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INTRODUCTION

This is AM FRESH UK's third modern slavery statement and sets out the steps we've taken during the financial year 2018-2019 to prevent modern slavery and human trafficking in our business and supply chains.

This statement has been published in accordance with the Modern Slavery Act 2015.

AM FRESH UK are committed to having a positive impact on the lives of the people we work with and affect. This includes eradicating modern slavery.

We understand that Modern Slavery and Human Trafficking is a significant issue within our own operations and our global supply chains.

1.0 OUR BUSINESS

AM FRESH UK supply leading supermarkets with a range of citrus and table grape products into retail stores. We operate from two UK packing facilities where raw materials are received, inspected, packaged and dispatched to our customers. We make use of a single labour provider to support our directly employed colleagues.

Within AM FRESH UK our Managing Director takes board responsibility for our work on addressing Modern Slavery.

Our parent company AM FRESH Group, which is a division of AMC Group was founded in 1931 in Murcia, Spain. Now a third-generation family owned company, AMC Group are focused on leading innovation and varietal development through biotechnology, extensive agriculture and global marketing of citrus fruits, table grapes, tropical fruits, vegetables, superfoods, fresh plant-based foods, fresh juices and flowers.

2.0 VALUE CHAINS

AM FRESH UK buy products and services from many suppliers throughout the world. Our highest spends are for fruit raw materials and agency labour provision.

Goods for resale

The products we manufacture are sourced from over 18 countries predominantly within Europe, Africa and The Americas. We work with around 35 suppliers that fall into three broad sources:

1. Fellow AM FRESH GROUP companies;
2. Joint ventures;
3. Other known sources.

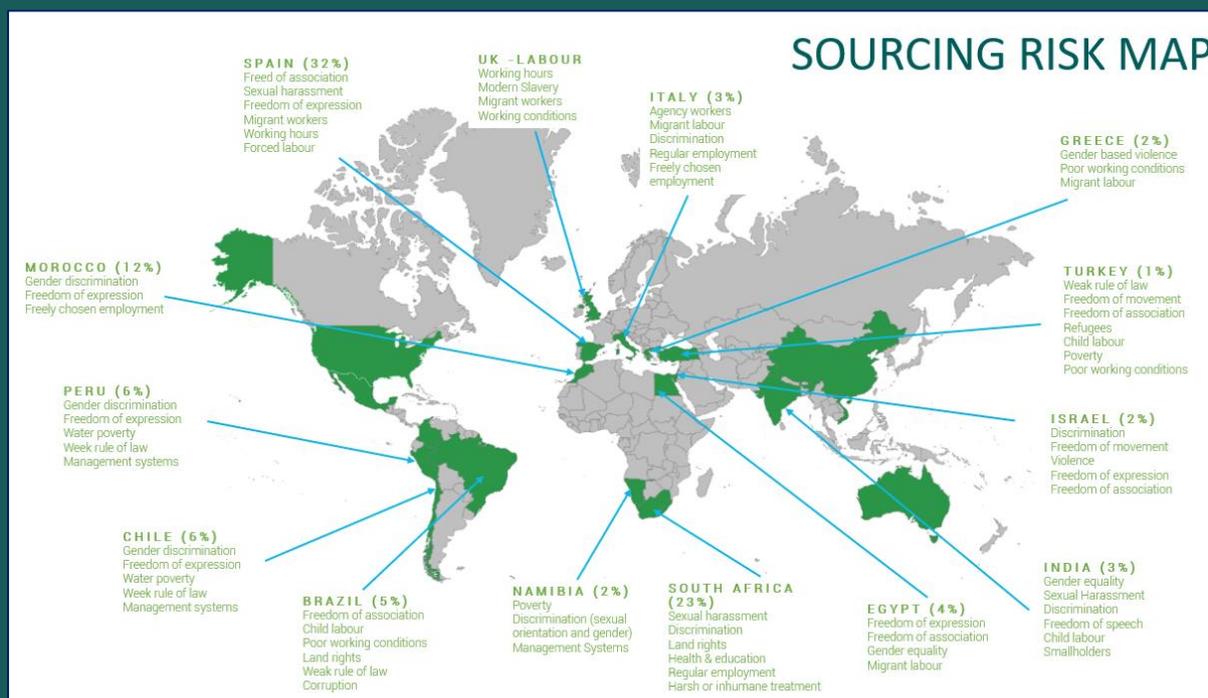
Fellow AM FRESH GROUP companies: Supply comes from farms which are directly owned and/or managed by AM FRESH Group Companies. We have a very close working relationship with the management teams and an increased understanding of the way in which people are managed. In many of these cases these businesses have their own directly employed harvest teams minimizing risks associated with temporary or transient labour sourcing.

Joint Ventures: AMC Groups breeding programmes have facilitated joint ventures with several large agribusinesses around the world. One benefit of these joint ventures is a better understanding of the grower's business and a collaborative approach to mitigating risk.

Other Known Sources: The remainder of raw materials come from other known sources and suppliers with whom we have chosen to develop strong, long lasting relationships.

The importance of our business to suppliers varies greatly depending on quality, varieties grown, availability, seasonality and other customer and market needs.

Within our value chains we know that labour is made up of 24% permanent employees, 67% temporary or seasonal workers and 8% agency workers. Within certain sourcing countries a significant volume of those workers under temporary or seasonal contracts will be migrants. (See map below)



Goods or services not for resale

Within our UK operations we source goods and services in order to run our business. These range from labour providers to stationary suppliers, contract cleaners to laundries. We work with a core number of providers with whom we predominantly have long standing relationships.

In August 2019 we established a Modern slavery steering group to coordinate our activities across sites and departments. It is the intention of this group to define a vision for our work on eradicating moderns' slavery within our own operations and supply chains and to have clear stretching targets to achieve our objectives with relevant performance indicators.

3.0 POLICIES IN RELATION TO SLAVERY AND HUMAN TRAFICKING

AM FRESH UK policies and processes are aligned to our customers requirements. More specifically, issues of modern slavery and trafficking are addressed through our implementation of the Ethical Trade Initiative (ETI) Base Code.

Commitments on ethical trade, human rights and modern slavery are set out in several policies and protocols, including the following.

- Our Ethical Requirements which state suppliers must comply with the ETI Base Code. (Suppliers are required to declare commitment and ability to provide evidence of compliance to this requirement)
- Due Diligence pack outlining our commitments to Ethical trade and our approach to transparency and protecting the rights of workers in our supply chains including no forced labour
- Ethical Sourcing Principles based upon the ETI Base Code
- Eligibility to work policies helping protect workers from exploitation
- Whistleblowing Policy for our UK employees providing a confidential means to raise issues
- Employee Assistance Program
- Use of a single agency within our UK businesses for temporary labour
- Use of GLAA registered agency labour providers in the UK
- Bi-annual audit of UK labour providers using Complyer audit tool

As part of our due Diligence and risk assessment process our teams review suppliers' Human Rights policies and practices via the SEDEX Self-Assessment Questionnaire following up directly where required.

Policies are communicated through several channels. For UK Employees, our employee handbook is issued to all new starters, our Human Resource Team provide details during inductions which is mirrored with our labour provider. Employees have access to the intranet and our Human Resource Team. For suppliers all policies are issued on an annual basis as part of our Due Diligence process.

Enforcement of these policies is carried out through our management system procedures and processes, where adherence is monitored and reported as part of Key Performance Indicator structures.

A target of the Modern Slavery Steering Group for FY 2019-2020 is to develop a specific Modern Slavery Policy and to review all existing policies to ensure our commitments to eradicate Modern Slavery are explicit throughout. The Steering Group is a cross functional team to ensure modern slavery considerations are, where necessary captured in all policies and processes throughout the business.

4.0 RISK ASSESSMENT, PREVENTION AND MITIGATION

AM FRESH UK have a risk assessment methodology for all suppliers that supply goods for resale. This risk assessment has been developed over a number of years. Our priority during this reporting year has been to increase transparency of our supply chains beyond Tier 1 down to farm level, as we believe this is likely to be where significant risk lies. This has allowed us to map our supply chains more fully. In addition, this greater understanding has allowed us to identify specific labour risks by country which include where relevant the risk of forced labour (see map on pg. 5).

Our target for FY 2019-2020 as part of our human rights strategy is to define further, more specific steps we're taking to mitigate these risks.

We currently monitor in excess of 330 packhouses and 905 farms via the SEDEX platform. Our ethical audit program covers over 280 sites where risk assessment has determined a third-party ethical audit is required. This level of transparency covers 250,00 workers within our value chains. The use of labour providers, seasonal and agency labour throughout our supply chain is an area we have increased our focus on, given the potential risk of modern slavery, labour exploitation and the impact of Brexit.

In 2019 we carried out a number of workshops and supplier visits where the risks of Modern Slavery was a topic. In South Africa three workshops were conducted reaching over one hundred growers. This capacity and competence building has helped developed a wider understanding of risk within our supplier base and introduced growers to some of the tools they can use.

We are member of the Food Network for Ethical Trade (FNET) and play an active part in its work. In the reporting year we took a leadership role within workstream two which focuses on Ethical engagement. We have worked on and trailed several tools to drive engagement and raise awareness within our own teams and within our supply chains to increase capacity and competence. An example of this is FNET Buyer training. AM FRESH UK collaborated on its development and have subsequently delivered it to our buying teams. There awareness of risk is important in widening the scope of people alert to the risk in our value chains.

We are also sponsor members of the Spanish Ethical Trade forum and have spoken at international events on Ethical Trade.

To maintain knowledge of current and developing global issues we conduct horizon scanning. This includes inputs from several professional bodies, charities and NGO's. Notably these include:

- ETI
- Human Rights watch
- SIZA
- Global Slavery Index
- Sedex
- Stronger Together
- UN SDG News
- ILAB
- GLAA
- Ethical Corp
- Fairtrade
- ILO
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UK

Our UK sites undergo independent third-party SMETA audits every two years. We have a close and long-standing relationship with our main agency labour provider who is Gangmasters and Labour Abuse Authority (GLAA) licensed and is audited every six months by our Human Resources Team.

Our UK operational businesses are using the Stronger Together Progress Reporting Tool to drive progress against a recognized framework and our Modern Slavery Steering Group will continue with this into the next year.

5.0 DUE DILIGENCE

Despite strong and long-standing relationships with most of our suppliers, we remain alert to the risk of Modern Slavery within our value chains. We encourage suppliers to identify risk within their own business. Should there be instances of Modern Slavery within our value chain which we ought to know about, we have the following controls in place identify it:

- Sedex: we ensure that as a minimum all supplying sites are registered on Sedex and have completed the Self-Assessment Questionnaire (SAQ). We monitor responses to key questions within this which are indicators of risk
- Supplier Due Diligence Packs: these set out the standards that we require of our suppliers. We detail in these pack what we require of our suppliers to ensure that any cases of Modern Slavery are identified and reported to us to help resolve
- Sedex Members Ethical Trade Audits (SMETA): We carry out supplier risk assessments to identify SMETA audit requirements. Should non-compliances be raised during audits our team work closely with the supplier to act. We share best practices to resolve issues as quickly and effectively as possible.

We conduct seasonal risk assessments for all supplying sites and farms. This determines where further engagement is needed and where third party ethical audits are required and at what frequency. This risk assessment focuses on 5 key areas:

1. Management systems
 - Policies, procedures and process in place
 - Any accreditations & knowledge from historic site visits
2. Length of relationship
3. Country
 - Based on independently identified high, medium and low risk countries
4. Labour
 - Provision of worker accommodation
 - Use of agencies/labour providers
 - Existence of worker committees and/or unions
 - Any previous issues raised related to worker welfare
5. Previous ethical history
 - Audits already visible on Sedex



Data and information about our suppliers is maintained and monitored on an ongoing basis. Internal reviews of risk are undertaken seasonally or as a result of a change in circumstance. A supplier scorecard is compiled for each supplier which includes the risk assessment findings, this is shared with suppliers. Compliance Key Performance Indicators are reported weekly within governance structures including the Senior Leadership Team.

A target for 2019 is to review our Risk assessment process to ensure it is as robust and effective as possible. We will also be reviewing the suitability of Due Diligence at farm / grower level.

6.0 TRAINING AND CAPACITY BUILDING

Each employee receives information on Modern Slavery as part of their induction. This includes instructing them of what to do if they suspect labour abuse.

Within our wider teams, specific training has focused on procurement managers, technical managers, HR teams and those with responsibility for supply chain monitoring. We used the FNET Buyer training to facilitate sessions with the procurement teams. HR colleagues and those responsible for supply chain monitoring attended Stronger Together Workshops.

Our Sustainability team regularly attend customer workshops and events to develop skills.

Several employees have attended and contributed to FNET workstream meetings of which there are specific topics and case studies from which to learn.

For our suppliers and our value chains we provide specific guidance and access to advice on labour risk as part of our supplier engagement and due diligence program.

In 2019 we also launched our first pre-season grower workshops in collaboration with technical and commercial teams, where we took the opportunity to explore Modern Slavery risks and mitigations promoting the Stronger Together Programs particularly in South Africa.

As sponsor members of the Spanish Ethical Trade Forum we promote their events and workstreams within our supply base.

As part of our risk assessment and monitoring programs we support suppliers directly where specific issues or gaps in knowledge or competence arise.

7.0 OUR PROGRESS

Progress in 2018-2019

In our previous statement we set ourselves 5 objectives on modern slavery. Three of five objectives have been met, whilst two remain in progress aligned to strategy developments that took place within the following year.

Plans for 2019-2020

We have defined a number of targets in this statement. More specific targets for each area are detailed below:

POLICY
Define and publish our Human Rights Policy Define and publish our first Modern Slavery Policy Develop a robust Modern Slavery strategy to eliminate all forms of slavery from our value chains
RISK ASSESSMENT, PREVENTION AND MITIGATION
Complete our risk assessment review process defining suitable due diligence down to farm level Engaging with collaborative projects and forums
DUE DILIGENCE
Integrating human rights into our management processes Evaluating supplier capability in human rights, human resource management and worker representation Launch engagement campaign on modern slavery in priority countries (High Risk and Strategic Importance) Getting transparency from suppliers on human rights issues
TRAINING AND CAPACITY BUILDING
Developing a human rights engagement strategy for internal stakeholders Priority Supplier Engagements through conferences and visits

The Board of AM FRESH UK Limited are committed to the identification and eradication of Modern Slavery and Human Trafficking in our operations and supply chains. Mark Player AM FRESH UK Managing Director is named as the Board Level Director responsible for compliance with the Modern Slavery Act 2015.

Yours Sincerely,



Mark Player

Managing Director

AM FRESH UK Limited