



NEW ENGLAND SEAFOOD INTERNATIONAL LIMITED

Modern Slavery Statement 2019

This statement has been published in accordance with the Modern Slavery Act 2015. It sets out the steps taken by New England Seafood International Limited to prevent modern slavery and human trafficking in its business and supply chains for our financial year 2017-18.

Introduction

The New England Group (“NESI”) welcomes the Modern Slavery Act 2015 and the legal framework it provides to prevent slavery, servitude, forced labour and human trafficking (“Modern Slavery”) in the UK and around the globe. We are strongly committed to leading the eradication of Modern Slavery and welcome the addition of the ‘Transparency in Supply Chain’ clause.

NESI does not tolerate Modern Slavery in our organisation or in our supply chains. This statement sets out the steps that we have taken to investigate the possibility of Modern Slavery occurring in our organisation or our supply chains and addresses the actions we will be taking to move towards our goal of preventing and eliminating Modern Slavery.

Our business and supply chains

NESI is the UK’s leading supplier of premium wild and farmed fish & seafood into the UK market, with species such as sea bass, sea bream, yellowfin tuna, albacore tuna, keta and sockeye salmon along with other raw materials from the UK and abroad. This process is managed through a complex and diverse global supply chain. Our vision is to ‘*show people how to enjoy fish every day*’.

Group History

NESI is privately owned. Until mid-2018, the Group conducted its trade through three trading companies, New England Seafood International Limited, Joi Sushi Limited (“Joi”) and Albert Darnell Limited (“ADL”). In respectively June 2018 and July 2018, NESI consolidated the trading operations of Joi and ADL into New England Seafood International Limited; while Joi and ADL have substantially no activity now they remain 100% owned and controlled by NESI and sit fully within our Quality Management System. The Group turnover for the year to October 2018 was £155m.

The business was founded in 1991 and in 1993 began importing fresh tuna. We supplied our first retail customer in 1995. The companies within the NESI Group source fish and seafood from over 30 countries in the world as well as having further supply chains in packaging and added value raw materials. Our factories in Chessington and Grimsby employ approximately 750 people from more than 35 different countries. We have a diverse and multi-cultural workforce who are passionate about our customers and our products.

Our values

We recognise that our business operations have an impact on the environment and the people and communities with whom we work. As well as the moral obligation to ensure that we do the right thing by all of our stakeholders, we understand that commercial success and future business depends on our ability to operate responsibly as an organisation.



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Our core company values are:

- Respect for the environment, natural resources and people;
- Customer care;
- By Learning, We Grow;
- Team spirit;
- Integrity.

As a private label supplier to the leading UK supermarkets and foodservice brands, we have a commercial imperative to ensure that we comply with our customers' Corporate Social Responsibility and human rights policies. We are regularly audited against these policies as they form part of 'conditions of supply'. Our core values and our customers' policies have a direct impact on our supply chains and dictate the way we trade.

The scope of this statement includes all fish and seafood, packaging and ingredients, under the NESI Group. We are committed to understanding our supply chains from '*feed or field to fork*'.

During our financial year 2017 - 2018, we made the following progress in our efforts to prevent the possibility of Modern Slavery occurring in our organisation or our supply chains:

Tackling the risks of Modern Slavery in our business

Policies

- NESI operates under our 'Trading Charter', which details how we trade in both a responsible and ethical manner and applies to our whole group. This includes a description of our ethical trade policy and is based on compliance with the Base Code of the Ethical Trading Initiative ("ETI") against which we are audited. The ETI Base Code is founded on the conventions of the International Labour Organisation ("ILO") and is an internationally recognised code of labour practice.
- We also have a dedicated whistleblowing policy and process called 'Speak Up!', for our employees. This encourages the reporting of any wrongdoing, which extends to human rights violations relating to Modern Slavery. It is confidential, anonymous and multilingual. All reports are fully investigated, and appropriate remedial actions taken by our internal HR team. In the last year we rolled out our Whistleblowing Policy for the total NESI Group.
- The Investor Board led the establishment of a cross functional Ethics Committee and co-chairs for the committee were appointed in September 2018: Dan Aherne, Group Chief Executive Officer and Melissa Pritchard a longstanding employee of New England. Both co-chairs have oversight responsibility for modern slavery. One of the primary roles of this Ethics Committee is modern slavery governance including to identify, prioritise and address modern slavery risks within our business and our supply chains. The committee was populated by the following roles and senior managers in our business.
 - a. Dan Aherne- Group CEO and co-chair
 - b. Melissa Pritchard- Co-Chair and Head of Ethics
 - c. Adam Peasey- Species Managing Director
 - d. Cassie Leisk- Head of Sustainability
 - e. Ian Mayo- Site Director NESI Chessington
 - f. Amelia Reid- People Director
 - g. Vivian Bielak – UK national account manager



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- h. Lucy Blow- Sustainability and ethics consultant
- i. Clare Moore - Group Technical Director

Due diligence and risk assessments

We believe the area of greatest risk of Modern Slavery in our business is the recruitment of temporary labour (particularly non-nationals) and accordingly the following are steps we have taken, and will continue to do so, to assess and manage that risk:

- All our employees are checked to ensure they are legally entitled to work in the UK. Checks are carried out on rights to work and ECS (Employer Checking System) checks are conducted on any active VISA applications via the Home Office system. This due diligence gives us confidence that active and expiring VISAs are managed appropriately by the business.
- We employ temporary labour to maintain our 24/7 operation in Chessington and our 7-day a week operation in Grimsby. We ensure that the temporary labour providers we use are licensed by the Gangmasters Labour and Abuse Authority (<http://www.gla.gov.uk>) and we use Active Check to verify this. We audit the agencies that supply us with agency staff every 6 months under the GLAA. We also conduct our own checks and interviews with agency staff regularly, with an established procedure to follow up any concerns or inconsistencies.
- We ensure that all employees are paid into their own bank accounts. We do not allow for anyone to be paid into any other bank account in any other name.
- We also have a Staff Engagement Forum ("SEF") in Chessington where elected representatives from all parts of the business discuss working relationships and the working environment to encourage support and communication. A similar body, called the Workers Consultative Group, exists in our Grimsby Site.
- New England Seafood International Ltd is a member of the Supplier Ethical Data Exchange ("SEDEX") as an A/B member. We have a bi-annual SEDEX Member Ethical Trade Audit ("SMETA") at all our sites as part of our due diligence and continuous improvement processes.

Internal Training & Resources

- All our colleagues have training in the form of an induction when they start working for us. This induction covers the ETI Base Code, our Speak Up! Whistleblowing policy, Stronger Together, Migrant Help and SEF. This makes it clear where our colleagues can obtain help and support if required.
- We use the resources available from Stronger Together <http://stronger2gether.org> to support our training and enhance our understanding of Modern Slavery in supply chains. All representatives of our Staff Engagement Forum participate in Stronger Together training on Modern Slavery to equip them to identify any cases of modern slavery and trafficking and trigger remediation. It is our plan to roll out this training to our Workers Consultative Group in Grimsby.
- We work with Migrant Help UK <http://www.migranthelpuk.org> who are a leading national charity offering support, guidance and accommodation to vulnerable migrants across the UK.

Tackling Modern Slavery in our supply chains

We believe firmly in fair, open and honest trading and always seek to develop long-term partnerships with our suppliers. We build strong partnerships with suppliers who share and are prepared to commit to our values, which are consistent with the ETI Base Code.



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We require our suppliers to demonstrate, through audits of their processing facilities, fair and ethical treatment of their employees and other stakeholders and compliance with national regulations. Our team of experienced seafood experts who conduct these audits have good working understanding and the skills to identify potential ethical risk within our supply chain.

Policies

- All our suppliers are required to read and commit to our Trading Charter, effectively cascading the ETI base code requirements through our supply chains.
- Our specific aquaculture policy includes minimum ethical requirements based on the ETI base code and we require all aquaculture suppliers to review and commit to meeting the requirements in this policy.
- We have a crew agreement document directed at supplying fishing vessels that freeze at sea (and thus are at sea for a significant amount of time) which was created by NESI in conjunction with the Food and Drink Federation (“FDF”) and Icelandic Seachill. This crew agreement describes our stance on the fair treatment of crew and is based on the ETI base code and International Labour Organisation Convention 188 (“ILO 188”)- working in fishing convention which has been acknowledged as the best standard for working conditions at sea and came into force in November 2017. We continue to roll out (and translate) this policy which must be signed by a senior member of the business before approval to supply us can be achieved.
- Furthermore, many of our suppliers have achieved some of the highest third-party certifications available to the seafood sector – Marine Stewardship Council (MSC) for wild fish, Best Aquaculture Practices (BAP), Global GAP or Aquaculture Stewardship Council (ASC) for our aquaculture supply chains, all of which have or are developing social elements. It is our policy to encourage our suppliers to achieve certification to these standards, and any others compromising a robust social element. However, it is acknowledged that the development of further social standards and tools will be necessary to provide the full assurance we feel necessary to prevent the risk of modern slavery.
- We require all UK suppliers with a turnover of >£36million to provide us with copies of their Modern Slavery Statement during each audit, as part of our Quality Management System.

Due diligence & risk assessments

We realise that due to the global nature of our supply chains we need to consider all fish & seafood, packaging and ingredients. We thus conducted a significant piece of work this year on modern slavery, working with external experts to undertake a detailed risk analysis of our sourcing and product areas to build a clear idea of where the biggest risks lie and where our actions can have a positive impact. This process mapped the fish and seafood supply chains across the NESI Group beginning with New England Seafood procurement only. The outputs from this work drove our Ethical Trade strategy at a senior level and determined the resource and actions we needed to take make improvements including the creation of an Ethics Committee (as above).

Both our internal risk assessments and the external review described above identified fishing fleets as at the highest risk for modern slavery within our supply chains, and accordingly this year we have focused much of our transparency and mitigation processes on this sector to assess and manage that risk, as outlined below.



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At factory level

- All our supply chains are being mapped onto a software platform where a full chain of custody is created to display vital compliance information about the direct and indirect suppliers involved in the supply of products into NESI. This data can be used to monitor compliance, reduce risk and highlight previously unseen areas of our trading network, right back to source. Vulnerability assessments are then completed on all suppliers, using a cross-functional team across our species, buyers, technical, sustainability and ethical resource teams. Supplier audits and / or traceability exercises are performed where vulnerability risks are high. Where vulnerabilities have been highlighted, controls must be put into place either by the supplier or introduced as a part of NESI surveillance programme. Supplier issues raised where brand integrity may be compromised are highlighted to the business and our policy is to remove those suppliers from our supply base.
- As a minimum, our suppliers are risk assessed using NESI's own supplier risk assessment process developed this year, which looks at various indicators and tools to identify various company and country risks and the steps required to manage those risks. Suppliers are required to complete ETI related questions in our Self-Assessment Questionnaire ("SAQ"). This information combined with the Food Network for Ethical Trade ("FNET") rating determine their risk rating, audit schedule, and whether SEDEX membership and a SMETA audit is required. Most of NESI's seafood suppliers are audited by our in-house audit experts - the schedule of which is determined by our supply-base risk assessment- and the audit questionnaire contains several elements relating to modern slavery based on the ETI base code. Our experienced and trained audit team consists of colleagues in technical, species and sustainability functions who are on site regularly at farms and processing factories.
- We also encourage our suppliers to join SEDEX as a key risk assessment process where they are required to register and complete a Self-Assessment Questionnaire ("SAQ") which has a high focus on modern slavery risks. The Risk Assessment Tool (as defined by SEDEX) considers the risk from the suppliers' SAQ and the Inherent Risk by country as determined by the Verisk Maplecroft Labour Rights and Protection Index. It provides an output risk rating for NESI to use in our modern slavery risk evaluations and assess where a third-party ethical audit is required. NESI has achieved full SEDEX registration of all our added value ingredient suppliers and an improved rate of seafood suppliers registered on SEDEX during this year. Suppliers are required to link to NESI to enable full visibility of questionnaire answers and any ethical audits which helps provide us with information for the SEDEX risk assessments. In many cases our suppliers are also required to link to our customers, so that they too have full transparency of ethical risks and audit results.
- Following on from the SEDEX risk assessment described above, supply base scores are evaluated and prioritised -our goal is that any suppliers categorised as 'high risk' from the SEDEX Risk Assessment Tool, are required to procure an independent third-party ethical audit, preferably a SMETA audit (or equivalent where agreed). Where Critical / Business critical issues are identified in this audit, these must be followed up within 6 months of audit and re-audited to verify they have been closed out. If critical non-conformances are found in the re-audit, the supplier's business will be managed out of the supply base. Any supplier not willing to sign up to an ethical audit with a recognised scheme, must also be managed out of NESI supply base. Currently it is not possible to SMETA audit Frozen at Sea vessels so there is an



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ethical audit derogation for these, however they must still complete the NESI SAQ or comply to NESI's SEDEX requirements listed above.

At the vessel and farm level

- Within the fishing industry, we recognise there is an inherent link between modern slavery risk and the risk of illegal, unreported and unregulated fishing. Therefore, we apply a high-level of due-diligence to ensure that all suppliers demonstrate their vessels' legality and licence to operate in the relevant areas.
- New England Seafood International Ltd was one of the first UK fish processors to implement a record of fishing vessels supplying us, and for several years we have been capturing specific information to profile crews at vessel or fleet level where feasible. This year we strengthened this crew questionnaire, requiring more detail relating to modern slavery risks and the conditions for crew working on vessels that supply NESI prior to approving supply, wherever possible. This information ascertains whether they are employed in accordance with the ETI Base Code. There are instances where it is not possible to collect such information prior or after approval, for example where fish is bought via auction or from a market.
- As identified above, one of our main methods of mitigating risk is to utilise SEDEX and SMETA, but currently this can only be conducted as far as factory level and not vessel or farm level. Therefore, this year we have been collaborating with other seafood businesses on the steering group of the Seafood Ethics Action (SEA) Alliance to develop a vessel specific component of SEDEX to increase transparency and help risk assess modern slavery at vessel or fleet level. Although we already collect such information internally- as described in the above paragraph- it is hoped that via the SEDEX vessel component, the seafood industry can agglomerate the information across supply chains to identify the types of fisheries that are high risk, which is a finer resolution than the current practice of risk assessing at a country level (due to limited ethical data at fishery level globally).
- Since very few countries have ratified the ILO 188, we continue to encourage government ratification in countries we supply from- where we have the network and influence to advocate. However, we feel social standards at sea should not be hindered by political sign up to ILO 188 and so this year we have joined the Technical Advisory Committee of the Responsible Fishing Scheme, with our participation focused on crew welfare, to deliver a revised version of the voluntary standard, based on ILO 188. We hope that in future, once launched, our international supplying vessels will be able to apply for the RFS revised standard and through its third-party auditing at port, help increase transparency and mitigate against modern slavery at sea even if their country has not yet ratified ILO 188.
- In instances of high-risk countries and where feasible, our aquaculture suppliers are audited (second or third party) against our ethics and welfare policy as part of a wider audit covering sustainability, health and safety.

Training

In October we facilitated our Turkish aquaculture suppliers to attend a Marks and Spencer conference Human rights in Istanbul, which included presentations from local Non-Government Organisations ("NGOs"), the Turkish and British Governments. It also featured training on a Modern Slavery toolkit to identify and tackle forced labour.

Collaboration

We recognise that we cannot have full oversight into everything that happens in a supply chain. Many supply chains are not yet aware of the concept of Modern Slavery and do not have regional or national



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monitoring of this issue nor the legal instruments to do so. Whilst we are fully cognisant of the possibility of, and in agreement with the need to ensure we eliminate risks of, Modern Slavery in our supply chains we also recognise that this is an issue that requires not only our engagement but it has to involve industry-wide and international stakeholders' engagement on these issues to have the most leverage. Therefore, we actively promote close pre-competitive interaction between supply chains and this year we have spent significant time collaborating in several forums which aim to tackle modern slavery These include:

- The *UK Seafood Industry Alliance*- providing a compelling voice at national, EU and international level to meet the full range of challenges in providing consumers with secure, affordable, nutritious and sustainable fishery products at a time of unprecedented uncertainty and change;
- The *Ethics Common Language Group*- designed to establish a common understanding of ethical issues impacting on the seafood supply chain, to communicate the work currently going on to address them and agree a clear agenda for future action.
- The *Seafood Ethics Action ("SEA") Alliance*- is a platform to share information on emerging issues, agree best practice solutions, and provide a forum for collective pre-competitive action where it is not better fulfilled by an existing organisation. NESI is a steering group member;
- We also collaborate with and input to numerous standards (including the Marine Stewardship Council, and Responsible Fishing Scheme) to drive improvements to their social pillars, with a focus on modern slavery prevention.

Measuring effectiveness

A key role of our newly established Ethics Committee and responsibility of the co-chairs is to monitor and track the effectiveness of our Modern Slavery Act statements, policy, and processes using clear targets which departments and the committee will need to report against to monitor progress.

There were no known or reported instances of Modern Slavery amongst our employees or in our supply chains in this reporting period.

Within our business

Our policies, auditing, whistleblowing and educational programmes are designed to identify and mitigate the risk of Modern Slavery amongst our colleagues. We measure the efficacy of these programmes by:

- Ensuring audits are completed on a regular basis with our agency labour providers
- Ensuring compliance and improvements within our SEDEX Member Ethical Trade Audits and the resolution of non-conformances
- Ensuring all new and current SEF members have Stronger Together training
- Ensuring new employees are appropriately inducted and educated in the signs and reporting procedures for suspected or known instances of Modern Slavery

These audits and practices form key elements of measuring the effectiveness of our Modern Slavery activities in the past year.



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Within our supply chains

The external review conducted this year on our sourcing risk assessments measured the effectiveness of our due diligence for modern slavery and drove much of our ethical trade strategy for the rest of the year. We continued our horizon scanning, participation in industry forums and regular engagement with stakeholders to evaluate our systems and efforts to tackle modern slavery and ensure we remain in a leading position. Where gaps have been identified we will address these by building them into our ethical trading framework to further improve our due-diligence on this important matter.

Intended further steps

As described, we have been leading the way on ethical trading within our fish and seafood supply chains, however, we recognise that ethical issues are not static and that requires us to seek continual improvement - across not only fish, but also packaging and non-fish ingredients, whilst we continue to drive our core fish and seafood business forward. The following is our intention for continual improvement on our modern slavery work for the next year:

Policies

- Review and revise our Ethical Trading Policy ensuring there is clear reference to modern slavery; including an outline of our strategy to prevent, identify and remediate.
- Outreach internally and externally to better understand modern slavery risks.
- Improve representation of the Ethics Committee to include representatives from our Grimsby site.
- Through the Ethics Committee, identify our salient human rights risks, prioritise where we can have the most impact on preventing modern slavery, and agree the process for delivering this. Set SMART targets relating to modern slavery prevention, identification and remediation.
- Through collaborative work with industry and its stakeholders, agree best practice in, and tools for appropriate remediation policy that help avoid the risks of unintended consequences, including what mechanisms are available for victims, as well as corrective actions and reporting.
- Ensure our standard terms of business include statements and conditions regarding modern slavery.

Due Diligence

- Extend the SMETA auditing of our own sites to two further pillars (business ethics and environment).
- Extend our mapping and data capture further down the supply chain and include supporting services and labour providers /recruiters where possible.
- Increase our traceability exercises used as a tool to verify supply chain.
- Extend SEDEX registration further across our seafood supply chains.
- Enhance the supplier food safety audits conducted by our own experts so that they include further monitoring of ethical activities.
- Achieve third party ethical (e.g. SMETA) audits for high risk suppliers where required.



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- Create joint business plans with suppliers to aid training in and continual improvement relating to mitigating modern slavery risks.
- Extend our vessel level crew data questionnaire and risk assessment across more of our supply chains.
- Encourage suppliers at vessel and farm level to achieve certification to a third-party social standard where possible.
- With industry stakeholders and through collaboration, engage with governments, trade unions and human rights NGOs to gather intelligence on modern slavery risk and explore ways to jointly make an impact in prevent human rights breaches.
- Share our experiences and due diligence approach with less experienced foodservice customers to help them capacity build.
- Collaborate with others in the seafood industry to develop tangible joint actions on modern slavery through the SEA alliance.
- Join other collaborative forums that focus on improving human rights, provide useful resources and can have a significant joint impact

Training

- Extend modern slavery training further into our business e.g. to our board members, ethics committee, seafood species experts and senior procurement managers.
- Roll out the Stronger Together modern slavery training to our Workers Consultative Group in our Grimsby site.
- Understand more about responsible recruitment and how it can prevent modern slavery.
- Encourage our suppliers in countries identified as high risk to engage in modern slavery training.
- Explore responsible accommodation provision training for our suppliers where provided and identified as high risk.

Measuring effectiveness

- Develop key performance indicators for monitoring our impact on preventing human rights abuses, including modern slavery.
- Develop tools to monitor progress of suppliers in closing out any non-conformances identified in a NESI or third-party ethical audits.
- Use the United Nations Guiding Principles reporting framework to report our human rights performance.

Signed by Dan Aherne NESI Group CEO

12th March 2019