

Greencore Group plc

("Greencore Group")

Slavery and Human Trafficking Transparency Statement For the financial year ended 30 September 2016

This statement is made in accordance with Section 54, Part 6 of the Modern Slavery Act 2015 and details the steps that each Greencore entity to which Section 54, Part 6 of the Modern Slavery Act 2015 applies, as set out in **Table 1** (referred to collectively in this statement as "Greencore") has taken for the financial year ended 30 September 2016 to ensure that slavery and human trafficking are not taking place within Greencore or Greencore's supply chain.

Whilst Greencore Group's US and Irish trading subsidiaries are not covered by the relevant provisions of the Modern Slavery Act 2015, Greencore Group is striving to ensure that policies and procedures are put in place in these jurisdictions to eliminate the risk of slavery and human trafficking occurring.

1. About Greencore Group

- Greencore Group is an Irish incorporated and headquartered leading international manufacturer of convenience foods.

Greencore Group has regional head offices in both the UK and the US and employs circa 16,000 people.



- ***Greencore Convenience Foods (UK)***

With over 11,000 employees, Greencore is a leading manufacturer of convenience food products in the UK, operating out of 16 facilities. It produces a range of sandwiches, baguettes, wraps, salads and sushi, along with chilled prepared meals, chilled soups and sauces, ambient sauces, pickles, cakes, desserts and Yorkshire Puddings for major retailers in the UK.

In FY16, Greencore produced 580m food to go products, 224m prepared meals, quiches and packs of chilled sauces and soup and 105m cakes and desserts for the UK market.

Greencore also operates a chilled direct to store distribution operation in the UK which makes daily deliveries to small format retail stores. It operates three picking centres, 17 distribution hubs and a fleet of small chilled vans which deliver to numerous outlets daily. The direct to store business primarily supplies customers with Greencore manufactured products (largely sandwiches and ready meals) as well as chilled products manufactured by third parties.

- ***Greencore USA***

Greencore USA continues to grow its position in the US food to go market, most recently with the acquisition in December 2016 of Peacock Foods, which is a fast-growing US convenience food manufacturer with strong positions in frozen breakfast sandwiches, kids' chilled meal kits and salad kits. Greencore USA now operates out of fourteen manufacturing sites in Illinois, Virginia, Florida, Minnesota, Rhode Island, Utah, Washington, Ohio and California.

In FY16, the Greencore US division produced 175m food to go products.

- ***About Greencore's Supply Chain***

Greencore has an extensive supply chain providing the raw materials for its 4,000 different products together with the goods and services that support Greencore.

The business in the UK alone purchases approximately 8,000 different ingredient and packaging materials from 500 suppliers from both UK and global sources.

- ***The Greencore Way***

Greencore Group's strategy is to be a food to go leader in the UK, the US and other markets, supported by leading positions in complementary convenience food categories. In order for Greencore Group to deliver its strategy, it embraces a shared approach to doing business, this is known as "The Greencore Way".

The Greencore Way describes both who we are and how we will succeed. It is a simple model that brings together the key elements of how we operate and is organised around four core principles:

- People at the Core
- Great Food
- Business Effectiveness
- Cost Efficiency

- ***People at the Core***

Our people are central to everything we do, from our manufacturing operations to developing our latest recipes and products and our relationships with customers. We believe that we ultimately differentiate ourselves through our people.

It is within this framework that we acknowledge that it is our responsibility to treat our employees, contractors, suppliers, customers and all of our stakeholders with dignity and respect.

We have set out our ethical policy and commitments in the Greencore Ethical Code and Employment Standards, which is available on our website, www.greencore.com in order to be visible to all our stakeholders.

2. Policy Statement

We are committed to ensuring a high standard of ethical and environmental practices and believe that we have a responsibility to adhere to the highest standards of behaviour and care. We recognise that our business activities have the potential to impact our key stakeholders and therefore they have the right to expect high standards in what we do.

We commit that by using the Greencore Way principles our business will:

- Ensure that all products manufactured and sourced by Greencore Group are produced under working conditions that are hygienic and safe.
- Ensure that all workers involved in the production of products sold by Greencore Group from direct, indirect suppliers and our own service providers are treated with dignity and respect.
- Act in an ethical manner within all legal requirements.
- Commit to a programme of implementing the principles of the Ethical Trading Initiative Base Code

- ***Employment Standard***

Under the general employment standards of Greencore's [Ethical Code & Employment Standards](#), which is informed by the International Labour Organisation ("ILO") Declaration on Fundamental Principles and Rights at Work, Greencore is committed to ensuring that within our business:

- No forced, bonded or involuntary labour is used;
- No child labour is used;
- All colleagues have a right to join a recognised trade union;
- Working conditions are safe and hygienic;
- No discrimination is practised; and
- No harassment, threats, abuse or intimidation are practised.

Greencore is a member of the Supplier Ethical Data Exchange ("SEDEX"). Each site in the UK is SEDEX registered and has completed a self-assessment questionnaire. Each site also has regular independent ethical audits.

In the UK, all employment agencies with whom Greencore has contracts to supply temporary workers must demonstrate a commitment to the application of the requirements of our Ethical Code & Employment Standards. They must ensure that all temporary workers supplied to Greencore are eligible to work in the UK and subject to the rules as laid down by the UK Border Agency.

Furthermore, contracted employment agencies in the UK are under a contractual obligation to ensure that all temporary workers supplied to Greencore possess a sufficient command of the English language to understand our Health & Safety and Food Safety practices and requirements and also understand their contractual documents.

- ***Good Faith Reporting: “Whistleblowing”***

Greencore Group provides an external good faith reporting hotline, which is free, anonymous and confidential, whereby any individual in Greencore Group can raise concerns in relation to employment standards, ethics or any other impropriety or area of concern. The contact details for the hotline are displayed in prominent areas throughout all of Greencore Group’s sites and on the Greencore Group intranet.

- ***Stronger Together***

Greencore supports the “Stronger Together” campaign¹ in the UK, which is a multi-stakeholder initiative aimed at reducing modern slavery. Each UK site is a Stronger Together business partner and has publicly committed to putting measures in place to help prevent and tackle hidden labour exploitation.

Members of the Technical, Purchasing and Human Resources functions in the UK have attended Stronger Together training sessions in order to both increase understanding of the nature of hidden labour exploitation and also prevent its occurrence within Greencore. The resources provided by the Stronger Together campaign, including multi-lingual posters and leaflets, are available throughout each Greencore site.

- ***Ethical Trading***

In order to promote stable business relationships in which any necessary advancements can be made, Greencore and its agents will make a commitment to fair trading by agreeing clear contract terms with suppliers. The livelihood of vulnerable companies will not be jeopardised by unfair contractual dealings.

The fundamental principles of integrity, confidentiality and legality by which we operate are set out in our internal Code of Business Practice and in our [Ethical Code & Employment Standard](#).

Greencore Group aims to work with our suppliers to build effective and transparent supply chains. We are reliant on our suppliers for the ingredients and services we use to create great food. We have a rigorous supplier approval process, operated by Group Purchasing and Technical functions.

¹ www.stronger2gether.org

We encourage our suppliers to operate to the same ethical standards that we employ ourselves.

Greencore requires all new raw material suppliers to our business to be SEDEX registered and we will continue to bring existing suppliers into the scheme, progressively building SEDEX membership across our supply base.

We have extended the requirement for SEDEX registration to some categories of suppliers providing non-food products and services to each Greencore site. These include agency labour providers, caterers, distribution and warehouse services, security, personal protective equipment and consumables suppliers. These categories were included based on use of manual labour.

Greencore's standard terms and conditions of supply, which are available on our website, www.greencore.com, stipulate that suppliers must comply with the provisions of Article 4 of the European Convention on Human Rights, which is an international treaty to protect human rights and fundamental freedoms in Europe. In future, all Greencore standard goods and services contracts will contain a number of provisions, including (i) an obligation not to engage in practices that amount to slavery, servitude, forced labour or human trafficking; (ii) an obligation to comply with applicable slavery laws; and (iii) an obligation to provide information to enable Greencore to provide meaningful information in its Slavery and Human Trafficking Transparency Statement.

Risk of slavery and forced labour is included in an annual process to assess current and potential risks in our raw materials supply chains. Material category and geographical risk are considered. A raw material is high risk if human rights abuses have previously been associated with the category of products. Indicators used to determine geographical risk include the ILO's statistics on forced labour and trafficking and the "Walk Free Foundation Global Slavery Index".

This process has enabled Greencore to identify those supply chains that should be a priority in terms of actions to reduce the risk of slavery and forced labour. In the first instance, Greencore ensures that our suppliers within these priority categories are SEDEX registered. This forms one of the Key Performance Indicators through which we will measure our progress.

As part of an overall risk reduction strategy, Greencore has sought to reduce complexity within the supply base and to shorten and integrate supply chains where possible. This is consistent with reduction of risk of slavery and forced labour.

Greencore is adopting the process advocated by Stronger Together, based on the United Nations Guiding Principles on Business and Human Rights, to identify and potentially tackle incidents of modern slavery in our supply chains.

The preliminary risk assessments, described above, have enabled Greencore to begin exploring prioritised supply chains to understand those aspects most at risk of modern slavery. Through this process, we have identified two product categories in Greencore which are high risk. For these categories, we have requested full supply chain SEDEX registration.

Risk assessment is a key step in the strategic framework set out by Stronger Together. It is important that Greencore fully understands the nature of the issues associated with a supply chain before moving to the next stage which involves taking action to deal with identified risks.

- ***Collaboration***

We recognise that acting in collaboration with other food businesses can potentially have more impact than tackling issues alone. Greencore therefore continues to work with colleagues within the industry sector to develop and apply appropriate risk assessment tools for slavery and forced labour in raw material supply chains, in addition to continuing to work with other businesses and stakeholders through the SEDEX Supplier Forum (“SSF”), and maintaining links with the Gangmasters and Labour Abuse Authority (“GLAA”) the Association of Labour Providers (“ALP”) and Stronger Together.

- ***Monitoring and Auditing***

Ethical compliance is listed on the Greencore Group risk register. Each Greencore site receives an annual independent audit by the Group Risk Management function. This includes documentation checks on a sample of the workforce and review of the systems in place for management of working time compliance.

Compliance with the relevant legislation and guidance is reviewed by Group Technical, Group Legal and Compliance and each of the UK HR Directors and reported upon to the Greencore Group Audit Committee.

In Greencore, Audits of Agency Labour Providers are carried out by Group Technical and local HR teams. These form part of our Key Performance Indicators.

- **Training**

To be effective at preventing or tackling modern slavery Greencore needs to raise awareness of its existence and improve knowledge of the issue. Going forward, training will therefore form a key part of the Greencore action plan.

As set out above, Greencore supports the “Stronger Together” campaign and colleagues regularly receive training in relation to this initiative in addition to training in a number of areas related to maintenance of ethical standards within our operations. HR departments in Greencore are trained in the skills required to conduct checks on right to work compliance. All Greencore HR teams also maintain competency in management of the SEDEX system, booking ethical audits and closing out non-conformances.

Training on hidden labour exploitation is included in Greencore induction sessions. A training package on ethical standards has been developed and is being rolled out to managers and supervisors across sites.

- **Key Performance Indicators (“KPIs”)**

We will track progress against our plans to prevent and tackle modern slavery through a number of KPIs. These will focus initially on Greencore as we continue to develop our supply chain actions, however, as set out above this will also be phased into Greencore Group operations in other jurisdictions. The objectives measured against each KPI are set out in **Table 2** below and form the basis of Greencore’s action plan.

This statement, which is subject to annual review, has been reviewed by senior management and has been approved by the Board of Directors of each of the entities covered under Section 54, Part 6 of the Modern Slavery Act 2015 as set out in **Table 1**.

Signed:



Eoin Tonge

*Chief Financial Officer, Greencore Group plc and Director of
Greencore Food to Go Limited
Greencore Grocery Limited
Greencore Prepared Meals Limited
The Sandwich Factory Holdings Limited*

3. Tables

Table 1.

Entities to which the Slavery and Human Trafficking Transparency Statement for the financial year ended 30 September 2016 applies:

<i>Greencore Food to Go Limited (UK)</i>
<i>Greencore Grocery Limited (UK)</i>
<i>Greencore Prepared Meals Limited (UK)</i>
<i>The Sandwich Factory Holdings Limited (UK)</i>

Table 2.

Action Plan and Targets

Area	Objective	End Sept 2016	Target end Sept 2017
Independent Ethical Audit	All sites have an up to date ethical audits	87.5%	100%
	All sites have closed out any non-conformances from ethical audits	56%	75%
Stronger Together	All sites are Stronger Together Business partners	94%	100%
Supplier SEDEX Registration	500 raw material and packaging suppliers are SEDEX registered	60%	80%
Group Risk Audit	Audit of all sites completed by Group Risk, including interviews with 10% of Agency workforce	100%	100%
Training	Each site to train employee managers in the Greencore Ethical Code of Practice & Employment Standards	36% (average) of employee managers	75% (average) of employee managers

