FIRST GRADE INTERNATIONAL LTD

1: SENIOR MANAGEMENT COMMITMENT

1.23: FIRST GRADE INTERNATIONAL LIMITED: MODERN SLAVERY STATEMENT FOR FINANCIAL YEAR ENDED (2024) ISSUED PURSUANT TO SECTION 54 OF THE MODERN SLAVERY ACT 2015.

OUR BUSINESS, STRUCTURE AND SUPPLY CHAINS

It is required under the Modern Slavery Act (2015) that businesses state the actions they have taken during the financial year to ensure that modern slavery is not taking place in both their operations and supply chains. Here at First Grade International Ltd. we see slavery, forced labour and human trafficking as fundamentally unacceptable within our business. As a company we firmly support the movement for transparency and collaboration from businesses to eliminate this risk.

This statement refers to the financial year ending 31/12/2024

First Grade International Ltd. was established in 2002 as a sales and marketing operation dedicated to the supply of high-quality food ingredients to UK and internationally based companies. Subsequently the business has expanded to include a consumer-focused brand Koko, which manufactures and sells coconut based 'free from' products both in the UK and internationally.

£ 72 million revenue in 2024	**43 employees in the UK**	**66 supplying sites**	**600+ customers supplied by us**
Bulk Ingredients	**339 Products supplied by us**	**22 sourcing countries**	**Retail Products**

First Grade International Ltd.'s supply chain is both complex and extensive and is ostensibly divided into two main streams, one for bulk industrial products and the other for Koko branded retail products. Our suppliers provide both raw materials and finished goods for manufacturing across our core product areas, which include supplying; coconut products, dried fruit, oil, nuts, chocolate, and cocoa powder as well as providing contracted manufacturing services for the supply of Koko branded products. All areas of our supply chain are carefully monitored and audited by trained staff to make sure that the legislative requirements of both UK and International Law are being met.

On 12th January 2021 the UK Government announced business measures that were to be put in place over Xinjiang human rights abuses. With this announcement First Grade International re-assessed their supply chain operators to ensure that materials, components, and sub-components used in our products were not sourced from Xinjiang province or other regions of China. With this assessment it was found that there were no reported breaches of the Modern Slavery Act 2015 within First Grade International Ltd supply chain in 2024.

OUR POLICIES

First Grade International Ltd.'s Ethical Trade Policy:

- When dealing with suppliers First Grade International Ltd. will endeavour to deal openly, fairly and will adhere to contract terms.
- First Grade International Ltd. expect suppliers to develop equal opportunity policies within employment without discrimination on grounds of race, religion and gender or any other arbitrary basis.
- Employees shall be free to join lawful associations; forced labour or coercion at work is unacceptable.
- Employees should not be forced into involuntary labour.
- Pay will at least meet statutory minimum national or local law.
- Pay should also reflect what is needed to maintain family life above subsistence level.
- The use of child labour is strictly forbidden.

First Grade International Ltd.'s Recruitment Policy:

As a company we will endeavour, through appropriate training, to ensure that employees making selection and recruitment decisions will not discriminate, whether consciously or unconsciously. Job descriptions, where used, will be in line with the equal opportunities policies, with all new employees being subject to pre-employment checks to confirm their identity and right to work in the UK.

First Grade International Ltd.'s Terms and Conditions of Purchase:

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Here at First Grade International Ltd., we are committed to ensuring that all our suppliers adhere to the highest standard of ethics. Therefore, our suppliers are required to demonstrate that they provide safe working conditions, act ethically and within the law in their use of labour and treat workers with dignity and respect. Failure to comply with the Modern Slavery Act (2015) will result in the termination of the business relationship.

DUE DILIGENCE PROCESSES

First Grade International Ltd.'s owned, or contracted production sites are strongly encouraged by our company policy to be active members of SEDEX and to undertake an independent third-party ethical audit, SMETA or SA8000 certification in order to build trust and transparency throughout the supply chain. At the end of 2024 75% of our supply base were members of SEDEX with 35 supplying sites participating in SMETA 2 or 4 pillar audits. In order to set an example to our suppliers First Grade International Ltd will be participating in a 2 pillar SMETA Audit by Q4 of 2025. Our suppliers are required to read and sign our 'Supplier Code of Practice' so that they understand what is required and expected of someone who is associated with First Grade International Ltd.

STEPS TO ASSESS AND MANAGE RISKS

We are aware that the threat and the risk of modern slavery is extremely dynamic and can evolve quickly throughout the supply chain. As a result, we are regularly assessing and responding to risks in the countries of origin associated with our supply chain to help ensure that our processes and supply chain remain free from modern slavery practices.

All our staff, customers and other business partners are encouraged to report any incidence or suspicion of modern slavery at the earliest opportunity to:

(a) If they are a member of staff, their line manager.
(b) If they are a supplier, the primary account manager or business contact within our company.

This includes any circumstances that may give rise to an enhanced risk of slavery or human trafficking.

At First Grade International Ltd., any member of staff who is found breaching FGI's policy on Modern Slavery will face disciplinary action and this could result in their dismissal for misconduct or gross misconduct.

If a breach of the Modern Slavery Act by one of our suppliers is reported, the relevant member of staff will report such a breach to the Senior Management Team. FGI may terminate its relationship with a supplier if it is found to be in breach of this policy and fails to take the required steps to remedy any breach.

TRAINING

At First Grade International Ltd 13 members of staff from a range of our company departments have willingly taken part in training by the Ethical Trading Initiative in order to help tackle challenging human rights issues including modern slavery. Revised and updated training is to take place in Q1 2025 to refresh this for retained and new staff members.

We are continuing to develop targeted training for our employees who are most directly involved in making purchasing decisions that would reduce the risk of modern slavery within our business and its supply chain. We do also recognise that modern slavery is of a complex nature, and we have sought to develop both informative and accessible training for all our employees within the business to raise their personal awareness of the risks posed to our company and how they as individuals have a part to play in delivering our vision.

Signature: 

Position: **General Manager**

Date: **03/01/2025**