



CEO'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 2021 to 31 July 2022 and actions that we plan to take over the next 12 months.

A handwritten signature in blue ink, appearing to read 'Ronald Kers', is positioned above the name. The signature is fluid and cursive, with a long horizontal stroke at the end.

Ronald Kers

CEO, 2 Sisters Food Group



Modern Slavery Statement 2021/22

Introduction

Following the introduction of the Modern Slavery Act in 2015 by the UK Government, Boparan Holdings Ltd 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: Northern Foods Grocery Group Ltd, Solway Foods Ltd, FW Farnsworth Ltd, Convenience Foods Ltd, Portumna Pastry Ltd, Cavaghan & Gray Ltd.
Northern Foods Grocery Group Ltd	*Elkes Biscuits, Uttoxeter
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

* Ownership transferred to Amber REI Holdings Investments Limited in December 2021

2 Sisters Food Group is a food manufacturing business employing 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
3. Bakery: Producing pies and pastry products

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

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 processing and manufacturing sites are Sedex registered and have completed the Sedex Self-Assessment Questionnaire (SAQ), providing a risk rating. Additionally, most sites are independently ethically audited to the SMETA standard (2 Pillar) and we are aiming for 100% of 2SFG sites to have an independent ethical audit by 2023. 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.

Following disruption to our ethical audit programme during the Covid-19 pandemic, this year processing and manufacturing sites have been able to complete full audits.

2 Sisters Food Group is a member of the Association of Labour Providers and we work with the ALP to promote responsible recruitment by labour providers. Last year we implemented a new policy on labour providers, setting 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. This has enabled the business to react promptly to requirements for new labour providers at our processing and manufacturing sites. The process has also ensured that all labour



providers supplying 2SFG meet our standards. It has 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 an action plan to address the risks identified. Last year we developed an online portal for these modern slavery risk assessments and action plans to help site colleagues to monitor completion and progress.

Stronger Together Business Partnerships, modern slavery risk assessments and modern slavery awareness training (see below) are among the KPIs we report annually.

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 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.

This year we have explored the measures our labour providers have in place to mitigate the risk of workers paying recruitment fees. This has resulted in adjustments made to our labour provider onboarding process. We plan to expand this work to other elements of our supply chain in the year ahead.

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.

Last year we collaborated with FNET to develop and deliver human rights due diligence training to 2SFG technical and procurement colleagues. This has helped highlight modern slavery in the context of broader human rights that could potentially be impacted by businesses, and the processes in place to mitigate risks.

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.

To support colleagues in developing site action plans to help reduce the risks of modern slavery, an online risk assessment portal has been developed. By completing the risk assessment, site teams can identify where action is required and generate targeted plans.

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 2 Sisters Food Group 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 will report annually within our Modern Slavery statement that will 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. Although there has been improvement against the majority of indicators, performance has declined in respect of our modern slavery risk assessment and action plan KPIs compared to the previous year, which was due to changes in staff and which will be addressed through training. Pleasingly, we have seen an improvement in the number of sites registering as Stronger Together Business Partners and in those meeting the required level of labour provider audits throughout the year.

We will maintain the focus on modern slavery risk assessment and mitigation measures through the coming year.

Table 1. Key performance indicators and targets

Key Performance Indicator	Result FY20/21	Result 2021/22	Target 2022/23
% of 2SFG sites that have completed Stronger Together training on Modern Slavery.	90%	94%	100%
% of 2SFG sites that are Stronger Together Business Partners	80%	94%	100%
% of 2SFG sites that have completed the Modern Slavery Risk Assessment (Stronger Together)	90%	88%	100%
% of 2SFG sites that have completed the Modern Slavery Risk Assessment with an action plan	90%	75%	100%
% of 2SFG sites that have completed a labour provider ethical audit every 6 months	66.7%	81%	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	97.4%*	97%	95%

* Based on strategic supplier sites, new supplier sites since Jan 2022 and suppliers via agents