



President's Statement

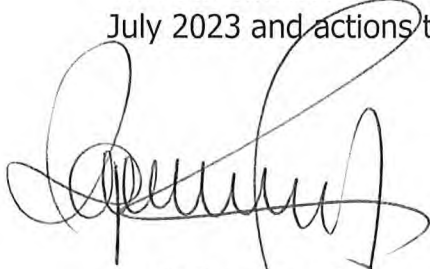
2 Sisters Food Group, the trading name for Boparan Holdings Limited and its subsidiaries, recognises that all businesses have an obligation to prevent slavery and human trafficking.

We all have a responsibility to be alert to the relevant risks and are committed to acting ethically and with integrity and transparency in all business dealings.

The Board of 2 Sisters Food Group is committed to delivering high standards of corporate governance and a key element of this is managing the Group in a socially responsible and ethical way.

The Group aims to employ the highest ethical and professional standards and to comply with all local laws and regulations applicable to our business; it follows that 2 Sisters Food Group is absolutely committed to preventing Modern Slavery in its corporate activities and its supply chain. This commitment is emphasised in our employee training programmes and company policies, which promote ethical behaviours. 2 Sisters Food Group expects the same high standards which we set for ourselves from those parties with whom we engage, in particular our suppliers and customers.

This statement relates to actions and activities during the financial year 1 August 2022 to 31 July 2023 and actions that we plan to take over the next 12 months.



Ranjit Singh, President
2 Sisters Food Group



Modern Slavery Statement 2022/23

Introduction

Following the introduction of the Modern Slavery Act in 2015 by the UK Government, Boparan Holdings Limited and all members of its UK corporate group, trading collectively as 2 Sisters Food Group, produces an annual Modern Slavery Statement setting out the steps we have taken to ensure Modern Slavery does not take place in our own businesses or our supply chains.

This Modern Slavery Statement applies to the following legal entities:

Legal Entity	Trading Name(s)/Sites
Boparan Holdings Limited	Holding company for all legal entities set out below
2 Sisters Food Group Limited	Site D, Site E, Flixton, Scunthorpe, Willand, Thetford, Coupar Angus, Llangefni*, Sandycroft
Amber Foods Limited	Amber Foods – Site B
Northern Foods Limited	Holding company/employer for: Solway Foods Ltd, FW Farnsworth Ltd, Convenience Foods Ltd, Portumna Pastry Ltd**, Cavaghan & Gray Ltd.
Convenience Foods Limited	Gunstones Bakery, Grimsby Soups
Solway Foods Limited	Rogerstone
Cavaghan & Gray Limited	Cavaghan & Gray – Carlisle
FW Farnsworth Limited	The Pizza Factory, Holland’s Pies**

* Site closed in March 2023

** Ownership transferred to Amber REI Holdings Investments Limited in April 2023

2 Sisters Food Group is a food manufacturing business employing almost 13,000 people in the UK and supplying both retail and food service sectors. The legal entities set out above are organised into the following Divisions for operational purposes:

1. UK Poultry: Producing whole and portioned chicken and added value protein
2. Meal solutions: Producing pizzas, chilled and frozen ready meals, soups, sauces, ready to cook products, hot cross buns and morning goods

2 Sisters Food Group is one of the largest customers of the UK agricultural sector, sourcing protein and produce from UK farmers. Poultry supply chains in the UK are significantly aligned and integrated with the business. We source a large range of additional raw materials for our products from over 600 manufacturers, processors and producers based in the UK and overseas.



Policy Statement

2 Sisters Food Group (2SFG) recognises the risk of, and need to combat, modern slavery in all its forms. Our operations impact workers both within 2SFG sites and throughout our supply chains. We will work with colleagues, suppliers, customers and other stakeholders to achieve a high standard of care and ethical behaviour.

Our [Ethical Trading & Human Rights Policy](#) is built on the Ethical Trading Initiative (ETI) base code. It sets out what 2SFG sites are required to do, as a minimum, to prevent modern slavery and protect the rights of workers. Further to this, the [2SFG Prevention of Hidden Labour Exploitation Policy](#) provides clarity to all line managers, colleagues, trade unions, agency workers and agency labour providers on the Group's standards and processes and the actions that it commits to take in order to protect workers from the threat of labour exploitation.

2SFG colleagues are expected to comply with our Code of Conduct. This describes how 2SFG employment practices aim to ensure that people work together in a fair and respectful way in an environment free from bullying, victimisation and harassment. Copies of the Code of Conduct are available at sites and on our intranet. Our UK Poultry Division has developed a Colleague Charter that sets out what we will do to support new colleagues during onboarding and how we will continue to engage with them to promote dialogue and feedback.

We recognise that we share a responsibility with our suppliers to operate ethically. The ethical and environmental standards expected of suppliers are set out in our [Supplier Sustainability Code of Practice](#).

2 Sisters Food Group operations

2SFG aims to achieve a high ethical standard across its own operations. We continue to be an AB member of Sedex, the Supplier Ethical Data Exchange, and to share information on our performance with our customers.

All of our processing and manufacturing sites are Sedex registered and have completed the Sedex Self-Assessment Questionnaire (SAQ), providing a risk rating. Additionally, all sites are independently ethically audited to the SMETA standard (2 Pillar). Actions to correct any non-conformances resulting from the audits are detailed by the site in a corrective action plan. Our aim is to achieve zero non-compliances from our ethical audits through site action plans targeted to address key areas.

2SFG is a member of the Association of Labour Providers (ALP) and we follow ALP guidance to promote responsible recruitment by labour providers. Our policy on labour providers sets out our requirements on health and safety, food safety and quality, and ethical compliance. Labour providers are audited by our Group Technical team as part of our supplier approval process. The process ensures that all labour providers supplying 2SFG meet our standards. It has also enhanced communication between 2SFG and our labour providers, and improved oversight of any issues.

In addition to the Group Technical labour provider audit, site HR teams have continued to audit the labour providers for their sites on a regular basis. This is measured and reported in our Modern Slavery statement as one of a set of Key Performance Indicators (KPIs). Reports from labour provider



audits carried out by sites in our UK Poultry Division are now shared on an internal portal to allow non-conformances to be tracked.

Our processing and manufacturing sites are encouraged to become business partners with Stronger Together, a multi stakeholder initiative aimed at tackling modern slavery. Stronger Together provides resources to help deter, detect and address forced labour and hidden labour exploitation. Stronger Together materials are displayed at sites to provide details on signs of modern slavery that colleagues should be aware of, and to signpost ways to report concerns. In addition, site HR teams use Stronger Together tools to carry out a modern slavery risk assessment and develop action plans to address the risks identified. Stronger Together Business Partnerships, modern slavery risk assessments and modern slavery awareness training are among the KPIs we report annually (see below).

In 2023 we launched our business sustainability strategy, the Better For All Plan <https://www.2sfg.com/betterforall> , which includes “Better for our People” as one of its six pillars. Human rights in our operations form one of the areas of focus within this pillar, while Human Rights in our Supply Chain is a priority area for our “Better for Sourcing” pillar.

Communication of the Better for All Plan to colleagues is supported by our new colleague app, also launched this year, helping to distribute information to colleagues by site, Division or Group. The app is available to colleagues in 14 different languages. A series of short articles on the app explained the priorities under each of the six pillars of the Better For All Plan over the six months following launch. Viewing statistics indicated a high level of engagement with the articles.

Whistle blowing

We have a free, anonymous and confidential whistleblowing hotline that enables all employees, including agency workers, to raise any potential concerns in relation to employment standards or ethics. Information on how to contact the whistleblowing hotline is prominently displayed at all sites.

The 2SFG Whistle Blowing policy is available to colleagues through the company intranet and information can also be accessed through the colleague app. The policy provides information on how to use the hotline and the process that follows a complaint being made.

All whistle blowing reports are managed through Group Internal Audit to assure timely and robust investigation of any reports and, where required, ensure that preventative action is completed.

A grievance procedure is also available to colleagues on the company intranet providing information on how to raise a formal complaint.

Modern Slavery Risk within our Supply Chain

2SFG sources from a range of suppliers based in the UK and overseas.

It is our policy to ensure that the ethical standards that apply within our own production sites are also adhered to in our supply chain. The identification of risk within our large and complex supply chain is a key initial step to understanding what is required and prioritising the actions which flow from this.



Our requirements are set out in our [Supplier Sustainability Code of Practice](#). 2SFG requires all direct ingredient and packaging suppliers, and suppliers of certain categories of goods not for resale, to be members of Sedex and linked to 2SFG on the platform. Suppliers are required to complete the Sedex SAQ in order to be risk assessed. Suppliers assessed as high risk are required to have an independent ethical audit.

A cross functional team of colleagues meets regularly to help identify where there is a lack of full compliance with ethical trading requirements and to highlight emerging or potential risks of modern slavery and labour exploitation.

Over the last two years we have worked to understand the use of recruitment fees in the supply chain. We have previously adjusted our labour provider onboarding process to include measures to reduce the risk of workers paying recruitment fees. This year we have identified non-conformances related to payment of recruitment fees by a small number of raw material suppliers highlighted in ethical audits. These have been kept under review until closed out.

Collaboration

We recognise that the leverage we have within our supply chain is often limited and that to initiate meaningful and sustainable change we need to collaborate with our supply chain partners to develop initiatives which improve working conditions.

We work with supply chain partners, labour providers, customers, industry bodies, the GLAA and other enforcement bodies to ensure the risk of modern slavery is minimised. We are a founding member and on the Board of the Modern Slavery Intelligence Network (MSIN), a group of food businesses supported by NGO Stop The Traffick. MSIN has developed an information sharing mechanism which members use to detect, prevent and disrupt modern slavery and labour exploitation activity in the food industry.

2SFG is a member of the Food Network for Ethical Trade (FNET). This is a collaboration between suppliers and retailers with the aim of delivering a consistent approach to risk assessment and managing ethical trade along food supply chains. We participate in working groups on raw material supply chains and on recruitment.

Training and Awareness

Training is a fundamental way of raising awareness and ensuring that people understand what modern slavery is and what they need to do if they encounter something that raises concerns.

On joining the business, members of our site Human Resources teams attend workshops on tackling modern slavery through the Stronger Together initiative, to ensure they are aware of the issue. Sites also deliver in-house training for managers and employee representatives to build awareness of modern slavery, including front line manager training for dignity at work, conflict management and communication. Modern slavery awareness is part of site induction programmes for new starters.



Colleagues in both the central Technical team and site HR teams have undergone training on responsible recruitment practices to increase understanding of recruitment practices on vulnerable workers.

Performance Measures & Actions

It is important for 2SFG to be transparent and accountable to all stakeholders including colleagues, suppliers, customers, investors, consumers and the wider public who are affected by our business activities. We have therefore identified a set of KPIs which we report annually within our Modern Slavery statement that enable us to identify risk across our business and through our supply chain, and drive improvement.

Our KPIs and performance against them are indicated in Table 1. Across the group, a senior representative had completed a Stronger Together course on modern slavery at all but one site and this was due to staff changes which led to a training requirement.

All of our sites successfully gained Stronger Together Business Partner status for the 2023 calendar year. As part of this process, Stronger Together Good Practice Implementation checklists were completed and used as risk assessments to indicate where actions are required. Some sites now plan to progress their skills and understanding of modern slavery risk management and good practice collectively through the Stronger Together advanced programme in tackling modern slavery.

Completion of modern slavery risk assessments by each site highlighted common areas for development including establishing effective management systems, understanding risks of modern slavery, proactive checks and workforce engagement. Following this analysis, a process will be implemented in 2024 to improve visibility of areas commonly highlighted for action across sites. This will allow for collective agreement and implementation of processes, particularly where policy changes or developments are required.

Across our Poultry Division, sites scored “establishing effective management systems” as the main area requiring development. Actions taken to address this included completion of collective training on right to work verification by representatives from each site.

All sites using agency labour completed audits of their labour providers during the year although the frequency varied. A further seven audits of local site labour providers were carried out by the central Technical Services team against the requirements set out in the Group policy on labour providers.

We continue to measure compliance with our Supplier Sustainability Code of Practice, beginning with supplier on-boarding through our central technical supplier approval process. This includes suppliers of raw materials, packaging, temporary labour, storage and distribution and personal protective equipment. This year we have achieved 97% compliance with our requirement for suppliers to be registered on Sedex, exceeding our target of 95%. Regular communication and reporting between the Sustainability, Technical and Procurement teams has helped to maintain compliance with this target throughout the year, despite movement within the supply base.



Table 1. Key performance indicators and targets

Key Performance Indicator	Result 2021/22	Result 2022/23	Target 2023/24
% of 2SFG sites that have completed Stronger Together training on Modern Slavery.	94%	100%	100%
% of 2SFG sites that are Stronger Together Business Partners	94%	100%	100%
% of 2SFG sites that have completed the Modern Slavery Risk Assessment (Stronger Together)	88%	100%	100%
% of 2SFG sites that have completed the Modern Slavery Risk Assessment with an action plan*	75%	*See below	100%
% of 2SFG sites that have completed a labour provider ethical audit every 6 months	81%	90%	100%
% of Whistleblower cases relating to Modern Slavery issues.	0	0	N/A
% of total Whistleblower cases closed out.	100%	100%	100%
% of tier 1 suppliers registered on SEDEX**	97%	97%	95%

*Approach was modified this year to address different requirements within each Division. Action plans were developed by individual sites in the Meals Solutions Division. UKP Division implemented a collective action plan to address effective management systems through training on right to work verification. This KPI will be reviewed and updated in FY2023/24 to provide an aligned approach.

** Based on strategic supplier sites, new supplier sites since Jan 2023 and suppliers via agents