

Modern slavery statement



Modern slavery statement 2023

Contents:

1. Introduction: company commitment and pledge
2. Our business and supply chains
3. Due diligence processes
 - (a) in our business
 - (b) in our supply chain
4. Monitoring and remedial action
5. Training: raising awareness and capacity building
 - (a) employees and within the business
 - (b) supply chain
6. Plans going forward

This statement has been issued in accordance with the Modern Slavery Act 2015 and covers BFS Group Limited trading as Bidfood. It has been considered and approved by the Bidfood Board of Directors. This statement demonstrates our commitment to ethical trading, tackling modern slavery and the steps being taken to increase transparency within our supply chain and our own operations.

Introduction: company commitment and pledge

Modern slavery is the umbrella term used to encompass the offences of slavery, servitude, forced or compulsory labour and human trafficking. The term extends to slavery-like practices such as debt bondage, sale and exploitation of children and forced or servile marriage. It is widespread and recognised to be a growing issue, given the rapid rise in global migration. It exists in every region and every type of economy; industrialised, developing or in transition. No sector or industry is untainted. Modern slavery thrives on vulnerable and unprotected workers, and is driven by discrimination, inequality, poverty, and greed for financial gain.

According to the International Labour Organisation (ILO), a staggering 28 million people were in forced labour in 2021; the number of people in modern slavery has risen significantly in the last five years. Modern slavery occurs in almost every country in the world, and cuts across ethnic, cultural and religious lines. 52% of all forced labour can be found in upper-middle income or high-income countries, with migrant workers being more than three times more likely to be in forced labour than non-migrant adult workers. In the UK alone, the number of referrals received exceeded 4,000 for the first time in a quarter and is the highest since the NRM (National Referral Mechanism) began in 2009 (Source: www.gov.uk)





At Bidfood, we recognise that modern slavery is a crime that can take many forms; we have a zero-tolerance approach to modern slavery within our own business, with our suppliers of agency labour and in our dealings with our food and non-food product suppliers. We're committed to putting effective systems and controls in place to safeguard against any form of modern slavery within our business or our supply chains.

Our business and supply chains

Bidfood is a leading foodservice wholesale distributor and a preferred supply partner for over 40,000 customers across the UK who operate in education, healthcare, hotels, pubs, restaurants, contract catering and leisure sites.

Our comprehensive product range includes the best of both own brand and leading foodservice brands, everything from store-cupboard ingredients to ready to serve solutions, frozen and chilled food. We also offer a comprehensive range of carefully selected wines, beers, ciders and spirits, as well as quality catering equipment and supplies, including cutlery, cookware, cleaning and disposables.



Our range includes over 13,000 food and non-food products across core range branded and own brand lines.

We have over 1,200 supply chain food partners located around the world.

We also administer [plate2planet](#), a LinkedIn group of 500+ foodservice professionals and stakeholders, aimed at driving progress in ethical and sustainable food production.

People



We support and provide a range of products with ethical and sustainable features; for further information on our sustainability pledges, policies and credentials, please refer to our latest sustainability report, available at www.bidfood.co.uk/sustainability





Our culture and values

Our *three values* have become an important part of our company culture:



Care

Take pride in what you do, no matter what you do



Share

Work together to make great things happen



Dare

Take brave steps to deliver extraordinary results.

At Bidfood, we have a simple mission: to deliver service excellence, make customers' lives easier and help them to grow.

Our aim to be a positive force for change

In 2022, we updated our sustainability priorities and vision statement, creating a statement of purpose in each area:



We aim to progress in all the above by working in partnership with other organisations to lead change.



Relevant policies

Employee conduct and ethics:

We have robust People policies and standards in place to ensure compliance with legislation and fundamental rights at work including: freedom of association, dignity at work and prevention of discrimination throughout employment. Prior to recruitment, we check that all our potential recruits have the Right to Work in the UK, and 86% of our employees are paid above Living Wage Foundation rates (at time of publication).

Our policies and standards are readily available to our employees through our intranet and notice boards. We operate a Preferred Supplier List (PSL) for the provision of agency labour and expect agencies that provide staff to Bidfood to

adhere to the same strict standards. All of our PSL Agencies are required to agree to our terms and conditions to make sure they are compliant with relevant UK legislation, regulations and codes of practice.

We have put in place a comprehensive collection of standards and codes of conduct which include fairness, non-

discriminatory reporting, respect for human dignity and human rights, health and safety and ethics. How our employees' behaviours align to our corporate values of 'Care, Share, Dare' is a core part of our annual appraisal process. These values are brought to life in our 'Vision, Mission and Values' training and engagement sessions that we run as part of employee induction. Our values are referenced frequently and consistently in internal communications and job descriptions, to make sure they are central to our ways of working. Additionally, we have a Bribery Act compliance programme in place. In cases where behaviour may fall short of our expected code of conduct, appropriate action will be taken including the right to terminate employment.

We're a signatory of the [Dignity at Work Charter](#), which means we've committed to a charter that actively encourages inclusion; we won't tolerate anyone being subject to physical, sexual, racial, psychological, verbal, or any other form of harassment, bullying or abuse.



If any employee has a concern that they feel they can't raise at work, they can contact our external and independent 24-hour whistleblowing hotline, which is described in more detail under 'Monitoring and Remedial Action'.

In our supply chain

We're committed to working with our suppliers to operate ethically and to build greater transparency within our supply chains. We aim to act dutifully and always within the law and regulations in the UK. As a minimum, we expect all suppliers to comply with our ethical code of conduct ([Ethical Trading Policy](#)) which is based on the principles of the Ethical Trading Initiative (ETI) and relevant International Labour Organisation (ILO) standards and conventions. Suppliers must also comply with national and international laws. This would include not only suppliers of our food and non-food products, but also suppliers of "non-inventory" goods and services, which are not for resale i.e. used and/or consumed internally within Bidfood.

Prior to trading, all suppliers undergo a thorough supplier approval process and are expected to provide documented evidence of compliance with Bidfood's Food Safety and Legality standards, the Bribery Act and Bidfood's Ethical Trading Policy. All product suppliers are required to provide their ethical policy, and where applicable, their modern slavery statement. Additionally, social standard certifications such as BSCI, SA800 or a membership to ETI or SEDEX are also preferred. The non-inventory suppliers' commitments on modern slavery, anti-bribery, health and safety and ethical trading are further reinforced by our standard non-inventory purchasing terms. In addition, suppliers of our own brand products are subjected to further risk assessment and due diligence checks.

When Bidfood runs a tender process, all invited non-inventory suppliers will be subject to more detailed compliance checks and industry-specific requirements, at which time they will be required to provide documentary evidence of their various policies.

As part of the tender process, Bidfood's standard non-inventory purchasing terms and conditions are issued to suppliers. Under these terms, suppliers have an obligation to comply with all Bidfood policies and standards. Further, such suppliers must represent and warrant that they do not use nor have attempted to use, trafficked, bonded, child or forced labour and that they have taken appropriate steps to verify that the same applies to each person within their supply chains.

A non-inventory supplier unable to demonstrate its adherence to the standards required by us would be eliminated from our selection / tender process and, if a current supplier, may be precluded from working with us.

Failure by a supplier to meet our standards may jeopardise their ability to continue to do business with us and are addressed on a case-by-case basis. If, following an in-depth investigation, the supplier still refuses to cooperate with Bidfood's Ethical Trading Policy and due diligence process, we will cease trading with that supplier. If modern slavery or human trafficking is identified in our global supply chain, appropriate investigations will be conducted internally and the relevant authorities would be contacted.



Bidfood understands the importance of ensuring no aspects of our procurement activity lead to exploitation 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 include reasonable expectations on pricing and associated benchmarking within the marketplace. We appreciate both from an ethical and ongoing supply chain 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 in such evaluation ongoing 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 school’ peaks, to avoid late high order volumes. Key supply agreements are contracted annually with agreed exit dates. Bidfood 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.



Due diligence processes

In our business

An annual business risk assessment by the Risk Register Advisory Group evaluates all internal and external risks Bidfood might face, and assigns priorities based on the relevant business department. Tackling modern slavery remains a top priority for us. We aim to strengthen our understanding of modern slavery within the business and supply chain and implement effective controls to identify and respond to potential indicators whilst minimising the overall risks.

HR carry out a quarterly check of our HR and payroll data to highlight potential indicators of exploitation, for example, duplicate addresses by unrelated employees, duplicate bank account details or duplicate next of kin phone numbers. If there is sufficient evidence to warrant further investigation, then we refer this to our local People Operations team, who in turn, will establish if it warrants escalating to the authorities.

In our supply chain

As compliance and adherence to the Modern Slavery Act 2015 remains a top priority, we have re-evaluated our approach to mitigate this risk.

We divide manufacturing sites in our own brand supply chain into two tiers:

Tier 1 includes manufacturing sites supplying product directly to us



Tier 2 includes manufacturing sites supplying via their supplier to us (external sites under agents and brokers)

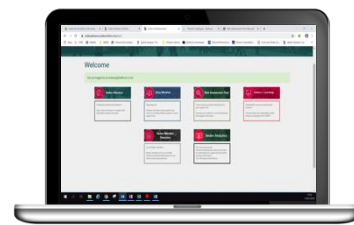
This allows us to create a visual representation of the countries our supply chain extends to, and to comprehend the complexity of it.



As of June 2019, we became AB members of the Supplier Ethical Data Exchange (SEDEX), indicating our status as both a buyer and supplier. A new policy has been introduced where all existing own brand suppliers and future suppliers will be required to join this platform. This illustrates their commitment to ethical trading and developing their understanding of ethical standards and practices. Using the knowledge and tools provided by both organisations, SEDEX and Stronger Together we aim to approach the risk of modern slavery more effectively and improve our responsible sourcing practices.

We have connected with the majority of our Own Brand Suppliers and are in the process of:

- 1) Connecting with our remaining own brand suppliers on the SEDEX platform by December 23. These suppliers have been requested to complete the SEDEX self-assessment questionnaire which covers information on the four pillars: labour rights, health and safety, the environment and business ethics. This will ultimately enable suppliers to share information about their business allowing us to identify those suppliers that are high risk.
- 2) Reviewing our modern slavery product risk assessment to incorporate the information collated on SEDEX, and to take into account the four key pillars of SEDEX. We are evaluating what data we can utilise from the increased use of the SEDEX radar tool in order to better risk assess our own brand suppliers.



From this, where we have identified suppliers we consider higher risk we will request further information about their supply chains, and the practices and procedures they have in place. The information received will then be included in the risk assessment. The risk is investigated internally and an appropriate action plan discussed with the supplier where required. Failure to engage and respond appropriately to issues or requests may result in a supplier being delisted.

Monitoring and remedial action

Within our business

Often employees are the first people who realise that there may be something seriously wrong within an organisation but often they don't express their concerns. This may be because they feel that speaking up may be seen as being disloyal to colleagues and the organisation, or fear that they may be victimised as a result. Our Whistleblowing Standard aims to encourage and enable our employees to raise serious concerns within Bidfood through approved channels rather than overlooking a problem. We have a 24-hour whistleblowing hotline that anyone can call (employee, visitor, contractor or agency worker) if they suspect malpractice, and this is well advertised across all Bidfood sites. Our whistleblowing procedure is designed to make it easy for anyone to make disclosures, without fear of retaliation; they can telephone, email or log an issue via the website, all in multiple languages.

We operate a corporate risk register committee, which includes members of our senior leadership team and entails the review of all risks on a quarterly basis as well as the updating of actions to mitigate those risks. Modern slavery and exploitation within our operations are included on the risk register, which means we are regularly reviewing our current ways of working and how to improve them.

Within our supply chains

In 2023 we successfully established relationships on the SEDEX platform with 96% our own brand sites, with a target of 100% connection by December 2023. Internally, we are reviewing the information collated and identifying the most effective way to use this in our risk assessment. We will further evaluate any suppliers identified from the risk assessment as high risk. Suppliers may be requested to complete a further ethical audit, if it is deemed necessary, and potentially complete e-learning modules on the SEDEX platform based on any non-conformances that arise.



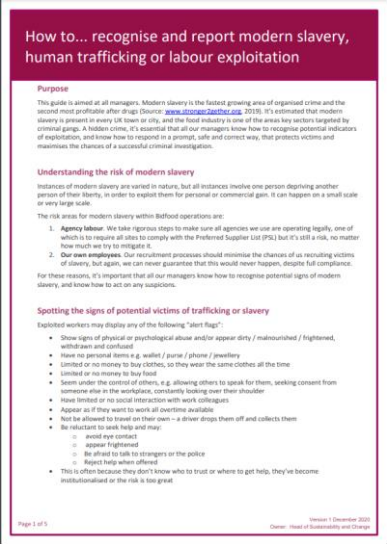
Any suppliers that are implicated in the media as associated with modern slavery issues will be subject to a full investigation to address any potential issues.

Training: raising awareness and capacity building

Key members from different departments across the business, from HR and Technical Services to Supply Chain and Commercial teams, have completed training with *Stronger Together* with the aim of developing a greater understanding of modern slavery and the best approaches to minimising the risk and implementing effective controls within our business and supply chain.

We have produced a *How to Recognise and Respond to signs of modern slavery, human trafficking and exploitation* guide which is available to all employees on our document store.

All employees have to complete modern slavery e-learning training. There is one module which is mandatory for all Bidfood employees and a second module focused on supply chains, targeted at relevant teams. The module for all employees includes *Do the Right Thing*, an online video created by the GLAA (Gangmasters and Labour Abuse Authority) showing the right way to respond to suspicions of exploitation.



We've also produced posters for sites to display, highlighting the different sources of help for anyone needing help or advice in this area.

We also recognised that Brexit increased the risk of exploitation, given that people traffickers would be aware of the increase in the number of European nationals uncertain about their immigration status. We provided our people managers with additional information and tools to help them manage this increased risk. The current cost of living crisis and global economic inequalities (and associated migration) also increase risks of exploitation.


Plans going forward

Within our business

Our current processes and procedures have led us to assess the level of risk of modern slavery and exploitation within our operations to be low, but this doesn't mean that we should ever be complacent, given that the food industry as a whole is identified to be high risk.

In late 2022, we created guidelines for managers in terms of supporting anyone identified to be a victim of slavery in our operations. Hopefully this won't ever be needed, but should we ever find that anyone has been a victim of exploitation, we now have a package of support that's available to them, including paid leave of 5 days for time away from work to concentrate on liaising with support organisations and sorting out personal arrangements, as well as access to financial, health and emotional support.

In summer 2023, Oliver Kay (ex trading division of Bidfresh) was moved under the control of Bidfood UK. In the coming year we will focus on aligning Oliver Kay's modern slavery due diligence processes as a business and in their supply chains with the overarching policies and commitments we have as Bidfood.



In 2024, we will be outsourcing the management of our temporary agency labour to a *Neutral Vendor*, which means we'll be able to monitor the end to end agency process on a digital platform. This will enable us to have greater visibility of our contingency workforce, where a third party will carry out regular audits and make sure our temporary agency suppliers comply with all legal requirements.

Within our supply chains

In 2019 we stated that we were aiming to have completed phase 1 of our SEDEX engagement i.e., to have connected with all own brand and exclusive suppliers (both tier 1 and 2) on SEDEX by June 2020. However, Covid-19 impacts on our industry and our suppliers prevented us from making as much progress in this area as we would have liked to, so we did not meet this deadline. Fast forward to 2023 and we have invigorated the resources to make modern slavery a key focus again. We continue to work towards connecting with 100% of own brand and exclusive suppliers with a new deadline of December 2023.

In 202/23, phase one of our approach was to review our Ethical Trading Policy, for all suppliers. This policy has been reviewed, amended and published including much greater detail on our requirements and expectations of all suppliers, as well as requiring own brand and exclusive suppliers to become members of SEDEX. We met our target of 95% connection of our own brand sites on SEDEX by the end of the financial year (June 2023), and are on target to achieve 100% connection of all own brand suppliers by December 2023.

In addition, we will be conducting a full review of our own brand and exclusive brand supplier approval process which will include the addition of specific ethical and modern slavery checks. This will add an extra layer of due diligence against modern slavery. This is due to take place in the 2023-2024 financial year.

In 2023/24, our focus will shift to branded suppliers, where we will seek further assurance and information from all suppliers in reviewing their approach to ethical trading and modern slavery. This will include a questionnaire that will help focus our efforts on those suppliers who we deem to need further support and investigation in ensuring they are acting diligently in their approach.

We have also added specific clauses to our supplier approval process to ensure suppliers are not barring whistle-blowers and this will continue to be a requirement going forward.

Additionally, in 2023-2024, once 100% connection on SEDEX has been achieved, we will shift focus to ensuring all our suppliers have completed the new SEDEX SAQ released in Autumn 2023. This will further bolster the data we have available and help shape the future of our approach to managing modern slavery risks in our supply chains.

To date, no modern slavery has been identified in our internal operations nor are we aware from our audit and verification processes of any in our supply chains. We will continue to monitor the effectiveness of our existing controls internally, and review annually what improvements may be made to strengthen our auditing and verification procedures.



Supporting the principles and standards of:

- Ethical Trade Initiative
- International Labour Organisation
- Dignity at Work Charter
- UK Gangmasters and Labour Abuse Authority



- Supplier Ethical Data Exchange (SEDEX):
www.sedexglobal.com
- Stronger Together:
www.stronger2gether.org

This statement has been approved by the Bidfood UK Senior Leadership Team and is reviewed and updated annually.



Andrew Selley, CEO at Bidfood UK,
December 2023