



CEO's Statement

2 Sisters Food Group, the trading name for Boparan Holdings Limited and its subsidiaries, as more particularly outlined in the wider statement, recognises that all businesses have an obligation to prevent slavery and human trafficking. We all have a responsibility to be alert to the risks and are committed to acting ethically and with integrity and transparency in all business dealings.

2 Sisters Food Group Board 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 always 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, such as our suppliers and customers.

This statement relates to actions and activities during the financial year 1 August 2018 to 31 July 2019 and actions that we plan to take over the next 12 months.

Ronald Kers

CEO, 2 Sisters Food Group



Modern Slavery Statement 2019

Introduction

Following the introduction of the Modern Slavery Act in 2015 by the UK Government, Boparan Holdings Ltd and all members of its 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 and 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, E, Flixton, Scunthorpe, Willand, Thetford, Sunderland, Derby
Amber Foods Limited	Amber Foods
2 Sisters Poultry Limited	Coupar Angus, Llangefni, Sandycroft, Witham
Northern Foods Limited	Holding company/employer for: Northern Foods Grocery Group Ltd, Solway Foods Ltd, FW Farnsworth Ltd, Convenience Foods Ltd, Green Isle Foods Ltd, Cavaghan & Gray Ltd.
Northern Foods Grocery Group Ltd	Fox's Biscuits – Batley, Kirkham, Uttoxeter, Wakefield DC
Convenience Foods Limited	Gunstones, Pennine Foods
Bakery Foods Limited	Matthew Walker (sold October 2019)
Solway Foods Limited	Rogerstone
Cavaghan & Gray Limited	Cavaghan & Gray – Carlisle
FW Farnsworth Limited	The Pizza Factory, Holland's Pies

2 Sisters Food Group is a food manufacturing business employing over 20,000 people 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 and ready to cook products
3. Bakery: Producing biscuits, 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 800 manufacturers, processors and producers based in the UK and over 50 other countries.

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 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 Hidden Labour Exploitation Policy provides clarity to all line managers, colleagues, trade unions, agency workers and agency labour providers on the company's standards, 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.

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 Supply Chain Code of Practice.

2 Sisters Food Group operations

2 Sisters Food Group 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 manufacturing sites are Sedex registered and have completed the Self-Assessment Questionnaire (SAQ), providing a risk rating. Additionally, most 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.

2 Sisters Food Group is a member of the Association of Labour Providers and we work with them to promote responsible recruitment for labour providers. An annual ethical audit of our labour providers is carried out by an independent compliance organisation.



Our sites are business partners with Stronger Together, a multi stakeholder initiative aimed at reducing modern slavery. Stronger Together provides resources to help deter, detect and address forced labour and hidden labour exploitation. Stronger Together materials are displayed at all sites to provide details on signs of modern slavery that colleagues should look out for and how they can raise any concerns.

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 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.

Modern Slavery Risk within our Supply Chain

2 Sisters Food Group sources from suppliers ranging from small independent farmers to large multi nationals based in over 50 countries.

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.

To get a complete top down view of our supply chain 2SFG has taken the decision to require all direct suppliers to be members of SEDEX, completing the self-assessment questionnaire and being risk assessed. Any suppliers deemed to be high risk are required to have an independent ethical (SMETA) audit.

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 were also heavily involved in the development of a Poultry Ethics codes of practice, for poultry farm workers and contractors.

Collaboration

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.



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 collaborative projects on specific raw material supply chains and on labour supply.

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.

Human rights can only be realised through an informed and continued demand by people for their protection. Human rights education promotes values, beliefs and attitudes that encourage all individuals to uphold their own rights and those of others and enables colleagues to be proud of the ethical standards at 2SFG.

Members of our site Human Resources teams, along with many of our operational managers, have attended workshops through the Stronger Together initiative. Sites have also delivered 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.

In May this year we introduced the initiative 'Quick Reads' as part of our Refresh programme within our Poultry Division. Quick Reads are designed and introduced to cover areas of essential compliance including diversity at work, equality and diversity and modern day slavery. These reached over 7000 colleagues during the year.

Performance Measures & Actions

It is important for 2 Sisters Food Group to be transparent and accountable to all stakeholders including colleagues, customers, investors, consumers and the wider public whose lives are affected by our business activities.

Due Diligence processes and reporting are essential management tools that improve risk identification and long-term social, environmental as well as financial performance.

Reporting requirements drive better strategic understanding of the risks and impacts of our core activities in relation to the environment and human rights

We continue to review and refresh our key indicators which we will use not only to monitor our own performance, but to report to external interested parties on progress against our policy and standards. These KPIs, set out in Table 1 below, underpin our focus on improving modern slavery risk awareness and understanding across our business and through our supply chain.



Table 1. Key performance indicators and targets

Key Performance Indicator	Result 2018/19	Target 2019/20
% of 2SFG sites that have completed the Stronger Together training.	95%	100%
% of 2SFG sites that are Stronger Together business partners	91%	100%
% of 2SFG sites that have completed the Modern Slavery Risk Assessment with an action plan.	68%	75%
% of 2SFG sites that have completed an agency ethical audit every 6 months.	100%	100%
% of Whistleblower cases relating to Modern Slavery issues.	0	N/A
% of total Whistleblower cases closed out.	100%	100%
% of tier 1 suppliers registered on SEDEX*	89%	95%

*Based on average of strategic and new suppliers registered in December 2019