



Modern Slavery Act

JAN—DEC 2020

STATEMENT AND INFORMATION

DOCUMENT



1	Organisational Structure and supply chains	3
2	High Risk Activities	6
3	Risk Assessment and due diligence	7
4	Report on work undertaken in year	10
5	Targets for last year and this year	14

Modern Slavery Act Statement

This statement sets out Pilgrim's Pride Ltd. actions to understand all potential modern slavery risks related to its business and supply chain, the steps it puts in place to ensure there is no slavery or human trafficking and the actions it takes should any issues be discovered. This statement relates to actions and activities during the financial year 1st January 2020 to 31st December 2020. This statement is approved by the CEO and Board of Directors.



1

Organisational Structure and supply chains

This statement covers the activities of Pilgrim's Pride Ltd., thereafter Pilgrim's UK (<https://www.pilgrimsuk.com/>) which is part of the global Pilgrims Pride Corporation. (<https://www.pilgrims.com/>) Pilgrims has headquarters in USA and also owns Moy Park, which is also based in the UK.

Pilgrim's UK provides a wide range of quality, cost effective and innovative products to retail, wholesale and food service sectors across the UK. We are the country's number one producer of higher welfare pigs. Our shared vision with Pilgrims Pride Corporation is to become the best and most respected company in the industry, which creates opportunity for a better future for our team members. It's strategic pillars are based on becoming a more valued partner with key customers, relentlessly pursuing operational excellence, safe people, safe products and healthy attitudes and to develop a unique portfolio of diverse, complementary business models.

Pilgrim's UK foundations and strength lie in its core values of Determination, Simplicity, Availability, Humility, Sincerity, Discipline and Ownership.

We operate across 14 sites in the UK with 5,073 permanent employees with up to an additional 3,000 additional agency workers at peak periods.

We fully support the United Nations Guiding Principles on Human Rights and we are proud to be members of UN Global Compact. (www.unglobalcompact.org) and (<https://www.unglobalcompact.org.uk/>)

Through our Ethical and Human Rights Policy, Modern Slavery Policy and Supplier Code of Conduct as well as working in collaboration with other suppliers and customers, we aim to implement these principles within our business and wider supply chain.



We are members of a number of different associations to help drive work in our business and our wider supply chains.

We are founding members of FNET (Food Network for Ethical Trade) (<https://foodnetworkforethicaltrade.com/>) which helps us to achieve impact within our own and the wider food supply chain.

We also map all our sites and our supplier sites in Sedex (<https://www.sedexglobal.com/>) and all of our sites are subject to an 3rd party independent ethical audit at least every 2 years.

We are members of Slave Free Alliance (<https://www.slavefreealliance.org/>) part of the charity Hope for Justice (<https://hopeforjustice.org/>). The charity exists to support victims of Modern Slavery and also to help businesses improve their work in this area. More detail on work undertaken with them during the year later in this report.

We are also founding members of Bright Future Co-Operative (<https://cityhearts.global/bright-future>). This is now an independent co-operative founded this year with the sole aim of turning victims of Modern Slavery into survivors through paid employment placements, leading to full time employment.



We receive pigs from:

501 RSPCA Assured finishing farms supplied by 81 Outdoor Breeding Farms and 265 Standard Red Tractor finishing farms.

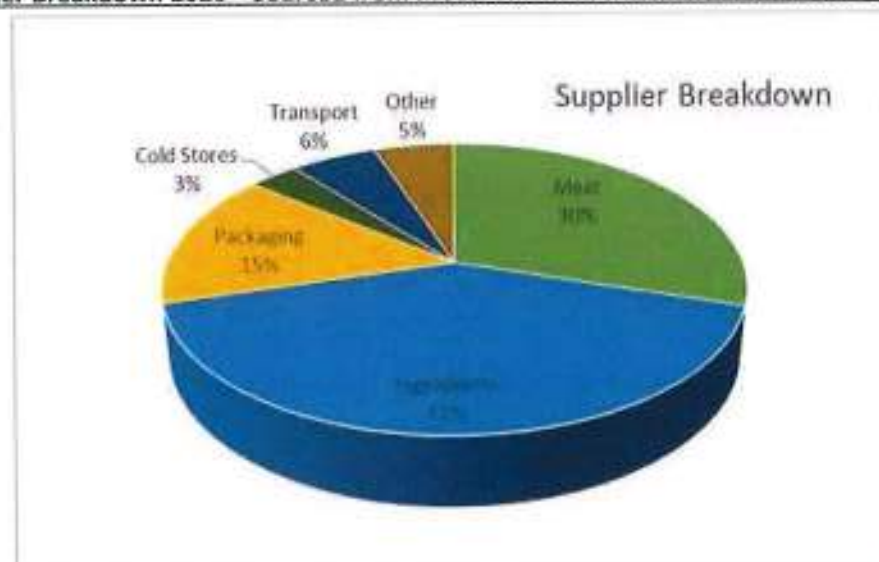
The RSCPA farms are assured to Freedom Food (<https://www.rspcaassured.org.uk/>) and Red Tractor Standards (<https://assurance.redtractor.org.uk/>). The standard Red Tractor Farms would be assured to Red Tractor Standards only.

Our lambs are supplied from 450 farms across Wales and England. Of these 72 farms are certified organic. All our farms are assured to Red Tractor Standards. (<https://assurance.redtractor.org.uk/>).

We also operate our own pig livestock haulage company based in Suffolk which enables us to have true visibility and control throughout our pig supply chain.

We currently deal with 796 suppliers across the group. 67% of these are based within the UK. Our Top 30 non meat suppliers account for 78.5% of our total spend and these are key for us to work in partnership with and also help them build their own capacity in this area.

Supplier Breakdown 2020—Sourced from Procurement of Meat and Non Meat Products





2

High Risk Activities

The following activities are considered to be at high risk of modern slavery or human trafficking

- Typically, as a food manufacturer we do use agency labour on all our sites to cope with peaks in demand.
- The farms that supply pigs and lamb into our supply chain.
- Suppliers within our supply chain where we do not have direct management control. These are suppliers who either supply us ingredients which make up the products that we sell, packaging for these products or other goods or services not for resale.
- Contractors working on our sites but not directly employed by us such as security or canteen staff.
- Transport and logistics companies used to transport raw materials and finished goods.

Highlighted further in the report are the actions we have undertaken as due diligence and risk mitigation in these and other areas during the last year.



3

Risk Assessment and Due Diligence

The risk of modern slavery and human trafficking within our organisation we believe is mitigated as a result of the policies and procedures we have in place and also the knowledge and skills of our employees.

Good practices that are embedded within all Pilgrim's UK sites are

GLAA (Gangmasters and Labour Abuse Authority) (<http://www.gla.gov.uk/>)

- We have strong working relationships with the GLAA. They are responsible for the licensing of labour providers within the food and agricultural sectors in the UK. They also work with the police and other agencies to investigate and prosecute cases of modern slavery and exploitation.
- Our Human Rights Manager sits on the Labour Providers and Users Advisory Board which works to implement best practice and learnings within the industry.

Stronger Together (<https://www.stronger2gether.org/>)

- Stronger Together awareness raised at all inductions
- Stronger Together deeper training carried out by all site HR staff
- Additional training completed by all Supervisors and Line Managers
- Posters displayed on all sites in multiple languages
- Independent 3rd party whistle blowing hotline available in multiple languages
- Checks carried out on addresses and bank accounts by payroll staff at start of contract

We are active associate members of the ALP

(Association of Labour Providers - <http://labourproviders.org.uk/>) and have hosted training events and seminars on our sites and staff across the group have attended.



Employment Agencies

- Annual agency internal audit by our HR Team which includes interviews of random workers
- Annual 3rd party agency audit which includes interviews of random workers and check on both the site and Head Office operations of agencies we use
- Primarily one agency at each of our sites with a strict Service Level Agreement in place with a commitment to Modern Slavery Prevention
- Annual agency worker surveys which include Stronger Together related questions
- Strong compliance culture within the agencies and a close working relationship with the GLAA.
- Working together to solve issues on a practical basis and remediate where required

SEDEX - (<https://www.sedexglobal.com/>)

- SMETA ethical audits on all our sites every 2 years. A number of our sites have additional ethical audits in place in line with their customers specific requirements.
- Pro-active response internally to address issues before an audit
- Members of the Sedex Stakeholders Forum which works to improve standards and provide clarity in interpreting the standards.
- Requirement of all suppliers to Pilgrim's UK with over 30 employees to be linked with us on SEDEX and share results of SAQ's and audits



Employees

- We have Trade Unions present on some sites and use other methods of working in partnership with staff on all other sites, such as works councils or People's Forums and actively promote and support employee engagement
- Dignity at Work – All employees are expected to work with integrity and respect for each other. All employees receive Dignity at Work training as part of their induction and are free to raise any issues with the management team on site or to utilise the whistleblowing line.
- We have opened up our whistle blowing line to our Outdoor Bred farming community and any other stakeholders of our business who wishes to raise a complaint or grievance (<https://secure.ethicspoint.com/domain/media/en/gui/56598/index.html>)
- Bi-annual surveys of employees and action plans developed to implement any required changes as a result of these

The processes and procedures on the previous page are under the responsibility of the VP HR, Site HR Managers and the Human Rights Manager.

Listed on the following pages are the issues we have uncovered during the year and the work we have done to mitigate the risks across our business and supply chain.



4

Report on work undertaken in year

Modern Slavery Victims At Linton Site

As a result of a supervisor raising concerns with the site HR Manager about a member of our agency team, we promptly launched an investigation into a possible victim of Modern Slavery working on our Linton site. Our Human Rights Manager attended site to investigate further and we discovered a number of other potential victims in a similar situation. We interviewed all of these people and made the decision that they were potentially victims of Modern Slavery and also being exploited by their controller as they were only earning £50 per week. The GLAA attended site to speak to the victims.

As a result of the joint investigation we discovered 16 people who had been trafficked into the country. None of the victims were willing to go into the National Referral Mechanism. We offered them all permanent contracts with them and together with the GLAA and local police we retrieved all their property and placed them into hotels for their own safety during the course of the investigation. We also discovered that they had been forced to work 2 days a week at another local business, so enabled them to get all the earnings they should have got from both employers, rather than what they were given by their controller.

We supported these victims into finding their own accommodation near the site and in a safer area away from the controller and also dismissed 3 people who were working with the controller on our site. Further investigations were carried out on the site to ensure that there were no more victims working on the site.

Currently the case into the controllers involved is ongoing with the GLAA and police.

Checks were also carried out at the nearby Bury St Edmunds site to ensure that there were no workers being exploited there and involved with the same controller.



Slave Free Alliance

Working with the Slave Free Alliance we conducted a full gap analysis on our policies and procedures. This involved cross functional working between HR, Procurement, Training and site operational teams. The results have given us some priority focussed work for the next year. More detail is given later in our targets for 2021 but the main focus is on a Modern Slavery Victim Support Framework to be rolled out within the group. We will also work to clarify our requirements and give good practice examples to be included in our new supplier set up process.

We also worked with Slave Free Alliance to develop awareness training for our farming community on spotting the signs of Modern Slavery and what to do if you spot them. This is in the process of being rolled out through our pig and lamb supply chains.

Unannounced audits

We have continued this year with 5 unannounced welfare audits at our sites. We interviewed random samples of workers to check on ethical and working standards and to ensure Modern Slavery policies and procedures were being correctly followed and were understood by our colleagues. Also as an additional check on their welfare. No further issues were uncovered during this. We will continue this through the next year to cover all our sites on a bi-annual basis.

Bright Futures

We are proud business partners of the Bright Futures scheme (<http://brightfuturesuk.org/>)

This enables victims of Modern Slavery to return to work via a paid 4 week placement and if desired a non competitive interview for a role once satisfactorily completed. This year we have placed 16 people at across Ashton, Corsham and Linton sites, 10 of these went on to secure permanent employment and have become valuable members of our teams. During this year our Human Rights Manager was elected to the board of the newly founded Bright Future Co-Operative and work is ongoing to set this up to be fully independent and operational.



Modern Slavery Intelligence Network

Working together with retailers such as M&S, Co-Op and Sainsbury's and other progressive suppliers we have set up a pilot project to share intelligence on Modern Slavery and exploitation within the UK. The idea is to work together to disrupt criminal networks and assist law enforcement in identifying patterns of activity. The group has been set up for a pilot of 18 months and is currently working on structure, legal issues and finding the correct partners to work with.

Sharing Best Practice

Our approach to dealing with victims of Modern Slavery has been showcased in case studies by a number of our retail customers including Tesco and Co-Op. Our Human Rights Manager has also spoken at a number of events to highlight our work in this area and share our learnings across the wider food supply chain.

Stronger Together Reporting Tool

We have increased our score from 60% to 81% during 2020. This has been due to the focus from the group on remediation and having the correct policies and procedures in place to support victims of Modern Slavery.



Supply Chain

We are proud to be founding members of FNET (Food Network for Ethical Trade) (<https://foodnetworkforethicaltrade.com/>). This is a supplier led initiative with over 45 suppliers and 10 retailers as members which focusses on improving human rights within supply chains. We use the risk assessment tool to assess human rights risk within our business and work as part of collaborative working groups to tackle issues within our supply chains. Our Human Rights Manager has been elected as a board member.

The main areas of focus for work in supply chains is Risk Assessment and Worker/Supplier Engagement. We are leads within the engagement group.

We also lead on work supporting the food industry through the COVID pandemic. We lead on the project to set up Food, Farm Help (<https://foodfarmhelp.com/>). This project held 2 webinars aimed at producers and growers/farmers and developed guidance for use across the industry on dealing with cases, risk assessments and best practice guides. The webinars were attended by over 400 people and there are over 1,200 subscribers to the website. The project collaborated with public health officials, trade bodies, retailers and suppliers.



Temporary Labour Agencies

We have a full programme of audits at all agencies who supply us with labour. This year those have not taken place due to COVID restrictions at our sites. These will be completed for all our sites in 2021. Our internal HR Team also undertake internal audits on our labour providers during the year as well.

Farms

We have continued to work with our farmers on their processes and procedures around Modern Slavery and to improve visibility of the topic. Our whistle blowing line is now available to all our Outdoor Bred Farmers and other interested stakeholders to report any issues. This year we developed in partnership with Slave Free Alliance specific training aimed at our farming community to broaden their knowledge of Modern Slavery and how they can spot this within their own farms, and more importantly what they should do if they suspect something. This will be rolled out through the course of the year to our own farming community partners in our pig and lamb supply chain.



5

Last Year's Targets

Undertake a Human Rights Risk Assessment on our supply chain

Use to develop priorities of working and develop into a reportable format



All suppliers with over 30 employees to be linked on Sedex and have a valid audit

Target of 85% linked and 40% with an audit



Increase the number of Modern Slavery victims supported by the business

Increase 50% on last years placements and the number converted to full time employment





5

This Year's Targets

Update and refresh
Modern Slavery
Training for
supervisors and
managers

100% of supervisors
and managers to
complete in 2021

By Sept 2021

Create and train
Modern Slavery
Victim Support
Framework

Set up internal team
to support Human
Rights Manager to
deal with cases of
Modern Slavery

By July 2021

Train Procurement
Team in the impacts
of Modern Slavery in
our supply chain

Train Meat and Non-
Meat Procurement
Teams in the impacts
of Modern Slavery

By June 2021



Board Approval

This statement is made pursuant to section 54 (1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year and has been approved by the Board of Directors on 9th February 2021.

CEO Signature

CEO Name

ANDREW CRACKNELL

DATE

02/03/2021



Valid for: Pilgrim's Pride Ltd. (Pilgrim's UK) and all subsidiaries

Owner: Andy York, Human Rights Manager

Approved: Group HR VP and CEO

Document type: Modern Slavery Statement

Reference: Modern Slavery Act 2015

Approval date: February 2021

Controlled: Uncontrolled If Printed, Confidential for the use of Pilgrim's Pride Ltd. and Pilgrim's Pride Ltd suppliers only

Version: 1.00

Pilgrim's Pride Ltd. shall periodically review our Policies in order to ensure its continued adequacy and relevance for our business. The most recent version will always apply.