



UK Slavery and Human Trafficking Disclosure Statement 2018



INTRODUCTION AND OUR ORGANISATION

This statement is made on behalf of Hilton Food Group's UK operations comprising Hilton Foods UK Ltd. and Seachill UK Ltd.

We are publishing this statement as a demonstration of our commitment to anti-slavery practices and an affirmation of the values we hold and adopt across our business. This statement is in connection with the financial year ending 30 December 2018.

Hilton is committed to ensuring that the way we conduct our business and deal with our suppliers reflects our commitment to working in an honest, open and ethical manner. We recognise our social, ethical and environmental responsibilities arising from our operations, as well as our responsibilities towards the welfare of our employees, customers, suppliers and the communities in which we operate. We aim to ensure that the way we run our business prevents and deters any form of modern slavery and human trafficking from occurring anywhere in our business and supply chain.

This statement concentrates on and highlights the improvements and new initiatives taken to tackle modern day slavery within our supply chains.

The Hilton Food Group is headquartered in the United Kingdom with a wider global presence through operations in Europe and further afield in Australia and New Zealand. Hilton Food Group is a leading specialist in food packing, supplying major food retailers from state-of-the-art facilities.

Company history and structure can be viewed from the following link :

<http://www.hiltonfoodgroupplc.com/about-us/history>

Hilton's business model is to source meat, fish and seafood from a local and global base of quality suppliers, which it then processes and packs for onward distribution.

Hilton Foods UK Ltd. operates a meat processing factory in Huntingdon employing approximately 1,200 staff. Seachill UK Ltd. operates 3 fish processing factories in Grimsby producing chilled and frozen fish and seafood, employing approximately 1,400 staff. Seachill also produce under the globally distributed brand "The Saucy Fish Co."

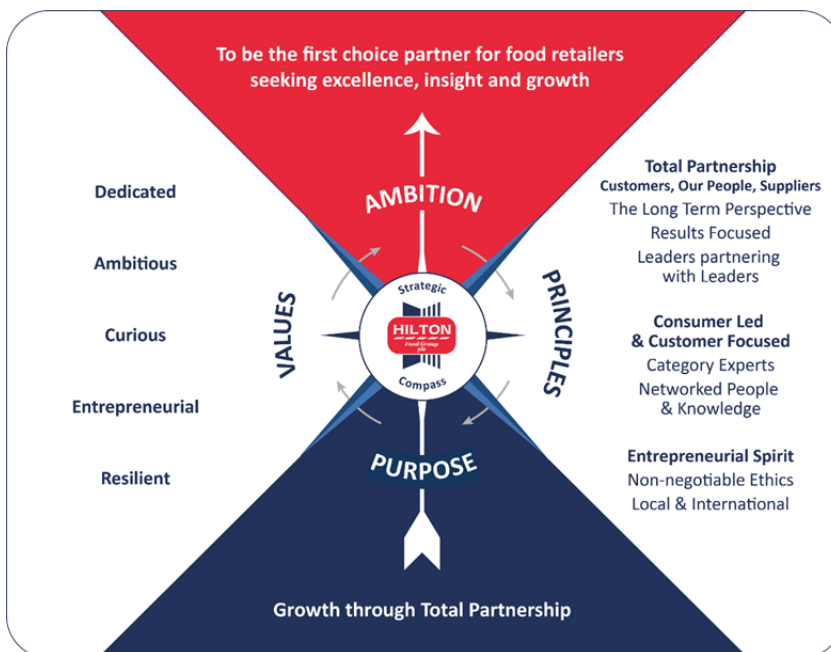


This statement describes the work of both UK companies to address the risk of modern slavery during the 2018 financial year.

OUR APPROACH

Hilton is dedicated to maintaining a fair and ethical workplace for all of our staff and prohibits the use of all forms of forced labour and human trafficking. We ensure compliance with all applicable employment legislation relating to employee recruitment and terms and conditions, including obtaining right to work evidence and guaranteeing that no staff working in the UK are paid less than the national living wage. We provide equal opportunities for employment, training and career development regardless of age, sex, race, religion, ethnic origin or other minority groups.

Where practicable, a flexible approach is adopted to assist employees to manage a successful work/life balance. We also work to achieve continual improvements in health and safety. Hilton requires all its subsidiaries to achieve high health and safety standards within their individual operations and to conduct regular formal health and safety reviews. Hilton's managers and employees review policies, processes and procedures in order to ensure that risks are properly assessed, with appropriate actions taken in order to protect the health and safety of employees. Formal reporting procedures are in place at every site so that Hilton can monitor safety performance at a local level.



At the heart of the Hilton Food Group business is a forward projecting approach presented as a “Strategic Compass”.

This helps map the business direction and highlights how aspects of the strategy link together to shape the business ethics and principles.

OUR SUPPLY CHAINS

Hilton Foods UK Ltd. source raw materials comprising mostly beef, lamb and other food ingredients. The majority of our meat is sourced from within the UK and the Republic of Ireland, but we can also source meat from further afield such as New Zealand.

The fish and seafood for Seachill UK Ltd. is procured from a global supply chain which heightens the risk of purchasing from countries where slavery may be taking place. With this in mind, we take all reasonable steps to ensure we source responsibly.

Both operations procure plastic trays, film, labels and other packaging in addition to production line and automated storage equipment. We source these mainly from long established suppliers who are predominantly based in Europe.

CORPORATE SOCIAL RESPONSIBILITY

Hilton has developed a Group CSR strategy. This includes the development of a broad social and environmental programme with aspects of Environmental Sustainability, Ethics and Authenticity. Hilton Food Group recognises its responsibility, as one of the leading global companies in food processing, to support a balanced and collaborative approach to all aspects of sustainability. Our total partnership approach engages our leadership teams with our customers and suppliers to address the risks and demonstrate best practice. Our commitments show that we take environmental and social sustainability seriously and the progress we make through collaboration will further strengthen our business partnerships and facilitate sustainable growth.

Further details can be found in our published Corporate and social responsibility report:

<http://www.hiltonfoodgroupplc.com/responsibility/hilton-social-responsibility>

OUR POLICIES ON SLAVERY AND HUMAN TRAFFICKING

We are committed to a process of upholding practices against modern slavery or human trafficking in our supply chains or in any part of our business. We commit to acting ethically and with integrity in all of our business relationships. Our commitment is also supported by our ETI (Ethical Trade Initiative) based policies on Whistleblowing, Equal Opportunities & Dignity at Work, Bribery & Corruption, Ethical Trading, Preventing Hidden Labour Exploitation and Modern Slavery. Our anti-bribery and anti-corruption policy contains our commitment to conducting business in an honest way explaining how any suspicious activity can be reported. A whistle-blowing policy continues to operate so that staff can in confidence raise any concerns about any aspect of our businesses.

TRAINING

“Stronger Together” remains the mainstay focus of our training to all staff on Modern Slavery. As Stronger Together develops and information exchange improves, we regularly update our material. Key representatives from our operational, supply chain, and support function departments continue to attend Stronger Together workshops.

Modern Slavery awareness training has been included as a section within our New Starter Induction and forms part of our Employee Refresher Inductions. All new employees watch the Stronger Together video.

Our internal recruiters and Human Resource (HR) personnel have attended the Stronger Together training specifically for recruiter roles. Employment Agencies that we use are all licenced to GLAA (Gangmaster and Labour Abuse Authority) standards and individually audited and inspected by our HR staff.

Employee awareness of Modern Slavery has been supported by the publication of our statement within the “MyHFG” app.

Hilton Food Group are members of the Food Network for Ethical Trade (FNET) and in particular help co-ordinate the FNET working group on Recruitment Fees and Modern Slavery. This group is actively developing supply chain tools and training aids on Modern Slavery and Recruitment Fees. These tools and training are being rolled out to HR teams.

ASSESSING AND ADDRESSING THE RISK OF SLAVERY AND HUMAN TRAFFICKING, PRIORITISING RISKS AND DUE DILIGENCE

Ethics, and in particular Modern Slavery and Human Trafficking, has been increasingly in the international press, and thus public awareness and concerns have been highlighted. Retailers are having to assure their customers that they are doing everything in their power to tackle slavery and trafficking, and thus this engagement escalates down the supply chain where it is often hidden and difficult to find.

Hilton Food Group have been active members of FNET (Food Network for Ethical Trade) since its inception in May 2016 and a Hilton representative has recently been elected onto the Strategic Advisory Group, which will advise the newly formed board, as FNET moves towards a legal entity in its own right.



FNET has been fundamental in promoting collaborative work between suppliers and retailers to develop ethical strategy, training and supply chain engagement tools, but in particular, have developed a risk assessment system that will be published online in 2019 which helps map out supply chains and highlight high risk products and countries.

The FNET system is being introduced globally at Hilton Food Group and forms the basis of pre-competitive collaborative work between global companies and supply chain players. It is a continually evolving and accurate information source for realising and assessing risk.

Following on from our risk assessments we are increasingly requiring third party social audits for high risk supply chains and will measure progress as a business KPI. Our senior technical and commercial teams engage with their peers within our suppliers to raise awareness of modern slavery and to ensure that legal and responsible recruitment, legal and fair terms and high welfare standards for the workers in our supply chains is their first priority.

We expect all our suppliers and other business partners to adopt the same high standards as we do, by ensuring all employees and workers are treated with dignity and respect in a fair and ethical environment. We work to identify, assess and monitor any potential areas of risk in relation to our business and supply chains and carry out regular quality audits of our meat and fish suppliers that includes awareness of safety standards.

Part of our due diligence, transparency and assessment of risk, is achieved by using the Sedex platform for capturing ethical information about our suppliers. Hilton Food Group are AB members of Sedex and continually strive to assure our large supplier base is as a minimum, registered on Sedex, linked to Hilton and have a completed and visible SAQ. High risk suppliers will be required to undergo the Sedex Members ethical audit (SMETA), or equivalent, and make their report visible to Hilton.



Risk assessments, audit results and Sedex status all combine to give us a register of potential high risk sources for raw materials. Dependent on volume usage and cost to the business we draw up a priority list and aim to help such suppliers deliver product that is guaranteed to meet Hilton supply requirements.

As part of our work within ethics Seachill has a representative who chairs the SEA Alliance (Seafood Ethical Action Alliance). This is a group of suppliers, retailers and trade associations (e.g. BRC) who collaboratively tackle ethical issues within the seafood industry.

This alliance is currently co-ordinating a new pre-risk assessment information gathering tool housed within the Sedex framework to capture welfare and work conditions upon fishing vessels. This was part funded by Seachill.

MEASURING OUR PROGRESS

We measure our performance in a number of ways and are further developing measurable indicators which reach out into the global scope of the business.

- Seachill have mapped their supply chain, with all suppliers and potential suppliers, from high risk countries having been risk assessed via the FNET system. We are aware that we purchase some raw materials from high risk rated countries. As an example we have identified China and Turkey as territories that present big challenges. The geographical distance and cultural difference makes it particularly difficult to accurately assess compliance beyond the first tier. However, we have put mitigation protocols in place such as dedicated site evaluation teams, a robust audit system and working in partnership with the suppliers in order to give us high ethical confidence within those countries.
- The mapping of our supply base at other Hilton sites has enabled improved transparency, which is pivotal in maintaining visibility and control. It allows better understanding of our supply chain beyond just the first tier, with ingredients being sourced from proven suppliers, thus giving us an increased due diligence. A core competency of the Hilton business is total partnership with suppliers and customers. Working closely with both, we aim to assure best practice for people working within our supply base. Over the next 12 months we aim to roll out the FNET risk assessment beyond Seachill to the rest of the global Hilton businesses. We will be able to report on progress in the next statement.
- All our high risk suppliers are registered on SEDEX and have completed self-declarations via the Self Audit Questionnaire. These suppliers are all now linked to Hilton within the Sedex framework. All high risk suppliers have completed SMETA (SEDEX Members Ethical Trade Audit) or equivalent audits with agreed action plans.
- All senior managers and directors have undergone Modern Slavery awareness, training 85% of the permanent employees at Seachill UK Ltd. and 93% of the permanent employees at Hilton Foods UK Ltd. This is increased from last years figures of 74% and 51 % respectively. All our agency staff receive this training as part of their induction.

LOOKING AHEAD

We will continue to actively participate within pre-competitive collaborative industry groups to make a difference on Modern Slavery in the food industry. Hilton Food Group are a global player and can demonstrate their commitment to ethical trading through their supply chain considerations and robust and fair site protocols.

This statement is published in compliance with section 54 of The Modern Slavery Act 2015 and was approved by the Board of Directors of Hilton Food Group plc and signed on their behalf by:

Robert Watson OBE

Executive Chairman

21 May 2019