

MODERN SLAVERY STATEMENT MAY 2022

Introduction

Modern slavery is a global issue covering a range of exploitation and includes areas such as human trafficking, sexual exploitation, forced labour, debt bondage, domestic servitude, criminal activities, and child labour.

Modern slavery involves the recruitment, movement, harbouring or receiving of children, women or men using force, coercion, abuse of vulnerability, deception, or other means for the purpose of exploitation.

At Premier Foods we have a zero-tolerance approach to modern slavery and this statement is made in accordance with our obligations under the **Modern Slavery Act 2015** and sets out what we are doing to prevent modern slavery in our Manufacturing Operations and Supply Chain.

About Premier Foods

We are one of Britain's largest listed food manufacturing companies employing around 4,000 colleagues. We operate primarily in the ambient food sector which continues to be the largest sector within the total UK grocery market. Approximately 96% of what we sell is made in the UK from quality ingredients and wherever we can, we source sustainably from British suppliers and farmers.

We currently develop our portfolio of brands in five key categories:

- Flavourings & Seasonings
- Cooking Sauces & Accompaniments
- Quick Meals, Snacks & Soups
- Ambient Desserts
- Ambient Cake

In addition, we have a portfolio of other branded food products and a non-branded food business which manufactures products, such as cakes and desserts, on behalf of many of the UK's food retailers. We continue to work hard to expand internationally by finding new markets for our brands around the world. We have a significant business in Ireland and Australia with established relationships with major food retailers. International represents approximately 6.5% of the total business.

During 2021 we refined our Purpose which is to **'enrich life through food'**.

- Enriching the lives of our **consumers** and **customers** - We have a growing portfolio of loved food brands that bring health and enjoyment to consumers throughout their day.
- Enriching the lives of **colleagues** - We nurture a workforce that is proud of its successes, that has a culture of entrepreneurship and helps our colleagues realise their potential.
- Enriching the life on **our planet** - We reduce our environmental footprint and drive ethical sourcing through climate action and high compliance standards across our supply chain.

Our Modern Slavery statement fits succinctly with enriching the lives of our colleagues; we nurture our workforce, ensuring that modern slavery plays no part in our recruitment, colleague life cycle or our supply chain.

During 2021 we also launched a revised and more ambitious Environmental, Social & Governance (ESG) strategy that demonstrates how we will pursue our purpose. Our focus on ensuring Modern Slavery does not exist in any part of our business falls within the ‘nourish the lives of our colleagues and communities’ pillar. This strategy is at the heart of our business plan and all parts of the business will continue to work hard to ensure all Premier Foods activities; including those which relate to eliminating the possibility of modern slavery in our colleague processes and procurement supply chain, meet the requirements of our ESG strategy.

We have five core values that run through our business, two of which have behavioural requirements that support our desire to eradicate Modern Slavery.

We respect and encourage one another

- Trust each other to act with positive intent
- Respect, encourage and show appreciation of each other
- Challenge each other to live our values

We are united

- Show respect for differences in ideas, personality styles and cultures and value all form of diversity
- Help each other achieve our goals
- Put the good of Premier Foods ahead of own area of the business

The Covid-19 pandemic continued during 2021 and was a constant challenge for our business. However throughout this period, our key priority has been (and continues to be) the health and wellbeing of our colleagues.

During 2021 all temporary labour colleagues were treated in the same way as our own and were paid full pay if they had to isolate and were offered and included in our mass testing efforts.

We currently work with two strategic partners, Mondelez and Nissin and this policy statement does not cover these two organisations.

Structure – Manufacturing Operations

This policy statement applies to entities and sites owned and operated by Premier Foods and these are listed below. To date, we have not experienced any examples of hidden labour exploitation in any of our locations. However, our main area of focus continues to be our Manufacturing locations as we believe the risk may be higher in these locations, due to the volume of temporary resource required, as opposed to our corporate office locations. We therefore have several actions and measures in place to monitor and prevent. (See Appendix A)

Manufacturing Locations

- Andover
- Ashford
- Carlton
- Charnwood
- Knighton
- Lifton
- Moreton
- Stoke
- Worksop

Office Locations

- High Wycombe
- Lutterworth
- Manchester
- St Albans
- Southampton

Our Policies

We are committed to tackling all forms of hidden labour exploitation, including slavery and human trafficking and have policies in place to help identify and eradicate these practises within our own business and to reduce and eliminate risks across our complex supply chain.

- Colleague Welfare and Human Rights Statement
- Harassment, Bullying & Dignity at Work Policy
- Speaking Up Policy
- Code of Conduct
- Ethical Trading Policy
- Anti- Bribery and Corruption Policy
- Anti-Corruption Code of Conduct for Third parties
- Sanctions & Export Controls Policy

Our Supply Chain

The Group works with 1,475 active suppliers and our aim is to develop long-term, sustainable partnerships with key suppliers which drive mutual benefits. 84% of our third party spend is with UK based suppliers. Our top 500 suppliers, based on total annual spend, now account for just under 97% of our total spend, whilst our top 250 account for just over 89% of the goods and services that we purchase.

We recognise that small and medium sized enterprises (SME's) play an important role within Premier Foods and currently they make up over 42% of our active supply base. Close to 29% of our top 500 suppliers are SME's.

We believe it is important that we understand the impact that our goods have on the people that produce it. We continue to champion high ethical labour standards across our supply chain and request that our ingredients and packaging suppliers become members of Sedex, (the Supplier Ethical Data Exchange). This is supported by our own Sedex Member Ethical Audits covering areas such as health and safety and labour rights.

We also aim to purchase ingredients and packaging certified to meet recognised environmental and ethical standards, such as palm oil from producers that meet the Roundtable for Sustainable Palm Oil (RSPO) criteria.

As part of our on-going supplier communication process, we undertake to issue to suppliers on an annual basis a copy of the Premier Foods Group, Standard Terms and Conditions for the Purchase of Goods and Services. We also use this opportunity to circulate key policy documents including our Ethical Trading Policy, ETI Base Code criteria and Anti Bribery and Corruption Policy.

Given the wide range of products and services we produce and our significant number of suppliers, we have established an Ethical Trading Policy, which is based around the internationally recognised code of labour practices, and this sets out the minimum requirements we expect from suppliers in terms of labour standards, namely:

1. Employment is freely chosen
2. Freedom of association and the right to collective bargaining are respected
3. Working conditions are safe and hygienic
4. Child labour shall not be used
5. Living wages are paid

6. Working hours are not excessive
7. No discrimination is practised
8. Regular employment is provided
9. No harsh or inhumane treatment is allowed

➤ **Audits across our Supply Chain**

All suppliers are put through a systematic, documented verification process which is designed to objectively obtain and evaluate evidence, to determine whether the supplier conforms to the required labour standards. Packaging and ingredient suppliers who are deemed to be medium and high-risk suppliers (determined by reference to the supplier Sedex risk rating, geographic sourcing region and nature of the product supplied), have a Premier Foods Technical audit carried out by either a member of the Premier Foods compliance team or our contracted 3rd party auditing company.

There is an element of ethical auditing within the 'Technical Audit' (about 20%) which is used to establish if the supplier meets the requirements of the ETI Base Code. If we have any concerns or issues around the supplier labour practices, we will then conduct a full Sedex, SMETA audit which is carried out against the ETI Base code criteria and relevant country law.

The SMETA audit may last between 1 to 5 days, depending on the size of the supplier being audited. It is an in-depth check on the supplier's compliance against the relevant labour standards and will include confidential interviews with a percentage of the workforce.

As a result of the audits we have conducted, several non-compliances were raised with suppliers. Many of these related to basic working conditions such as health and safety and hygiene issues, with some non-compliances relating to wages, benefits and working hours. We have worked with the supplier(s) to ensure that they have an appropriate, time-bound corrective action plan in place. We have then conducted follow up audits to ensure that all non-conformances have been closed out.

➤ **Modern Slavery Training within Procurement / Technical**

Key members of the Supply Chain Team (Procurement / Technical) receive specific training on modern slavery and trafficking to raise awareness of the issues associated with modern slavery and to recognise and respond to indicators of human rights abuses. All new Procurement colleagues go through modern slavery awareness training as part of their formal induction process, and this includes the use of external web-based training material and assessments.

The training is designed to promote a sense of responsibility to prevent modern slavery in both the Premier Foods business and its supply chain. It provides examples of the red flags for the relevant industry that we operate within and explains the organisations reporting procedures for suspected cases of modern slavery.

Recruitment

The group Recruitment Manager is responsible for ensuring that the in-house recruitment team and all 3rd party labour providers are briefed on our standards and expectations in relation to Modern Slavery. The Procurement Team are responsible for ensuring that all supplier contracts in relation to recruitment have specific reference to our Modern Slavery requirements.

HR teams within each of our manufacturing locations carry out annual checks which form part of our Sedex audits to ensure the local agencies are acting in line with the terms of our agreement.

Modern Slavery Training

Up to and including 31 March 2022 ten Human Resources professionals completed the Stronger Together 'Tackling Modern Slavery in UK Businesses' training. This training enables attendees to; know what modern slavery, forced labour and hidden exploitation is, understand the potential risks and impacts of modern slavery, recognise the signs of someone that may be being exploited and how to respond and to be confident in their steps to deter, detect and deal with modern slavery if it becomes present in the workplace.

Every three years this training will be refreshed, and we will always look to ensure adequate numbers of colleagues complete this essential training to ensure Modern Slavery is prevented and is dealt with correctly if it found within our organisation.

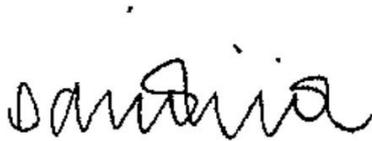
Accountability

This statement was approved by the board of Premier Foods plc on 12 May 2022 and applies to all subsidiaries that are part of the Premier Foods Group (including Premier Foods Group Limited, Premier Foods Group Services Limited, and Knighton Foods Limited).



Alex Whitehouse
Chief Executive Officer
Date: 12 May 2022

The Human Resources Director is accountable for ensuring best practice is maintained internally and the Procurement and Central Operations Director is accountable for reducing and mitigating external risk through our Supply Chain.



David Wilkinson
Human Resources Director
Date: 12 May 2022



Mark Hughes
Procurement & Central Operations Director
Date: 12 May 2022

Appendix A - Manufacturing Operations 2022

We are encouraged to report that we have not experienced any form of modern slavery / labour exploitation within our organisation, nor have any issues been raised with us internally. We believe there is a relatively low risk of this happening within our organisation as we have robust recruitment processes in place and in the main, we employ a very stable workforce from local communities. However, we are not complacent as we do recruit some seasonal and temporary colleagues, where the risk may be slightly higher, and we have put in place measures and checks to ensure we remain a safe place to work.

We shall:

- Commit to the Stronger Together Programme to publicly demonstrate our commitment to tackling hidden labour exploitation.
- Ensure that at least one person from each of our Manufacturing locations attends modern slavery related training and every three years refresher training is completed. This person will then share this knowledge within the management teams at site.
- Ensure that key colleagues who have direct responsibility for recruiting are aware of issues around modern slavery, the signs to look for and they will sign our Recruiter Principles (see Appendix C)
- Provide information on tackling modern slavery to our workforce in a variety of formats such as at induction, on workplace posters or leaflets and the topic will be discussed at least annually at a town hall meeting.
- Carry out monthly bank account checks to ensure that multiple colleagues' salaries are not being paid into the same bank account. Where we find examples of this happening we will follow up and check thoroughly.
- Encourage and support all colleagues to report suspected exploitation which may be occurring within, or linked to, our business and we will ensure the relevant policies and processes are in place to allow this and we will act accordingly.
- Take special care to ensure seasonal and temporary workers are made aware of our stance on Modern Slavery and we will ensure that at each site, there is a supervisor / manager who is identified as they key person to talk to should there be any suspicions or concerns.
- Report suspicions of modern slavery and hidden worker exploitation to the Gangmasters and Labour Abuse Authority (GLLA) and police as soon as we become aware of it.
- Insist that all recruitment agencies or other organisations involved in the recruitment of our colleagues sign our terms and conditions to adopt policies and procedures consistent with our stance on this topic.
- Not use any individual or organisation to source and supply workers without confirming that candidates are not being charged a work finding fee.

Appendix B - Supply Chain 2022

We shall:

- 1. Continue to be a member of Sedex (Supplier Ethical Data Exchange) and encourage all ingredients and packaging suppliers to join Sedex.**

Currently 90% of all ingredient and packaging (direct) suppliers are Sedex registered and have shared their ethical data with Premier Foods. This equates to 98% of our direct spend being covered by Sedex registered suppliers.

- 2. Maintain a focus on Ethical Trading through our 'Enriching Life through Foods' Plan.**

We are committed to tackling all forms of hidden labour exploitation and manage our ethical supply chain risks through our strengthened 'Enriching Life through Food' plan, which is embedded across our business. The plan is an evolution of our previous responsible business strategy and is overseen by senior management from across the business who determine the agreed KPI's.

- 3. Conduct routine Technical and full Ethical Compliance Audits**

Over the last twelve months we have completed 191 audits, which contain an element of ethical auditing. Of these audits, 38 were physical audits at supplier sites and 153 were conducted as remote, or virtual audits.

In addition to the supplier technical audits, we have conducted 7 Sedex Members Ethical Trade (SMETA) pillar-2 audits across our own manufacturing sites. These audits consider labour standards, health & safety and various supplementary factors including entitlement to work, subcontracting and homeworking, management systems and a rudimentary environmental assessment.

- 4. Ensure our Procurement Team receive training on their accountabilities under the Modern Slavery Act.**

All new starters within the team receive awareness training as part of their induction process and this will include the use of an external web-based training resource and assessment tool.

Appendix C - Premier Foods Recruiter Principles

This document is for use by Premier Foods colleagues who have key responsibility for recruiting into our organisation. Once signed this document should be held in their personnel file.

Recruiter Name:	Location:
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Recruiters must

- Ensure all internal approval and sign-off processes have been completed prior to commencing any recruitment activity.
- Ensure that applicants are interviewed only at Premier Foods approved locations or via zoom.
- Not allow others to complete documents on our MyHR system on behalf of applicants.
- Ensure that only internal authorised colleagues make the recruitment decision including shift patterns to be worked.
- Report to HR if you are informed by an applicant or worker that they have paid money to be introduced to Premier Foods.
- Notify HR if you suspect an individual of introducing job applicants to the Company for personal gain (excluded our internal referral scheme).
- Not accept job applicants from unauthorised agencies or individuals.
- Not accept money, favours, or any gifts of any kind from any applicant.
- Not loan any personal money to applicants or temporary colleagues.
- Not act as a landlord or be involved in the provision of accommodation, transport or other paid for services to workers.
- Not force or coerce temporary workers to work against their will.

At all times you must treat applicants and workers with dignity and respect and in line with the Premier Foods values.

I confirm that I understand and will comply with the above principles.

Recruiter's Signature: Date:

