the Fresca Group recognises the duty we have to conduct the most effective due diligence when engaging with our supply chain, with the goal of identifying and mitigating risks. We recognise this responsibility as both rights-conscious employers and customers.

We also use the influence we have with our suppliers to engage with them in improving their business practices and conditions for workers, whilst building long-standing relationships and partnerships for the future. The Fresca Group understands that work on this topic will never

Our Story

The Fresca Group’s roots trace back almost 150 years when, in 1874, Matthew Mack opened a Mack fresh produce stand at Covent Garden Market. Since then, the Mack generations have adapted and grown the business to what it is today. In 2005, Fresca Group Limited was established as the overall holding company for the rapidly expanding group, being the largest privately-owned supplier of fresh produce in the country, with circa 43% of our business now employee-owned.

The Fresca Group today is an investor and parent company for a number of subsidiary and joint venture businesses supplying fresh vegetables, salads, and fruit to the UK. Within Fresca are some core group functions such as Finance, Communications and ESG who work with all the Fresca businesses both individually and as a group enabling maximum efficiency and effectiveness.

Employing over 1000 people, we recognise our people are at the heart of everything we do and the importance of supporting the welfare of our people, being true to our principles and enhancing our reputation. Fresca’s motivation for improving ethical standards comes from the very top of the organisation. Our CEO is a champion for human rights and the organisational culture reflects this commitment.

We have one mission – to be The First Choice Produce Partner. Doing business the right way - ethically and sustainably for our people, partners, products, and planet.

One of the benefits of being a group of companies within the ethical sphere is that the group is resourced to facilitate knowledge and information sharing across the businesses, benefitting the organisation and driving improvement.

Our Values

<p>flexibility</p> <p>In our way of working, our service and our direction</p>	<p>resourcefulness</p> <p>Finding solutions, even in the toughest of times</p>	<p>excellence</p> <p>In our products, our people, our facilities and our performance</p>
<p>Sustainability</p> <p>Working for a greater future, stronger ethics & longer relationships</p>	<p>Character</p> <p>A Group with diversity, passion and personality, with people who care</p>	<p>ambition</p> <p>Driving developments for Fresca, for our people and our partners</p>

Our Businesses

100% Owned



Importer, packer, ripener and marketer of fresh fruit. Based in Evesham, Worcestershire.



Avocado specialist, importer and marketer. Based in Paddock Wood, Kent.



Experts in the growing & supply of speciality vegetables in the heart of Lincolnshire.



Fresh produce service solutions, from field to consumer. Based in Paddock Wood, Kent.



Logistics and customs service for fresh produce, sited in Paddock Wood, Kent.



Marketing and commercial rights management of new table grape varieties.



Branches in Birmingham, Bristol and Southampton. Broad customer base, including foodservice, caterers, secondary wholesalers, cruise lines and retail chains.



Importer and marketer of fresh fruit. Based in Paddock Wood, Kent.

Joint Ventures



Growing, packing & marketing speciality tomatoes, peppers & cucumbers from a landmark site in Kent.



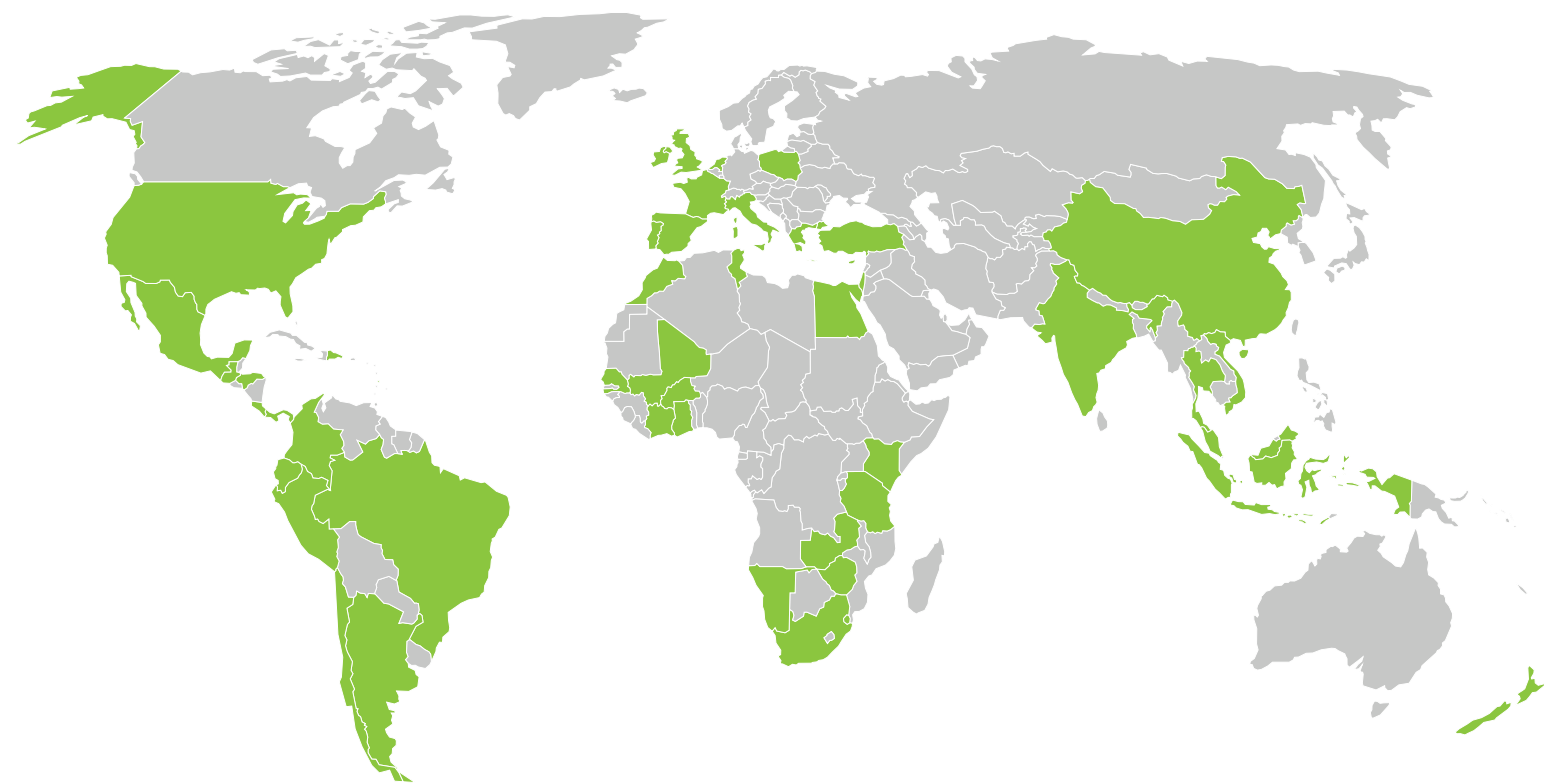
Packing and marketing the highest quality potatoes and vegetables. Based in Lincolnshire.



Marketing the avocado production of the leading Colombian avocado producer, Cartama, across Europe.

Supply Chains

The supply chains throughout Fresca are large and complex with our suppliers located in 49 countries. We acknowledge that modern slavery and labour exploitation exists, and we are committed to using our power and influence to manage and minimise these risks within our communities. To be successful, we must work to improve visibility and transparency of our multi-tiered supply chains, whilst considering supplier variables such as language, culture, legislative regimes, economic environments and approaches to human rights.



Our Policies

The Fresca Group of businesses has a number of internal policies to govern our ethical processes including, but not limited to, labour provider management, recruitment fees or handling potential cases of exploitation. Included in our extensive list of policies are:

A **Human Rights Policy** committing to respect and promote human rights throughout our businesses.

A **Recruitment and Selection Policy** to ensure effective, ethical and consistent recruitment practices and to ensure all applicants are treated fairly.

An **Equality and Diversity Policy** to ensure equality, diversity and inclusion, and to promote a culture where each employee is treated with respect and dignity.

An **Anti-Harassment and Bullying Policy** committing to provide a work environment free from harassment and bullying.

Grievance and Whistleblowing Policies to provide channels for our people to raise concerns or report allegations anonymously and without repercussion, including an anonymous feedback line and anonymous online form. Worker welfare chats also provide workers with another channel to raise concerns.

Our Due Diligence and Risk Management

Due diligence processes for our suppliers use a combination of desktop risk assessments, engagement with suppliers, supplier self-assessment questionnaires, audits and other external factors such as information databases and known industry risk factors. Through these methods, suppliers can be ranked and effectively targeted.

Fresca businesses request ethical standards of their suppliers and expect effective policies and ethical practices to be present within supplying businesses, whilst considering the size and nature of their business. As a minimum, we require all suppliers to commit to our ethical terms of supply setting out requirements of welfare criteria to be in place for workers and that suppliers conduct their own due diligence on further supply chain tiers such as their labour providers.

To corroborate the adherence to these standards, relevant suppliers must have completed their Sedex SAQ to 100% and some suppliers, as determined by our customers, have SMETA audits at regular intervals.

Fresca also sends out a Fresca specific ethical questionnaire for produce suppliers. This enables us to ascertain where risk is present and what risks need most attention. Each year we work on increasing the number of responses with the goal to this becoming a mandatory condition of supply. In the last 12 months, we have updated our questions and the questionnaire platform we use, improving the process for all.

Following Covid-19 and the forced reduction of supplier visits during this time, our sites have now re-instated their visit programmes allowing greater attention to detail where suppliers are concerned. Whilst it may take some time to catch up on missed supplier visits, this is something that is well underway.

Audits

Each of the retailer-serving Fresca businesses undertakes third party ethical audits that align with international standards. First party audits are also carried out internally to continually monitor our standards against the ETI basecode, industry standards, customer requirements and local legislation.

A number of our suppliers also undertake third party ethical audits – this is determined either through risk assessment or our customer requirements. The results from these audits enable us to understand where our suppliers are in their social journey and help to identify where they might need additional support to improve. We will always try to give them a chance to work on non-conformances before taking decisions to move away from the supplier and will provide support while they do this. Supplier visits also help to identify any potentially unethical practices.

Fresca businesses also conduct second party audits on their service provider suppliers such as labour providers, cleaning companies and security companies.

Our Effectiveness

Much of the success of identifying and mitigating risks of modern slavery and exploitation rely on people. Modern slavery is a hidden crime, and without equipped people with the knowledge to recognise red flags, modern slavery across the globe would be even more prevalent. Fresca understands that to have any level of impact on combatting modern slavery and exploitation, we must expand knowledge-sharing as wide as possible.

This is why we look to empower our communities by ensuring our people are trained on modern slavery and have the confidence to report concerns, and we join forces with others in the industry to become a stronger influence for good.

Training

Internally, new starters are trained on modern slavery either during their induction or an assigned e-learning module. Additional in-depth training is given to certain teams or groups of people. For example, all site Human Resources teams have had further, in-depth human rights and modern slavery training and further training is also being cascaded to procurement and commercial colleagues.

A number of colleagues across the group have also attended Stronger Together – *Tackling Modern Slavery in UK Businesses* training.

On-site, Fresca businesses raise human rights and wellbeing awareness to continually remind our people of the importance of this topic. This is done through posters, noticeboards, the internal colleague communications app 'Grapevine'.

To expand the awareness of our suppliers across the globe, in the year ending April 2023 Fresca launched quarterly supplier newsletters covering human rights topics as an informant to our supply chain. These newsletters cover a range of topics including general information, the business case for respecting human rights, best practice, standards expected and 'good to know' topics.

We are also mid-way through a project to develop training modules for our suppliers, which will be supplied in English, Spanish and Portuguese which are the official languages for 59.7% of our key supplier locations.

Collaboration and Networks

The current scale of modern slavery and labour exploitation, as per the introduction of this document, means one organisation cannot tackle the issue alone. Being part of ethical networks and collaborating with other socially responsible businesses within the industry enables the best use of resources as projects can be worked on together, solutions shared, influence heightened, and therefore maximum progress made.

Food Network for Ethical Trade (FNET)

The Food Network for Ethical Trade is a collaborative initiative aiming to use the collective leverage of suppliers and retailers to bring about positive change in working conditions in global food, beverage and horticulture supply chains by providing guidance, resources, training and opportunities for collaboration.

FNET members include major UK food retailers, national and international food and horticulture processors, manufacturers and importers. In the year ending April 2023, Fresca have attended regular online network meetings, both attended and presented at an in-person FNET members event and have representation in the Empowering Work Group, as a working group lead.

Modern Slavery Intelligence Network (MSIN)

MSIN is a pioneering non-profit collaboration in the UK food and agriculture sector created in response to the findings of Operation Fort (the UK's largest ever modern slavery investigation). Information generated by the network is used to detect, prevent and disrupt modern slavery and labour exploitation activity in the industry, protecting workers and improving outcomes for those directly impacted. Fresca were one of the founding members of the Modern Slavery Intelligence Network and continue to pioneer the platform.

Spanish Ethical Trade Forum (SETF)

The Spanish Ethical Trade Forum is a multi-stakeholder collaborative initiative established in 2015 in response to a recognised need to promote better working conditions within the Spanish agri-food sector. The Forum has three Pillars; 1. Meetings, 2. Capacity Building, and 3. Working Groups.

A number of the Fresca Group businesses use suppliers in Spain and therefore Fresca are Associate Members of the Forum. Fresca representatives attend the annual international event, and we actively promote the forums to our Spanish suppliers.

Association of Labour Providers (ALP)

Established in 2004, the Association of Labour Providers promotes responsible recruitment and good practice for organisations that supply essential workers across a number of sectors, including the food industry. The ALP influences government and regulatory policy and provides a wide range of practical and up to date information and services to its members.

As a labour user, Fresca are Associate Members of the ALP and therefore have access to webinars, updates and guidance documents and use these through a labour user lens.

Our Key Achievements



An In-Depth Assessment into Spanish Supply

Following the widely publicised unethical practices in the Spanish produce industry, over the last twelve months, a number of the Fresca businesses have been involved in a collaboration project in Spain with one of our retailer customers. This consisted of an in depth third party assessment of Spanish supply chains, looking into common practices in agricultural work in Spain, recommending areas for improvement.

Following the assessment reports, progress will be ongoing over the next year to work with suppliers on making the recommended improvements while collaborating with Spanish networks such as the Spanish Ethical Trade Forum to share learnings and drive improvement.

UK Seasonal Worker guidance

The UK Seasonal Workers Scheme has faced a lot of criticism over the last 12 months. It has been reported that in 2022, the scheme brought workers into the UK from over 60 countries. The scheme has been accused of exploiting workers through the charging of illegal recruitment fees and debt bondage, low pay, unemployment, poor treatment, inadequate housing conditions and inhumane treatment.

Due to these ongoing accusations of malpractice, Fresca have been conducting additional due diligence on suppliers using labour from the scheme. This includes additional supplier visits, gathering further information from farms, worker welfare chats with seasonal workers, creating and providing a comprehensive best practice document for UK farms, and supporting industry initiatives such as the Food Network for Ethical Trade Seasonal Worker Scheme training roadshows.

GroceryAid

GroceryAid are a charity organisation, providing free and confidential emotional, practical and financial support for those working in the grocery sector.

Fresca became supporters of GroceryAid in April 2022 and by December 2022 had been awarded a Silver Supporter award. Three Fresca colleagues are GroceryAid Network Members and Fresca have promoted GroceryAid both internally and externally on a number of occasions, raising awareness to our colleagues around the help and support offered. This has been achieved through celebrating GroceryAid Day by creating supporting materials to be displayed in key colleague areas at all sites as well as information sheets being accessible on intranets and the Wellness Hub on our colleague communications app.

The businesses have also engaged in competitions and cake sales to champion GroceryAid. HR teams have been trained in depth on the GroceryAid services and recognise situations on when to signpost our people.

Our Performance/ KPI's

One of our objectives has always been to achieve continuous improvement year on year in our suppliers' ethical progress. In this financial period, our supplier risk assessment matrix has been revamped and therefore our supplier risk scoring is not comparable to the previous year. Instead, this year's data forms a new baseline, and we will work with our suppliers to bring their risk down year on year.

For this financial period, 91% of our key suppliers completed our questionnaire – our target is 100%. 68.4% of these key suppliers have completed the new-style questionnaire - the remaining suppliers will be asked to complete this as their season starts. By April 2024 we will have a full year's worth of supplier data and will be able to monitor year on year progress. The following key statistics have been taken from responses to the new questionnaire:

- **The new average supplier risk score is 466.16 with a range of 265-650 (the higher the score, the lower the risk). We will work with the highest risk suppliers to bring their risk down further.**
- 96.2% of suppliers have Sedex and of those that do, 97.2% have a SAQ completed to 100%. Our target is to get this to 100% of suppliers.
- **17 of our suppliers do not have anything in place for worker engagement, this is something we will work with suppliers on.**
- 89.8% of suppliers asked have a Human Rights policy in place.
- **31.6% of our suppliers use labour providers and of those 74.6% audit their labour providers. We will work with those who are yet to start.**
- 40.4% of our suppliers provide accommodation to their workers. 96.2% of those inspect the accommodation and 45.2% of suppliers providing accommodation do not charge their workers for this.
- **85.8% of suppliers have a confidential formal grievance mechanism.**
- 51% of our UK, Spanish and South African suppliers have attended Stronger Together training and a further 28.4% are planning to.

Our strategy established for our reporting year ending April 2024 is already underway and we look forward to delivering further improvements for those employed in our business and supply chain.

I, the undersigned, take responsibility for this statement and represent the board of the Fresca Group Ltd for overall ethical compliance.

NAME: *Martyn Fletcher*

POSITION IN COMPANY: *Chief Executive*

DATE: *12th July 2023*

