



ABP UK

Modern Slavery Statement

September 2020

Making the difference

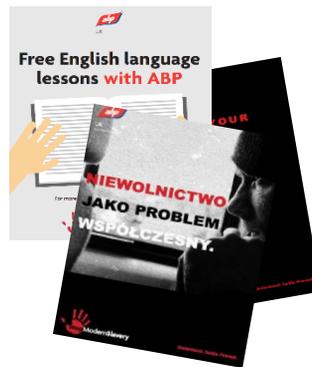


Introduction

This statement is made pursuant to Section 54 of the Modern Slavery Act 2015. It sets out the steps taken by ABP UK during the year ending 31 March 2020 to prevent modern slavery and human trafficking in its business operations and supply chains.

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1) About ABP UK

ABP has been providing quality meat to thousands of customers for over sixty years. From humble beginnings in the Republic of Ireland, the ABP Food Group has developed a reputation for quality, efficiency and innovation. These values run throughout the portfolio and have been vital in making sure that we are able to deliver in line with customer and consumer expectations.

ABP UK is a division of the ABP Food Group which, for the last 35 years has grown to become one of the world’s leading food production companies. The UK division proudly employs over 4,500 people across 14 production sites in Northern Ireland, Scotland, and England, with its UK support office in Birmingham. The company structure consists of a small central core including Finance, IT, Commercial, Technical, and HR who support the Production Operation at each site.

ABP use a vast array of suppliers across the business, from office milk deliveries for tea and coffee to supplying the packaging and labels for our products to be displayed in supermarkets. Our biggest and most frequent suppliers are those that provide our protein ingredients such as beef and lamb producers, and our labour providers who supply temporary and permanent recruitment solutions.

ABP do not own the farms that rear our livestock or the lorries that dispatch our products, but we work closely with the suppliers that provide these and other services such as security and storage.

We procure livestock from thousands of farmers across the UK and we sell our products to retail supermarkets, food service, manufacturing and other wholesale distribution markets around the world.

FARM TO FORK





2) Our Policies in Practice

ABP operates a number of policies across its businesses to combat modern slavery which are regularly reviewed and approved by senior management.

The policies are based on the following commitments:

- UN Guiding Principles on Business and Human Rights
- ETI Base Code
- GLAA Licencing Standards
- Retailer Codes of Practice

In the Supply chain the following policies apply:

- **GLAA licensing standard** detailing the licencing requirements.
- **Customer codes of practice**, where customers set ethical standards for supply chains.

Internal policies are:

- **ABP UK Modern Slavery Policy**
- **Ethical Trading Strategy**
- **Human Rights Policy**
- **Guidance for Farms Policy**
- **Accommodation Guidelines Policy**
- **Whistle Blowing Policy** for confidential reporting by workers and independent investigation of concerns
- **Young Workers Policy** to prevent risks to young workers.
- Our **Employee Handbook** emphasises our values and outlines the rights and responsibilities for our employees.
- We have a zero-tolerance policy on discrimination, harassment, bullying and victimisation.

Recognition

ABP's work on Modern Slavery has been recognised by several awards over the years including:

- Retailer Ethical Champions & Pioneer Awards (2017, 2018 & 2019)
- Retailer Ethical Trade Supplier of the Year (2018)
- IGD – Wellbeing Award for Modern Slavery (2017)
- FDF – HR Initiative for Modern Slavery (2018)
- Thompson Reuters 'Stop Slavery' Award Finalists (2016 & 2018)



3) Identifying Risk

RISK

We do as much as we can at ABP but we accept that the risk of Modern Slavery and Exploitation is high in the food processing industry and wider supply chain. As part of our commitment to continuous improvement ABP always look to improve how we identify and mitigate risk and as part of that we have identified the main risks below.

- 1) As a food manufacturer we rely on temporary & agency labour at some of our locations;
- 2) The farms that supply livestock to our abattoirs;
- 3) Any supplier, particularly beyond the first tier where we do not have direct sight of processes and procedures in respect to the supply of products and ingredients.

MITIGATION

There are formal industry standard risk assessments used by our business and supply chains in the context of:

- SEDEX ethical risk assessments at every one of our UK sites;
- SEDEX engagement with our non protein supply base;
- Supplier verification process;
- Labour Supply Management process; and,
- Our award-winning worker interview & colleague welfare programme.

ABP ensures that **all** of its colleagues and suppliers are aware of the risk of Modern Slavery and furthermore ensure that COVID welfare marshals, line managers and HR colleagues are able to 'SPOT THE SIGNS' of potential exploitation during the onboarding process including who we engage with from a labour supply perspective then during interview, induction and throughout employment.

An area of risk internally is identified as the labour supply chain, both through a third party labour provider or direct recruitment.

The main supply chain risk to us in the UK is our temporary labour supply.

We have a limited but growing international supply chain but we recognise that the risks include temporary labour supply, forced labour, child labour and trafficking labour across international borders are all potential risks, depending on the geography involved. This risk may heighten if we commence recruitment in non-EEA regions post the UK's departure from the UK in 2021 so ABP commits to horizon scan and prepare for these new risks as they form.



4) Tackling Risk

The threats presented in the labour market have increased significantly as the impact of COVID continues to resonate and the UK approaches its formal departure from the EU from January 2021. ABP is aware of the additional risks that these issues present and has made plans to deal with them.

Despite these new and uncharted risks, ABP continues to work hard to lead the way in combatting and mitigating the risk of modern slavery and exploitation in its operation.

Our last MS Statement, published in September 2019, highlighted ABP's commitment to building knowledge and ownership of our systems and controls in each of our fifteen UK locations, and here in our fifth year of reporting ABP commits to further support at sites to drive innovation, resilience and education on the issue as the threats of Modern Slavery evolve and mutate.

ABP UK works closely with customers, suppliers, industry bodies and external partners to drive a leading approach on the issue.

We subscribe to the **MINIMUM** expected measures which include:

- Maintaining A/B membership of SEDEX and active participation in working groups, and all sites subject to SMETA auditing;
- Active member of the GLAA User Group;
- A risk based Ethical Action Plan;
- Implemented extensive People systems at each site and internal ethical audits and worker interviews;
- Made available multi-lingual whistle blowing phone lines;
- Continued Stronger Together Business Partner

We also go a **STEP FURTHER** to include:

- A dedicated Modern Slavery Resource, a Modern Slavery Prevention Officer;
- Partnership with ex GLAA consultants used for all internal site and external supplier ethical audits;
- Implementation of a multi-lingual Employee Assistance Programme with additional help line options;
- Worker's voice engagement via various feedback mechanisms;
- Mandatory external attendance of all HR Colleagues on a CIPD accredited or equivalent Modern Slavery investigation course;
- Mandatory internal training delivery by an appointed Modern Slavery partner;
- An Ethics Dashboard to monitor key indicators of risk such as site turnover, temporary labour usages, working hours, workplace accidents, language proficiency and attendance at classes.

For our **SUPPLY CHAIN**, we have taken the following actions:

- Working to connect with our non-livestock supply base via SEDEX and complete the risk assessment;
- Updated our standard terms and conditions to include ethical requirements at pre-supply stage and ongoing at audit.



5) Training & Awareness

Since the very beginning of this journey ABP has been committed to raising awareness of the issue of Modern Slavery via the following learning opportunities:

- Modern Slavery Awareness training for all colleagues during on-boarding & induction;
- More in depth Modern Slavery Awareness training for all line managers, COVID welfare marshals and
- Ethics & Modern Slavery Conference;
- Monthly Modern Slavery Newsletters;
- Multi-lingual Modern Slavery Awareness materials – Posters/ Flyers/ Business Cards;
- Supplier Training & support at on boarding

6) Who we Work with

ABP partner with a number of external consultants with extensive expertise in this area to build our own capability and understanding to maintain our focus on intelligence gathering and detection of any concerning practices and trends arising in our business or the wider supply chain.

This includes:

- Former experienced GLA enforcement and police officers;
- Industry peers who help build awareness and share best practice and assist other organisations to adopt good practices to mitigate the risk in the UK as a whole;
- ABP maintain an open dialogue with the GLAA and engage directly with the office of the Anti-Slavery Commissioner;
- ABP are members of the Food Network for Ethical Trade (FNET) which is a supplier-led initiative formed in 2016 from a desire to share the UK's ethical trade aspirations with global food supply chains, using the collective leverage of suppliers and retailers. As members of FNET, ABP collaborates with over 25 fellow members and 7 major retailers on its mission to improve human rights in global supply chains through a common approach to managing ethical change.
- ABP participate in various Human Rights Working Groups and undergo regular training with organisations such as the ETI,
- ABP attend, participate and regularly present at Customer Supplier Exchange Networks;
- ABP partner with Labour Providers enrolled on our preferred supplier list to ensure they have processes and systems aligned with our own.



7) Key Performance Measures

AIMS

To ensure ABP keeps its Modern Slavery agenda at the forefront of our People Strategy we have defined clear aims and measurable KPIs that are incorporated in site and business unit objectives.

To embed ABP UK values and policy relating to tackling the threat of modern slavery and exploitation across the business;

To take a pro-active and visible approach to mitigate the threat, risk and harm of modern slavery and exploitation;

To develop and implement a framework of risk assessment, compliance and accountability to identify and maintain best practice;

To support the retention and wellbeing of employees through improving the working and social environment via regular worker interviews and 'worker's voice' mechanisms;

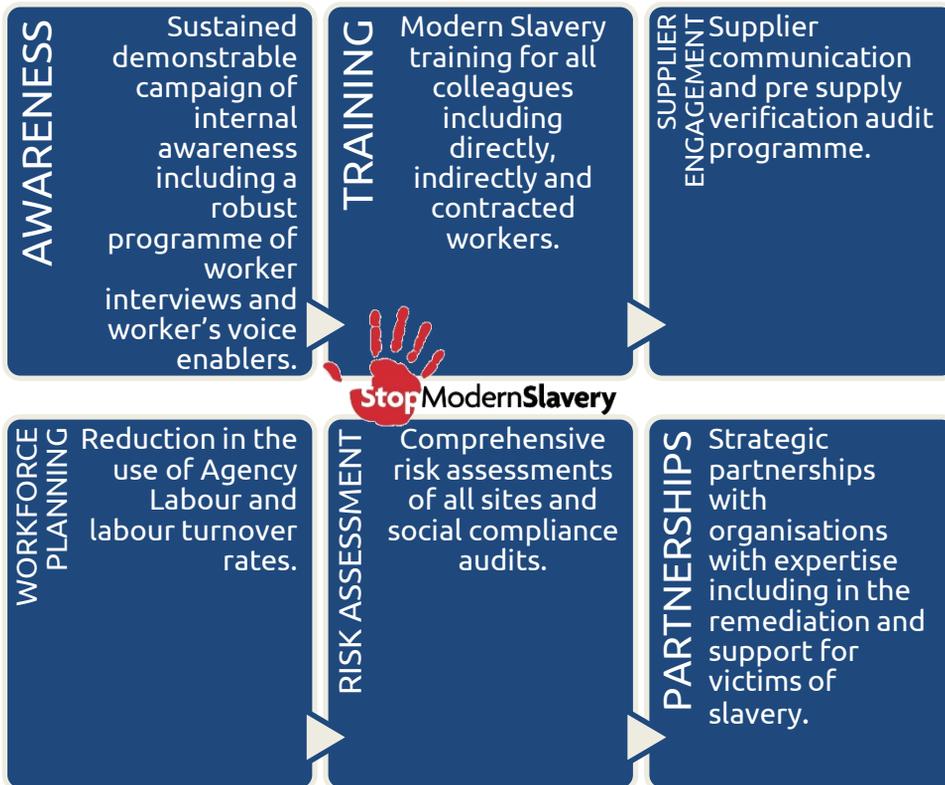
Improved levels of engagement leading to improved productivity.

And in doing so implementing an MS strategy with specific **KEY PERFORMANCE INDICATORS** to measure progress by for the next 12 months:

- Risk based Modern Slavery Action plan for each location in the UK division;
- 100% Awareness of the risk of Modern Slavery and Exploitation;
- Worker Interview & welfare programme capturing all colleagues including agency and direct employees in regular cycles;
- Reduction of turnover of direct and indirect employees;
- Improvement of attraction and retention rates.



Key Performance Indicators 2020/21



8) Looking Ahead

ABP will continue to lead and collaborate on this matter to maintain a pivotal role in both in the agri-food industry and in the wider FMCG supply chain.

ABP prides itself on continuous improvement across all areas of the business and applies this to its approach on Modern Slavery & Exploitation. ABP will never deem this matter to be fully closed as the new and significant challenges and uncertainty in the year ahead call for increased focus on standards and best practice.

Our efforts to educate and influence in this area have been maintained and we will continue to be disruptors and innovators in this space for our sector to allow us to strive to shape a common social responsibility to mitigate the risk of modern slavery and exploitation in our supply chain.



Conclusion

Last year, we only made small upgrades to the annual statement to reiterate the significant steps and initiatives that have been incorporated since 2015. This is similar in the current year statement and we draw attention to the fact that this work and agenda is not an annual event rather a 24/7/365 consideration for our business.

With a well established programme in place, our focus over the last 12 months has been to refine and review our internal modern slavery strategy to ensure it is site focussed and impactful at the front line where it matters most.

COVID has brought unprecedented challenges to the business but the resolve and resilience shown by the team to overcome has been overwhelming and is testament to the commitment of ABP to colleague wellbeing and welfare.

The Modern Slavery agenda at ABP UK is far reaching and involves a significant investment of both time and money. The last 12 months have been increasingly challenging due to a perfect storm of Brexit uncertainty, labour & skills shortages and low national unemployment rates. This in turn has seen turnover and retention KPIs hard to improve due to a number of external factors that impact the workplace and labour planning. Whilst contingency and alternative recruitment solutions are being explored and the Government's COVID recovery 'Plan for Jobs' strategy harnessed to attract people to the business, uncertainty remains and with that so does risk.

The Central HR Team work closely with site operations to provide a strong support focus on all labour initiatives across the business. Accommodation provided by ABP is minimal and where provided is rigorously checked by ABP UK and we are working with all labour providers on a tightly managed preferred supplier list to ensure that recruitment is sustainably sourced and maintained. Where agency labour provider standards aren't fully aligned to ABPs own it partners with agencies to drive improvements that benefit colleagues.

ABP is renowned for operational excellence and continuous improvement and applies this to every aspect of the business which includes our approach on Modern Slavery & Exploitation. Per our previous statements, ABP will never consider this matter closed as different challenges and uncertainty in the year ahead call for increased focus on standards, systems and controls to safeguard ABP and the people that make it.

In accordance with Section 54 of the Modern Slavery Act 2015, this statement has been approved by the ABP UK Board of Directors.

Sarah-Jane Fulton
HR Director