

Dunbia Modern Slavery and Human Trafficking Statement 2019

1.0 Introduction

1. This statement is made by Dunbia, a division of Dawn Meats Group, in accordance with section 54 of the Modern Slavery Act 2015 and sets out the actions Dunbia has undertaken to manage the risk of slavery and human trafficking from occurring in the Dunbia business or any part of its supply chain.
2. Dunbia recognises that the risks of such abhorrent and abusive practices are real and are perpetrated in a way that make them difficult to detect. Persistent and ongoing vigilance is required so that people working within Dunbia and its supply chains are safeguarded and protected from the potential of such abuse.
3. This report sets out the progress Dunbia has made in the reporting period 1st January 2019 through to 31st December 2019 and the actions proposed for the coming period.

2.0 About Dunbia – Company Structure

4. Dunbia is one of the leading red meat processors in the UK and has been operating as a family business since 1976. In 2017 Dunbia merged with Dawn Meats Group (“Dawn”), another large and highly reputable family business that has been in operation since 1980. Dawn, like Dunbia, prides itself on its strong, board-driven focus on effective Corporate Social Responsibility and sustainable business practises, the governance of which is overseen by the Group Sustainability Executive and led by its CEO.
5. Dunbia continues to meet the expectations of its customers, suppliers and employees, to deliver high standards of ethical trading in its operations and supply chains. The 12 factory sites and the legal entities are listed here:

Legal Entity	Dunbia (UK)
Sites	Dunbia Sawley, Dunbia Preston, Dunbia Llanybydder, Dunbia Dungannon, Dunbia Carnaby, Highland Meats, Dunbia Cumbria, Dunbia Crosshands, Dunbia Cardington, Dunbia West Devon, Dunbia Treburley, Dunbia Halesowen

Dunbia’s values highlighted and illustrated below will support the goal of eliminating the risk of modern slavery from its supply chains.



Dunbia's customers want a supply chain which promotes brand protection and protects their reputation. Having a sustainable supply base means a commitment to nurturing relationships, finding solutions to common challenges and improving standards. Respecting, empowering and engaging people means developing a culture where poor behaviour and bad practices have nowhere to hide. Seeking continuous improvement means always wanting to get better, challenging one another and recognising work well done. Acting responsibly can only be achieved by treating all stakeholders with respect and demanding this respect in return from the supply chain.

3.0 Supply Chain Structure

6. Dunbia's supply chain is rooted in UK agriculture through its sourcing of livestock from over 15,000 quality assured farms across Great Britain and Northern Ireland. Unlike other agricultural sectors, this element of the UK farming sector has a low bought-in labour demand and consists largely of family owned and managed farms.
7. Dunbia buys the majority of its retail packaging and production consumables from key suppliers based in the UK and Europe. Dunbia has identified production consumables as having a diverse supply chain. In 2020 Dunbia will undertake an updated supply chain mapping process to allow enhanced monitoring and management of risk.
8. A growing part of Dunbia's business is the production of added value, ready to cook and meal solutions, which introduces a much more complex global supply chain through the sourcing of other food ingredients. We have a small selected ingredient supply base with chosen partnership suppliers
9. Sourcing labour for Dunbia's operations is a key part of the supply chain. Employing colleagues either directly, or through agency-based labour providers, Dunbia is extremely proud of its workforce and the role they play in making Dunbia the success it is today.

4.0 Policies and Practices

10. Dunbia operates its supply chain in compliance with its ethical trade policy, supplier code of conduct, sustainable procurement policy, supply chain risk management model and suite of supplier screening and tendering process documents. All policies are reviewed and updated as appropriate.

11. Dunbia is an AB registered member of SEDEX and uses this platform to support management of its supply chain relationships with customers and suppliers.
12. Dunbia's standard group purchasing agreement places a contractual obligation on all qualifying new group suppliers to register and link via SEDEX and conduct Self-Assessments Questionnaires.
13. Dunbia has established a Group Ethical Trading Committee, which is responsible for developing Dunbia's ethical trading strategy, annual ethical trading objectives and to review and update the Ethical Trade Strategy and Policies. The Group Ethical Trade Committee reports to the Sustainability Executive.
14. The company has an established independent confidential whistle blowing multilingual hotline which can be accessed by all colleagues either by telephone or by website. Access is available 24 hours per day, 7 days per week, 365 days per year. Posters are located at all key points across all UK sites promoting the need to report wrongdoing at work. It is our ambition and commitment to tackle hidden labour exploitation and abuse. We have multilingual posters located at key points across all sites with a shared telephone number linked to our multilingual hotline. If any contact is made to this number in relation to human trafficking, labour exploitation or abuse, it is immediately escalated to a trusted manager. Our values are prevention, protection and remedy.
15. Dunbia has significantly strengthened its HR team over the course of 2019, creating a robust internal structure comprising of; a HR Director, a Group HR Manager, a Group HR Projects Manager, a Group Ethical Compliance Manager and site-based HR Managers and teams.

5.0 Risk Assessment and Due Diligence

16. Dunbia considers its supply chain in four key constituent elements of agriculture, material suppliers, ingredients, and labour provision. Dunbia has risk assessed each element of its supply chain and has initiated strategies that it considers are proportionate. Dunbia procures through short, direct and transparent supply chains. In 2020 the Group Ethical Trading Committee will reassess the key supply chain risks.

5.1 Livestock and Agriculture

17. Within Dunbia's supply chain the Director of Livestock Procurement is responsible for modern slavery ethics.
18. Dunbia has deemed this supply chain to be low risk regarding modern slavery, as it primarily consists of SME's / family owned farms mainly employing family members.
19. Dunbia are working with industry organisations, such as the Red Tractor Assurance Scheme, to monitor and manage the risk of modern slavery and to take action if and where appropriate.
20. The Dunbia Livestock Procurement team regularly visit farms to build strong relationships and support in selecting cattle and sheep.

5.2 Material supplies

21. A cross functional team, comprising of group Strategic Procurement and Auditory compliance, is responsible for assessing and mitigating the risks of modern slavery in the procurement of non-livestock products.
22. Material supplies represent a significant proportion of annual spend at Dunbia and several key suppliers play a critical role in supplying packaging products that carry product to customers, the retail shelves, and ultimately to the end consumer. Dunbia has assessed these key suppliers as being of critical importance to Dunbia's supply chain and brand, and in 2017 the company engaged its supply base in a new ethical trading agenda.
23. To accelerate change, Dunbia has taken an approach to risk assess its entire supply chain, all high-risk suppliers identified are prequalified and complete a technical based Self-Assessment Questionnaire (SAQ). New high risk and reassessed existing suppliers to the Group will undergo a prequalification process and the request will be made for suppliers to become registered members of Sedex, thus linking with Dunbia.
24. Dunbia has identified that having longer term supply contracts increases supplier trust and transparency.
25. The majority of the paper packaging is certified to FSC or PEFC which include supply chain audits.

5.3 Ingredients

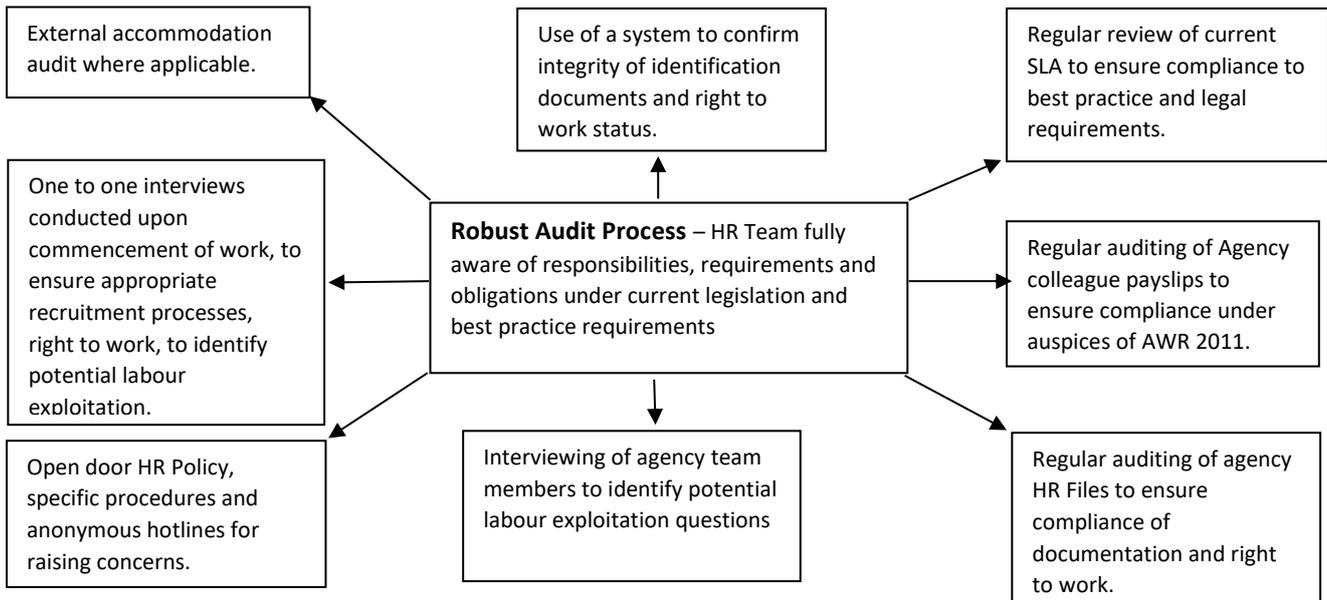
26. Dunbia's use of food ingredients is very small as a percentage of products manufactured. The supply base consists of UK and Ireland based ingredient manufacturers. However, Dunbia recognises that given the nature of the supply chain in the upstream sourcing of commodity ingredient components that this supply chain is both complex and truly global, involving countries where modern day slavery is a higher risk than it is in the UK. Dunbia has committed to becoming a member of FNET identifying key members of the Strategic Procurement team to undertake responsibility to better understand the extensive nature of the supply chain, to become members of the FNET spices and ingredients workstream and to increase their knowledge and engagement in this area. .

5.4 Labour provision

27. Responsibility for managing the risk of modern slavery in the labour supply chain is led by the HR Director, supported by the Group HR Manager, cascaded to site HR and supported by the Group Ethical Compliance Manager.
28. Dunbia currently has over 5,200 employees, and like many food businesses in the UK is required to respond to significant seasonal changes in production demand which calls for a flexible and responsive labour supply chain. Dunbia recognise this is a critical area to manage and continued electronic identity checking of employees in 2019. Identity fraud is common in human trafficking and introducing this control mechanism is designed to both detect and safeguard against the risk of human trafficking. A reliable automated solution for authenticating the integrity of passports,

ID cards, visas and residence permits is in place. This facility allows us to inspect and scan all national and international passports and ID documents currently in circulation. Support is available from the expert helpdesk.

Diagram Outlining Labour Provider Audit and Monitoring Process for 2019



29. Since 2017, Dunbia progressively rationalised the number of agency labour providers it uses and has established a group register of approved labour providers as part of its improved governance process. Labour providers are assessed on a number of criteria including the financial standing of the company as a key indicator of the health and stability of the business. In 2018, Dunbia further developed its engagement of agency labour providers through the rollout of standardised Service Level Agreements.

30. A cultural inclusion forum has been established at head office. This forum includes representatives from each nationality. This group has been trained on Stronger Together and charged with identifying any issues across the site.

31. On the weekly HR call the Group Ethical Compliance Manager updates the regional and site HR managers on appropriate issues arising.

6.0 Training and capability

32. In 2017 Dunbia developed a suite of training materials on modern day slavery and human trafficking as part of its internal awareness raising to combat potential abuse and exploitation of workers, which was rolled out to its managers in 2018. All Dunbia HR managers have received training with the materials in addition to undertaking Stronger Together training.

33. The Group Ethical Compliance Manager attended a Responsible Recruitment workshop in April 2019 in order to identify and implement best practice. Service Level Agreements clearly set out that suppliers shall not charge a worker any 'finders fee' or charge any obligatory fee for providing

work. Additionally, suppliers must be members of an appropriate trade body and are committed to raising the standard of UK labour provision.

34. Dunbia Dungannon facilitated a training workshop to highlight the threats posed by labour abuse and exploitation which local food manufacturing businesses were invited to attend. Key learnings were cascaded to the wider UK team.
35. The Strategic Procurement Team undertook bespoke training in Ethical Trade, this was a cross jurisdictional event.
36. An HR e-learning induction module has recently been developed and will be delivered to all new staff hires.
37. Site HR teams have been proactive in supporting colleagues to apply for the EU Settlement Schemes. This has been a blended approach involving NGO's. It is our ambition and commitment to ensure that all colleagues who wish to reside in the United Kingdom post 2021 are assisted during this endeavour.
38. In 2020 there will be heightened opportunities for potential labour exploitation and abuse due to Brexit which has increased the threat, however our trained HR practitioners and site management teams are acutely aware of potential risk situations and there will be additional vigilance.

7.0 Measuring effectiveness

39. Dunbia measures the effectiveness of its ethical trading initiative through KPIs relating to incidents reported through its whistleblowing hotlines, and its incident management escalation process via its ethical trading committee. Dunbia will continue to develop and refine its success measures in line with its CSR strategy and remains committed to ensuring modern day slavery issues do not occur within the business and its supply chain. This will continue to be a key focus for the business in 2020.

In order to monitor the effectiveness of the steps taken by the business to stop slavery and trafficking taking place in our business and supply chain, we intend to use the following performance indicators: -

- Detailed monitoring /recording of all complaints received via our whistleblowing lines.
- Tracking of ongoing training of existing and new people to ensure full understanding of the commitments of the Modern Slavery Act and ethical trading initiatives. Delivery of in house and external ethical training awareness.
- At least an annual audit of all Labour providers.
- At least an annual review of key supply chain risk assessments
- Increased registration of suppliers on SEDEX platform.
- Commitment to continuous improvement and thus an annual review of our recruitment and induction practices.
- Translation of relevant policies into most commonly spoken languages.

- Tracking the number of longer-term supply contracts.

8.0 Statement Approval

40. This statement has been formally approved by the Dunbia Executive and its shareholders on

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4/12/20

Signed:



Niall Browne, CEO