

1. Our structure, business, and supply chains

Fullers Foods International headquarters is based in Leeds in the UK and has approximately 90 employees. We are an office-based company made up of development, technical, commercial, accounts, and supply chain departments. We have increased resource during the last reporting period and enhanced our senior leadership team and structure, further defining responsibilities for our business operations. We consider the modern slavery risk of the offices to be low.

Fullers Foods International is one of the largest suppliers of frozen foods to the UK market, specialising in the development and procurement of retail ready to cook and ready to eat products across frozen, chilled and ambient categories. Supplying more than 1,200 products including potatoes, vegetables, fruit, poultry, prawns, breads, morning goods, cookies, ice, ice cream, smoothies, ready meals, party food, meat free, organic, free from and vegan products.

We have direct relationships with over 100 tier 1 supplier partners from almost 20 countries. Finished packed goods are supplied by our partners and distributed through assigned cold store and distribution networks, the majority handled by a primary cold store partner in Corby, England with 40,000 pallets stored at any one time. We deliver approximately 36,000,000 cases each year to more than 240 locations across the UK each week. The majority are sold to the end consumer through high street retailers in the UK and Eire, although we do supply into the food service industry, a small volume of products business to business, plus Fullers brand and tertiary branded lines into the retail and food service sectors. Beyond the factory, further into the value chain, each supplier partner has operational control over their sourcing and internal procedures in relation to human rights. We work with partners who range in capacity and capabilities, from fully automated to hand finished production and packing. Fullers Foods aims to work with and influence actions that increase due diligence practices whilst having no direct relationship with tier 2 onwards. We acknowledge that as the stakeholder coordinating customer orders and logistics with the site teams, we can impact workers through production peaks and changes to launch dates. In addition, the agriculture challenges brought about by changes in climate and harvest periods can create sharp peaks and falls in relation to working hours and availability. Close forecasting and regular communications help to mitigate this throughout product launch periods as far as possible. To enable continuous supply and enhance resilience, Fullers Foods has contingency suppliers with multiple production and packing sites to mitigate some of the demand from high or quickly changing volumes.

Routine social compliance within the supply chain risk is managed by the ESG team at Fullers Foods. In order to increase capacity and drive compliance in environmental reporting, a Sustainability Coordinator was appointed in May 2024. There is an on boarding process for any direct contractors and service providers for our own operations which is coordinated by the ESG Manager. Regarding the supply chain, we utilise the Supplier Ethical Data Exchange (SEDEX) platform to understand worker, labour provider and contractor data including the site management controls surrounding these. We consider the risk to sit in our supply base and continue to focus on sites identified as high risk through our risk assessment process explained in section 3.

2. Policies and contractual controls

Fullers Foods International are committed to human rights and as such have policies in line to protect colleagues. Currently all policies and handbooks are accessible in hard copy format and electronically. We require all employees to raise any concerns by following our whistleblowing procedure which has both an internal officer and an external independent contact. New colleagues are trained on modern slavery awareness during induction and its relevance to the industry, our business and their role specifically. Key colleagues who are most in contact with our supplier partners and would carry out site visits more regularly are required to complete training on forced labour in global supply chains. Training is reviewed periodically and agreed over yearly plan to ensure the necessary skills are developed to maximise identification and mitigation of salient human rights risks across departments and job roles. We expect all our supplier partners to comply with the Ethical and Labour Standards policy and to take responsibility for human rights, not only within their factories, but within their extended supply chains.

Our policy determines the minimum requirements expected from manufacturing and packing partners which includes alignment to the Ethical Trade Initiative (ETI) base code, derived from International Labour Organisation (ILO) standards. It covers areas such as worker engagement, grievances, whistleblowing, audit requirements and human rights commitments, including in-scope UK sites to publish a modern slavery statement. The policy also requires sites to create mechanisms in line with the UN Guiding Principles for a consistent and effective approach. This is distributed electronically at the time of business confirmation and acceptance is recorded with each new version. We rely on sites to maintain open and transparent communication regarding audit bookings, completion, non-compliances and learnings. The most severe issues identified during an ethical audit are required to be highlighted within 48 hours and business will be placed on hold until effective corrective actions are implemented. Fullers Foods prohibits the use of child labour, use of forced or bonded labour and any sexual, physical or verbal abuse or harassment as stipulated within the policy. Our on-boarding procedure contains minimum standards for human rights meaning contractual relationships will not be issued if all standards are not met or plan to comply with. This policy is reviewed annually or earlier if a significant change is required. Compliance to this policy is managed by the ESG team, generating KPI metrics included in this statement.

3. Assessment of modern slavery risk within our supply chain

We use the risk assessment tool within the SEDEX platform (RADAR) to understand inherent or emerging risks, as well as broader human rights risks at supplying site level. RADAR incorporates a number of global indicators to generate a risk rating such as the ITUC Global Rights Index, the Forced Labour Index and the Global Health Security Index. Our internal ethical risk assessment uses the following data set to generate an outcome for each supplier partner:

- Sedex SAQ score
- Sedex RADAR score
- location of factory (country)
- production volume to Fullers
- commercial value to Fullers
- product type
- social compliance history
- engagement with Fullers Foods

Fullers risk ratings are low (green), medium (amber) or high (red) enabling easy identification, reporting and consistency in terminology with retail customers. Each level of risk dictates a different requirement from low needing routine desktop SAQ completion to high which requires an annual audit. Within the reporting period we had categorised 15 sites as high risk, 44 as medium risk and 23 as low risk. A further 26 sites are out of scope; these include storage and distribution businesses, printer and packaging suppliers and corporate offices. Year on year the number of audits has increased, as a result of the increase in high-risk sites. Analysis of the non-compliances raised through these audits identifies working conditions as the leading issue title, followed by excessive working hours. We manage conflicting risk ratings across our customer base by advising supplying sites to complete the most challenging standards or highest frequency to ensure compliance is maintained.

Based on our internal risk assessment, we have identified seasonal supply chains in Asia, in particular Vietnam, Thailand and China as being high risk due to inherent factors. Certain all year-round supply chains in Europe and the UK have been denoted as higher risk due to either labour standards and health and safety risk indicators or high volume, or through lack of engagement or poor audit outcomes. The outcomes and grading of audits are communicated to sites alongside their risk rating. We continue to develop our risk assessment process and review the needs of the business and customer requirements. We have increased activity by approximately 20% within food service and branded ranges and as a developing area we move to look at strengthening visibility using SAQs and an improved screening process.

As part of a wider business review of ESG and reflective of global sustainability regulations, in 2024 we conducted our first materiality assessment to collate the priorities from internal and external stakeholders. Across a number of themes, the highest material topics included ethical trading and transparent supply chain. This allowed us to establish an ESG approach which places people and partnerships as a strategic priority. Regarding modern slavery risks, the strategic workstreams on increasing visibility in the supply chain, implementing a supplier code of conduct, supplier engagement and impact all contribute towards efforts in identifying and mitigating human rights risks. In terms of prioritising risks and actions we are going to be engaging our strategic partners who supply the majority of our volume. We acknowledge that to our supplier partners we may be one stakeholder amongst higher priority customers and so leverage is an important factor. By focusing on the small number of strategic partners we intend to foster strong relationships that are mutually beneficial and face into a high-risk collective.

4. Due diligence procedures

We utilise SEDEX to monitor compliance to Fullers Foods minimum requirements for tier 1 manufacturing and packing sites. In addition to meeting our Ethical and Labour Standards policy, if sites are producing for retail brand they must be linked to customers on SEDEX, complete the SAQ in full every 6 months or after a significant change and allow visibility of their audit history. Every supplier partner linked to us who supply a retailer branded finished product will have an audit, as a minimum every 4 years, unless there are extenuating circumstances. 52% of sites have had a routine SMETA audit in the reporting period and we have an 87% compliance rate regarding SAQ management.

When sites are identified as high risk, semi-announced audits are to be conducted annually with an audit company which is a member of the Association of Professional Social Compliance Auditors (APSCA). This builds a consistent level of due diligence into the monitoring process and aligns with customer requirements. The reporting function within SEDEX provides audit and SAQ data that we can trend to identify systemic issues and help to prioritise sites or regions to increase support and resources. At the end of the financial year an internal summary is shared which reflects these insights, provides a breakdown of risk ratings, trending NCs and addresses observations which, if not mitigated, will generate further NCs. We have had no reported cases of forced labour or child labour raised about our own operations in this period.

We ask supplying sites to be honest and open in their communications and whenever support is needed prior to or post audit and there is a focus on continuous improvement. To support during on boarding, introductory calls are arranged to highlight requirements and clarify the business structure and colleagues responsible. Site visits are planned in response to poor audit outcomes or lack of engagement with these proving valuable for sharing expectations clearly and supporting in establishing next steps. We involve the support of Technical Managers and Compliance Managers where appropriate, to assist with outstanding queries and challenges, verifying evidence during site visits. Emerging trends in labour provision, worker displacement and increasingly climate impact are some of the topics highlighted in this reporting period.

It is important to us to collaborate with various stakeholders and be informed through multiple data sets. Typically we gather intelligence via the Food Network for Ethical Trade (FNET), Stronger Together, Hope for Justice and Food Forensics. Being a member of FNET we are committed to understanding human rights indicators, working through common challenges and creating solutions that can be applied on a large scale to industry. We are active members of a working group that develops tools and resources for supply chain implementation, to increase maturity and demonstrate improvements for workers. One such tool is the human right due diligence framework. In 2024 we identified 6 high risk partners to trial this process with, looking beyond audit metrics to deep dive into policies and behaviours and agreeing 3 for 5 priority actions to be reviewed together annually. Moving into 2025, 12 additional strategic supplier partners will also be completing this framework. This will enable us to focus on developing maturity with the group of partners who account for over 80% of our volume. Whilst not all are inherently high risk from a sourcing or labour perspective, this is a considerable proportion of production and therefore we can concentrate our efforts on increasing engagement whilst having more leverage and influence.

To meet shareholder expectations, Fullers Foods complete an annual submission to EcoVadis. This desktop assessment of policies and procedures in relation to environment, ethics, sustainable procurement and labour and human rights assigns the greatest scoring weight to the latter for the business type. Evidence related to three corrective actions on human rights were uploaded for review; introducing new KPIs, social clauses integrated into contracts and development corruption risk assessments. Performance improved for the policy and actions sections, with more to focus on for the coming year. Further action will be taken by overlaying priority workstreams for EcoVadis, Stronger Together and the internal strategy to create effective systems. Utilising additional resources to supplement actions were taken from the Responsible Recruitment Toolkit and the Stronger Together Progress Reporting Tool. The Authenticate ESG assessment generates a maturity score which increases our visibility to our customers through the platform.

Engagement and conduct are of increasing priority within the complexities of the supply chain. Where Fullers Foods is engaged with member organisations and obtains a broad range of intelligence sources, these may also be signposted to key supplier partners. No individual organisation can disrupt the most salient human rights violations and as such Fullers Foods will review and offer training, best practice or networking opportunities to increase capacity at our partner sites, based on the associated risks for that site. Supplier partners based in the UK are expected to complete awareness training and to utilise existing self-assessment tools to benefit from benchmarking, industry insights and enable proactivity towards the issues faced by workers. Outside of the UK, where there is already a presence by an organization such as the Spanish Ethical Trade Forum, we direct relevant partners to participate in discussions and collective actions. Aiming to keep requests practical and accessible we have tailored resources such as a forced labour awareness course for individual supplying sites with limited resource and budget to invest in external training.

To increase awareness for the internal team, we attended a Modern Slavery Intelligence Network (MSIN) conference in March which highlighted the role of technology, latest risks and trends identified and how we can engage further and quicker to disrupt labour exploitation in the industry. We attended 8 meetings led by FNET through the reporting period including working groups and all member meetings with a view to increasing maturity across a number of KPIs. Global human rights news is shared weekly throughout commercial, development and technical teams internally including horizon scan reports and resources. Any isolated concerns such sourcing products with an association of rights violations are investigated on a case-by-case basis with any relevant supplier partners and shared with customers if compliance is breached. We work with consultant business Practical Ethics to develop internal management systems and strengthen the risk assessment process. Any relevant legislation or guidance on labour provision for our supply chain is also signposted by Fullers Foods. We continue to prioritise retailer conferences, remaining focused on their priorities and objectives and routinely update the customer base on compliance statistics and key workstreams throughout the year.

We recognise the importance of locally developed grievance procedures and procedures for remedying human rights issues which are raised by workers or external third parties about supply chains. Grievance procedures should follow the UNGP's "[effectiveness criteria](#)" for non-judicial grievance mechanisms. Our colleague handbook outlines the mechanisms in place for grievances and whistleblowing, with details available at all times on the health and safety noticeboard for colleagues and visitors. All supplier partners are required to have a whistleblowing policy and grievance procedure in place with supporting resources and information visibly displayed. More effective reporting of grievances is required, a greater awareness of the mechanism itself and providing a safe environment for employees and workers to raise these is of critical importance. For 2025, a clear definition of remediation is necessary for improvement in this area. Facilitating stakeholder discussions and agreeing the mechanism and expectations for Fullers Foods is a priority.

5. Key Performance Indicators

Key Performance Indicator	Y 2020/2021	Y 2021 / 2022	Y 2022 / 2023	Y 2023 / 2024	Y 2024 / 2025
Development and implementation of policy	100%	100%	100%	100%	100%
% of relevant colleagues trained	0	5x technical/ 6x commercial/ 6x NPD	1x SLT/ 3x technical/ 1x compliance/ 1x NPD	2x SLT/ 2x technical/ 2x ESG/ 1x commercial/ 1x NPD	5x technical/ 1x ESG/ 1x compliance/ 3 x commercial
Number of supplier partners registered on SEDEX	100%	100%	100%	100%	100%
Number of supplier partners with compliant SAQs	96%	83%	71%	86%	87%
Number of supplier partners that have accepted and are abiding to the Fullers Ethical and Labour Standards Policy	100%	73%	53%	58%	68%
Number of non-compliances raised in ethical audits identifying modern slavery issues	0	0	0	0	0
Number of modern slavery incidents reported in the supply chain through non-audit channels	0	0	0	0	0
Number of UK supplier partners (meeting legal requirement) have published a modern slavery statement	not recorded	80%	80%	100%	100%
Number of times a grievance mechanism was used	not recorded	0	0	0	0
Number of times a whistleblowing mechanism was used	not recorded	0	0	0	0
Number of NCs relating to harsh treatment, harassment or threat of abuse	not recorded	not recorded	not recorded	not recorded	3
Number of NCs relating to health, safety and hygiene	not recorded	not recorded	not recorded	not recorded	43
Number of supplier partners who have completed enhanced due diligence	not recorded	not recorded	not recorded	not recorded	4

6. Training

Training is fundamental for colleagues and forms part of our strategy, promoting personal development businesses adaptation and increasing customer satisfaction. Training is reviewed periodically and delivery agreed across a 3-year plan according to the needs of the business. Colleagues working in commercial, development, technical including compliance and ESG are prioritised for awareness training. Any new colleagues joining the business in these departments are auto enrolled to complete the course at the next available planned date. The course is delivered by an external trainer and addresses modern slavery risks in global supply chains. Advanced training opportunities are aimed at the human rights leads for ongoing development. To support colleagues with the right language and skills to understand the risks of modern slavery we are looking to deliver shorter internal sessions more frequently. These courses can be developed and adjusted according to the landscape of product development and new category tenders, bringing together the relevant risks suited for a particular raw material, product process or audience.

This reporting period we have completed the following:

- Hope for Justice Modern Slavery Awareness in May
- [Stronger Together Tackling Modern Slavery in](#) Business in October
- Principles of Audit Management training – a bespoke course delivered to internal technical team and to supplier sites covering behavioural and practical tips for audit preparation and handling in November

Our annual anti-slavery campaign launched in October 2024. Through internal email communications we shared national crime statistics, reporting mechanisms available and shared free learning resources, including a short quiz to encourage action. We have two awareness champions regarding modern slavery who sit in commercial and development roles; they aim to signpost and share knowledge.

Signed



CEO Kevin Smith