



Modern Slavery Statement June 2017

Introduction

The Fresh Direct Group is fully committed to ethical working practices, and, as a company, regards inhumane conditions such as slavery, worker exploitation, and human trafficking as completely unacceptable either within our own business or through our supply chains.

Given our global reach, we understand our responsibilities and have a zero-tolerance approach to modern slavery. We recognise that modern slavery, which can take many forms, is a crime, and we strive to act ethically and with integrity in all our business dealings and relationships, and to implement and enforce effective systems and controls to ensure modern slavery is not taking place anywhere in our own business, or in any of our supply chains.

Fresh Direct UK has, for a number of years, had in place ethical trading standards to which each of our suppliers is required to adhere, as well as a set of values, which require us, among other things, to strive to achieve the best we possibly can, and to always be reliable and trustworthy in all we do. Our commitment to anti-slavery and human trafficking is further strengthened with the introduction of our Modern Slavery Policy which applies to all employees, officers, workers, contractors, suppliers and other business partners.

We are committed to ensuring there is transparency in our own business and in our approach to tackling modern slavery throughout our supply chains, consistent with our disclosure obligations under the Modern Slavery Act 2015.

Organisation and Business Structure

Fresh Direct Group is a leading specialist supplier of chilled, frozen and ambient food products to the foodservice industry. The principal trading companies in the group are Fresh Direct (UK) Limited, M&J Seafood Limited, Wild Harvest Limited and Freshfayre Limited.

In 2016, the Fresh Direct Group was acquired by Sysco Corporation, the global leader in foodservice. As a Group, Fresh Direct employs around 2000 employees across the UK.

Our business is organised into various business units as follows:

- Fresh Direct UK;
- Fresh Kitchen;
- Fresh Prep;
- Roots of Oxford;
- Freshfayre;
- Wild Harvest;
- M&J Seafood

Our Supply Chains

Whilst many of the products Fresh Direct sells are sourced from the UK, we also source globally to support the range, quality, provenance, availability, and price requirements of our customers.

Prevention of slavery and human trafficking in Fresh Direct Group

Right to Work Checks

All employees employed by the Fresh Direct Group who work on a temporary, fixed term or permanent basis are subject to a right to work check in accordance with UK legislation. A person is unable to commence work for the Fresh Direct Group unless they satisfy us that they are legally able to work within the UK.

Resourcing

Where Fresh Direct Group employs the services of an employment agency to source candidates for permanent or fixed term positions, we endeavour to only use agencies of good repute and who are listed on our preferred supplier list. Fresh Direct Group requires the agencies to undertake the appropriate background checks on prospective employees, in conjunction with our own checks.

Agency Workers

Where Fresh Direct Group uses temporary workers supplied through an employment agency, we expect and require that the agency has undertaken the appropriate checks. We operate a preferred supplier list for these agencies and those listed are expected to undertake the appropriate background checks on prospective employees and, going forwards, will be required to comply with our Supplier Code of Conduct, which incorporates compliance with the Modern Slavery Act and other critical legislation.

In the event that Fresh Direct Group identifies that an employment agency is not adhering to our standards, the agency will be removed from the preferred supplier list and will not be engaged in any further recruitment activity on any basis.

Whistleblowing policy

We have a whistle blowing policy in place which applies to all employees, casual workers, agency staff, contractors, subcontractors, agents, sponsors, suppliers or any other person associated with Fresh Direct Group. Any employee who has concerns about any aspect of the Fresh Direct Group business is able to disclose their concerns in accordance with the whistle blowing policy. The whistle blowing policy is currently being reviewed and will be reissued to employees following such review.

Prevention of slavery and human trafficking in Fresh Direct Group supply chains

Fresh Direct UK has an 'Ethical and Socially Responsible Trading' policy which all suppliers of Fresh Direct UK products must adhere to. It is based on the standards set by the Ethical Trade Initiative (ETI) and reflects the key elements of the International Labour Organisation (ILO) conventions. Fresh Direct Group is committed to Ethical Trading and our satellite businesses are working towards ensuring that these

standards are met within their supply chains, whilst recognising the limited size and turnover of some of our specialist suppliers.

Supplier adherence to our values

To ensure all those in our supply chain comply with our values we have in place a supply chain compliance programme.

Our risk framework is being developed, against which all new suppliers will be assessed and existing suppliers measured for compliance, to determine the level of ethical risk at each stage of the supply chain. Effective escalation processes are in place to support decision making should we become aware of non-compliance. Suppliers are required to undertake an independent ethical audit of their full supply chain should it be deemed necessary by risk assessment. The outcome of such an audit is used to determine whether we will work with a supplier.

Fresh Direct would address any failure by a supplier to meet Fresh Direct's standards on a case by case basis, however, suppliers who fail to meet Fresh Direct's standards may jeopardise their ability to continue to do business with Fresh Direct.

A supplier's ethical performance will be monitored on an ongoing basis, at a frequency determined by the level of risk and vulnerability within their supply chain.

We will continue to review the effectiveness of these controls in reducing the risk of unethical practices.

Our Procurement, Technical, HR and Legal teams have the primary responsibility for ensuring supplier and contractor adherence to our values.

Due Diligence Processes

As part of our ongoing strategy to identify and mitigate risk we have systems in place to:

- Identify and assess potential risk areas in our supply chains.
- Mitigate the risk of slavery and human trafficking occurring in our supply chains.
- Monitor potential risk areas in our supply chains.
- Protect whistle blowers.

Training

Fresh Direct Group policies and standards are readily available to employees through the HR department and notice boards. To ensure a high level of understanding of the new legislation and the risks of modern slavery and human trafficking in our supply chains and our business, we will begin to provide training to our employees.

Further Steps

We intend to take the following further steps to continue to combat slavery and human trafficking, going forwards:

- Launch a new Supplier Code of Conduct, to cover all legal, moral and ethical standards required of our suppliers;
- Launch refresher training for all managers in conducting Right To Work checks;
- Train all managers in the requirements of our Modern Slavery Policy;
- Undertake a review of the effectiveness of our supply chain controls in reducing the risk of unethical practices.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015.

Rajesh Tugnait
Fresh Direct Group CEO
June 2017