



MODERN SLAVERY STATEMENT

2024/25



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Introduction



FROM OUR GROUP CO-CEO, DARYUSH FARSHCHI

As geopolitical and climate instability continue to heighten vulnerabilities and increase the risk of human rights violations, our sixth Modern Slavery Statement demonstrates dps' unwavering commitment to collaboration and partnership in tackling debt bondage, forced labour, slavery and human trafficking risks across our global supply chain.

Founded in 1977, dps has been a fresh produce supplier to UK supermarkets for over 45 years. Through our strategy of being the first-choice partner for responsibly sourced, quality produce, we source from over 40 countries and touch the lives of more than 400,000 people working within our supply chain.

This statement, prepared in accordance with Section 54 of the Modern Slavery Act 2015, outlines the steps we have taken to identify, prevent, and mitigate modern slavery risks during the dps financial year 2024/25 (between 1st October 2024 and 30th September 2025).

The hidden practice of modern slavery and human exploitation is endemic and complex, particularly within global agriculture supply chains. We know that we cannot tackle the risks alone and recognise the power of multi-agency collaboration.

In the last year, we are proud to have joined the Modern Slavery Intelligence Network (MSIN) and retained our Stronger Together Advanced Business Partner status, while continuing to participate in and fund important industry initiatives, including the Food Network for Ethical Trade (FNET) and the UK Seasonal Workers Scheme (SWS) Taskforce.

Our continued focus on the UK as a priority de-risking supply chain has enabled significant progress in deepening our prevention and mitigation strategy, including targeted supplier accommodation assessments and complementary modern slavery capacity building.

Looking ahead to 2025/26, we have ambitious plans to strengthen and upskill our responsible sourcing team and enhance due diligence systems to improve transparency and risk identification. I am optimistic that my commitment to sponsoring our new Group ESG committee will support stronger governance and oversight, alongside expanded team, supplier, and worker engagement, to better identify and address modern slavery risks by country and by region.

This statement has been approved by the Direct Produce Supplies Limited (dps) Board of Directors.

A handwritten signature in black ink, appearing to read 'Daryush Farshchi', is positioned below the approval text.

GROUP CO-CEO, DARYUSH FARSHCHI





Our Business & Supply Chains

THE FIRST CHOICE PARTNER FOR RESPONSIBLY SOURCED QUALITY FRESH PRODUCE

Direct Produce Supplies Limited ('dps'), a subsidiary of Terradace Holdings Limited ('Group'), operates solely in the UK and employs 140 experts across commercial, procurement, logistics, supply chain, finance, human resources, IT, technical and responsible sourcing functions.

COMPANY STRATEGY AND VALUES

In a fragmented global landscape – politically, economically and environmentally – Operating Responsibly remains at the centre of our company strategy and values. Our approach to sustainability reflects our commitment to minimise our environmental footprint and maximise our positive social and ethical impacts.

Our value of developing the best people ensures that our team create and deliver plans that promote growth while fostering a culture of trust, transparency, and integrity throughout the supply chain. We uphold the highest ethical trade and human rights standards, aligned with the United Nations Guiding Principles on Business and Human Rights (UNGPs), to ensure that the people within our business and wider supply chain are protected, respected, and always treated fairly.

OUR GLOBAL SUPPLY CHAIN

Working closely with our customers, the dps team coordinate a complex global supply chain to deliver year-round consistent quality and availability of berries, salad, stone fruit, exotic fruit, cherries, kiwi fruit, chestnuts, samphire and sweetcorn for UK shoppers to enjoy. During the reporting year, we sourced from 40 countries across key regions in Europe, Africa, North and South America and Asia.

To continually enhance supply resilience for our customers, deliver the best returns for growers, and offer the freshest product to shoppers, we aim to increase the volume of product packed into final packaging at source each year. In total, 113 tier 1, primary packing sites in Europe and North Africa were used, with products either consolidated in the UK for a short time or delivered directly to retail customer distribution centres from the source country.

58% of countries sourced from were categorised as high risk, and 30% of all production operations (grower and packhouse sites) were in high-risk countries, based on the Food Network for Ethical Trade (FNET) risk rating tool.



STRATEGY & VALUES

TO BE THE FIRST CHOICE PARTNER FOR RESPONSIBLY SOURCED QUALITY FRESH PRODUCE



FIRST FOR CUSTOMERS

Delivering today
Imagining tomorrow

DEVELOPING THE
BEST PEOPLE



FIRST FOR GROWERS

The best growers
Strategic partnerships

PASSION



OPERATING RESPONSIBLY

Positive social & ethical
impact
Minimising our environmental
footprint

TRUST & TRANSPARENCY



MARKET LEADING INNOVATION

Creating consumer value
& IP
Delivering tomorrow

EXPERTISE & INNOVATION

Our Human Rights Due Diligence Approach

SERIOUS INCIDENTS, ALLEGATIONS & REMEDIATION

Our Serious Incident and Allegation Management Policy was introduced in the previous year, to define a consistent and coordinated approach to protecting and remediating potential and/or confirmed victims of serious human rights violations. Our policy outlines our intention to ensure that any serious incidents and allegations, including modern slavery, are investigated with a victim-centric approach and, where appropriate, reported to the police and the Gangmasters and Labour Abuse Authority (GLAA).

Our policy also outlines the process for informing and collaborating with our customer, technical, and human rights teams. In the forthcoming year, we plan to expand the scope of this important policy and response plan with our Tier 1 suppliers to help them develop their own response plans.



OUR POLICIES

Our human rights due diligence, ethical trade, and responsible sourcing approach is implemented through our policies, outlining commitments and requirements within our business and our upstream supply chain.

Our policies recognise and embed customer requirements and international standards, including the [ETI Base Code](#), the [UN Guiding Principles on Business and Human Rights](#), the [International Labour Organisation \(ILO\) Forced Labour Indicators](#), and the [ILO Fundamental Principles and Rights at Work](#).

The dps Ethical Trade and Human Rights Policy and Supplier Code of Practice outline mandatory requirements for suppliers to manage responsible recruitment, build capacity through modern slavery training, and, where relevant, provide labour provider and/or scheme operator declarations.

The dps policies related to modern slavery are:

- Ethical Trade and Human Rights Policy
- Supplier Code of Practice
- Operating Responsibly Policy
- Serious Incident and Allegation Management Policy and Procedure
- Anti-Harassment and Bullying Policy
- Grievance Policy
- Whistleblowing Policy
- Recruitment Policy

GOVERNANCE

Human rights due diligence strategies and policies relating to modern slavery are developed and reviewed at least annually by the Group Head of Responsible Sourcing, the Ethical Compliance Manager, and the Group Head of People and Development, in consultation with the Group Technical Director. Our 2025/26 plan to enhance governance and insight includes the introduction of Group technical steering and an ESG committee.

The review process evaluates the effectiveness of policies and responsible sourcing practices to identify and manage modern slavery, human trafficking and forced labour risks.

Responsibility for ensuring that relevant policies are upheld and implemented across our business and global supply chains lies with the dps technical, responsible sourcing and human resources teams as follows:

- The Group Head of People and Development is responsible for developing, approving and communicating all internal business-related policies to employees.
- The Group Head of Responsible Sourcing is accountable for approving supply chain ethical, human rights and modern slavery due diligence requirements.
- Our Ethical Compliance Manager is responsible for developing, communicating and updating requirements, monitoring supplier compliance, investigating serious issues, participating in industry engagement and identifying improvement priorities.
- A team of Compliance Coordinators are responsible for reviewing supplier due diligence, completing risk assessments, ensuring primary and high-risk site audits are booked and supporting suppliers to close out non-conformances (NCs) within agreed timescales.

Assessing & Managing Modern Slavery Risks



MODERN SLAVERY RISK IN OUR SUPPLY CHAIN

Our approach to identifying, preventing, and mitigating risks relies on effective horizon scanning, including monitoring media allegations and supply chain incidents and analysing inherent risk data. The continued evolution of our Operating Responsibly strategy to manage risks reflects the insights and issues that matter most to our customers and suppliers as key stakeholders, and workers as principal rightsholders, through proactive, regular multi-level engagement.

In the past year, our end-to-end supply chain transparency and due diligence approach has enabled a deep understanding of the most salient modern slavery and human trafficking risks within our supply chain. Responsible recruitment, forced and child labour, worker voice and grievance mechanisms have all been identified as priority focus areas as part of our human rights due diligence and modern slavery risk management approach.

To manage salient risks, we have developed enhanced due diligence and modern slavery risk prevention strategies in partnership with our customers and suppliers. The use of seasonal labour and decent accommodation in the UK has remained a priority risk area.

This year, we undertook a further five accommodation risk assessment visits and, where relevant, monitored the outcomes of Home Office GLAA site visits. Through face-to-face visits and proactive, regular engagement with all UK suppliers, we continue to identify opportunities to improve accommodation standards for workers and have consistently promoted best practice worker engagement, advocated for Stronger Together training, and encouraged attendance at SWS taskforce grower roadshows.

Globally, we used our Ethical Trade and Human Rights Risk Assessment (ETHRRA) tool to assess inherent and site-level modern slavery and human rights risks. During the reporting period, we paused its use to address efficiency and usability challenges to make targeted revisions by automating the risk assessment process.

We acknowledge that planned actions to develop a supplier self-assessment questionnaire and prioritise site de-risking plans were not completed during the reporting period. These actions will be reassessed and updated in the next reporting period.

MODERN SLAVERY RISK IN OUR BUSINESS

Within our direct UK operations, we consider the risk of modern slavery to be low, as all team members are directly employed. As such, our focus within the business is on building capacity to identify and manage modern slavery risks within our supply chain. We do this by collaborating to share risk-based insights across our Group, ensuring sufficient resources for effective risk management, and equipping our people to identify and spot the signs of modern slavery through training. In addition, we publicise information about the Unseen Modern Slavery Helpline and our SeeHearSpeakUp whistleblowing channel across our offices.



LOOKING AHEAD

In the year ahead, the scale of our supply chain requires us to rethink how we assess and manage human rights and modern slavery risks. We have commissioned an independent human rights expert to review our Group-wide human rights due diligence framework, which will inform a strategic reset. We have also expanded our responsible sourcing team with two dedicated Human Rights and Ethical Trade Managers, enabling us to identify emerging risks and appropriate mitigation measures better.

We will review and update our supply chain risk assessment methodology to further align with the UN Guiding Principles on Business and Human Rights, adopting a people-centric approach that prioritises saliency, severity, likelihood and remediability. This will support the development of targeted, country-specific plans to prevent adverse human rights and modern slavery impacts that we may cause, contribute to, or be directly linked to through our operations, sourcing practices, and business relationships.

Modern Slavery Due Diligence

SUPPLIER DUE DILIGENCE REQUIREMENTS

All dps approved suppliers sign a Code of Practice annually, which includes the Ethical Trade and Human Rights Policy and specific requirements related to modern slavery risk management, responsible recruitment, third-party audits, and grievance mechanisms. UK suppliers are also required to provide a scheme operator declaration. Suppliers are required to be Sedex (Supplier Exchange Data Exchange) registered and to complete a Self-Assessment Questionnaire (SAQ), updated annually, which provides site-level risk data, including the use of labour providers, workers' ability to join trade unions, and grievance mechanisms.

dps primary (tier 1) supplier sites in high-risk countries are required to complete a third-party social audit before commencing supply, and annually thereafter. Further, all secondary packing sites and growers in high-risk and a number of medium-risk countries (based on risk assessment) are third-party audited, on a semi-announced basis at least annually.

Where critical non-conformances and Collaborative Action Required (CAR) findings are raised (including those associated with responsible recruitment, labour, and the payment of wages), suppliers are supported in developing immediate and sustainable action plans. Serious incidents, allegations, and compliance are monitored and, where relevant, serious concerns are reviewed and escalated during weekly meetings, senior management (board) meetings, and end-of-season supplier reviews.

ENHANCED DUE DILIGENCE OF UK SUPPLIERS

The widely documented risks of forced labour and debt bondage within UK labour supply chains have informed the requirements for enhanced due diligence of UK suppliers over the last 3 years.

Beyond our core requirements for all global dps approved suppliers to sign our Code of Practice, complete an SAQ as a registered Sedex member, and undergo social audits (where required). The additional measures taken during the reporting period to prevent and mitigate modern slavery risks with UK suppliers include:

- Undertaking supplier visits to assess risk management practices and identify clear areas for improvement, including accommodation standards.
- Promoting the Just Good Work App, the Unseen Modern Slavery Helpline and customer whistleblowing policies.
- Advocating attendance at industry collective action initiatives, including the Seasonal Worker Scheme (SWS) UK Grower Roadshows.
- Raising awareness of available training offered by Stronger Together, the Responsible Recruitment Toolkit and the Association of Labour Providers.

WORKER VOICE & EFFECTIVE GRIEVANCE MECHANISMS

Our Supply Chain

Strengthening worker voice remains an important mechanism to identify modern slavery risks within our supply chain. In line with the ETI Base Code and ILO Declaration on Fundamental Principles and Rights at Work, it is a dps requirement for suppliers to have grievance mechanisms in place and a freely elected worker committee or trade union where there are more than 50 workers.

Our objective is to increase worker voice in the supply chain by raising awareness and assessing effectiveness through on-site supplier visits, third-party audit findings, direct worker interviews and working with suppliers to implement improved systems. We also promote a culture of transparency by building strong supplier relationships and encouraging open communication.

In the past 12 months, we have identified one allegation of modern slavery within our supply chain, raised through a supplier's whistleblowing hotline. As part of the serious incident response plan, an unannounced ethical audit was undertaken by modern slavery experts, which concluded that no evidence was found of modern slavery. Corrective actions and recommendations were agreed with the supplier and closed out satisfactorily.

Our Business

In the reporting period, we did not identify any dps related workplace grievances raised through our internal whistleblowing system. Providing a space to ensure that all employees' voices are heard is very important to us. dps complete an annual engagement survey (with full anonymity) and in-person employee focus groups. The engagement score during the reporting period was 93%. Feedback from the focus groups is used to improve conditions and benefits, for example, hybrid working, access to health benefits and the introduction of a Line Manager Academy and Group-wide future leaders programme.

STRONGER TOGETHER PARTNERSHIP

We strengthen our modern slavery due diligence and risk management approach through the use of Stronger Together frameworks. We are proud to have maintained our Stronger Together [Advanced Business Partner status](#) for a fifth year.

In the year ahead, we will undertake Stronger Together's Organisational Progress Assessment. This will verify our progress in addressing modern slavery risks, highlight areas for improvement, and inform future targeted actions as we work towards our long-term ambition of achieving Stronger Together Verified Business Partner Status.



Raising Awareness & Building Capacity

TRAINING AND UPSKILLING OUR PEOPLE

We continue to raise awareness of modern slavery within our organisation and within our supply chains by providing managers and teams with the knowledge to identify activities and behaviours that may be linked to exploitation.

In the last year, we have made progress with equipping the dps teams that regularly engage with suppliers and workers with the knowledge and skills to identify signs of modern slavery. Modern slavery awareness now forms part of our Line Manager Academy training; during the reporting period, 18 people managers were trained on how to spot the signs and appropriate actions to take.

Following the launch of SMETA 7.0 in late 2024, 8 members of the responsible sourcing team accountable for supplier due diligence approvals, audits and policy development were trained on the ETI Base Code principles and SA8000 social systems audit methodology (including labour requirements) by an external lead social systems auditor.

MULTI-STAKEHOLDER ENGAGEMENT

To expand our knowledge and ability to assess and manage modern slavery risk, we continue to align our business practices and collaborate with external stakeholders and multi-agency collective action groups, including The Food Network for Ethical Trade (FNET), Stronger Together, the Seasonal Worker Scheme (SWS) Taskforce and the Spanish Ethical Trade Forum.

As part of our collective action engagement, we have remained active contributors to the FNET Climate Risk and Human Rights, Responsible Recruitment and the Common Due Diligence Tools Working Groups.

MODERN SLAVERY INTELLIGENCE NETWORK

In the past year, we finalised our membership to the Modern Slavery Intelligence Network (MSIN). MSIN are a multi-agency non-profit collaboration, established to enable strategic intelligence sharing across the UK food and agriculture supply chain. MSIN aim to generate new insights and take action to protect the people most vulnerable to exploitative labour practices. As we further step into our role as members in the forthcoming year, we aim to increase our contribution to intelligence sharing and build our capacity to ensure the continued disruption of concealed modern slavery activities within the UK.

UPSILLING OUR SUPPLIERS TO IDENTIFY NEW RISKS

Beyond the UK, in Peru, our Responsible Sourcing Manager has adopted an innovative horizon scanning approach, including monitoring social media channels and upskilling suppliers on the risks associated with unregulated labour recruitment practices. Through regular site visits, worker interviews, and trade union engagement, we have significantly increased our risk-based insights in the region to inform future prevention and mitigation strategies. We will report on our developments in this area in our statement.

LOOKING AHEAD

In the coming year, we will continue to promote supplier participation in Stronger Together training across Spain, South Africa, and the UK, while strengthening monitoring of engagement and impact. We will upskill our people by reinvigorating the Modern Slavery Champion role, introducing Advanced Stronger Together training for senior managers, and launching a renewed approach to supplier engagement in additional regions, through targeted webinars and in-person events.



Measuring our Positive Ethical & Social Impacts

Since 2021, we have used the following KPIs to measure our impacts and assess the effectiveness of our modern slavery approach. Due to the discontinuation of the Stronger Together Progress Reporting Tool, this metric was not reportable during this period. Our KPIs will be updated to reflect our revised HRDD approach for 2025/26.

ETHICAL TRADE, HUMAN RIGHTS & MODERN SLAVERY DUE DILIGENCE

MEASURE	23/24	24/25	IMPACTS	2026 ACTIONS
% suppliers in high-risk countries who are third-party audited	100%	98%	Derogations were granted to 2 suppliers (2%) due to approved service-provider audit capacity constraints. Both audits were completed between Oct-Nov 2025.	Continue to ensure full compliance with ethical audit requirements for suppliers in high-risk countries.
No. third-party audits completed in high-risk supply chains	409 audits	341 audits	SMETA or SIZA audits were completed across tier 1 and tier 2 packhouses and farming operations in high-risk countries.	Use audit findings to identify trends in CARs and non-conformance linked to modern slavery risks. Develop targeted action plans, including new KPI.
No. suppliers who have attended Stronger Together Training	Not reported	6 suppliers	All tier 1 and tier 2 UK and South African suppliers are expected to undertake Stronger Together modern slavery training at least once every 3 years.	Continue to promote supplier participation in Stronger Together training, and track attendance accurately.
No. salient modern slavery risks (countries and vulnerable people) identified via human rights risk assessment	4 key countries: Columbia, Ivory Coast, Peru & Turkey	Not reported	Human rights risk assessment tool not used during reporting year, due to strategic focus on the UK supply chain.	Update risk-assessment methodology and KPIs for 2025/26.
No. serious incidents and allegations by reporting channels	10 incidents or allegations (not all modern slavery)	1 allegation	Suspected modern slavery case was raised via a supplier whistleblowing channel and was found unsubstantiated following independent investigation.	Assess grievance mechanism effectiveness across the supply base and embed serious-incident/allegation procedures business-wide and with Tier 1 suppliers.

Our 2025/26 Priorities



Over the next 12 months, we will focus on five key areas to reset our modern slavery approach. To continually respond to emerging risks, we need to adopt a more agile, proactive approach that goes further than ever by embedding a consistent risk identification and prevention strategy across our entire global supply chain.



1

RESPONSIBLE SOURCING TEAM & GOVERNANCE

- Upweight and upskill our ethical and human rights resource
- Increase senior leadership and board-level oversight through a new ESG governance framework, including modern slavery steering

2

HUMAN RIGHTS DUE DILIGENCE REVIEW & STRATEGIC RESET

- Complete an independent human rights due diligence strategic review by external human rights experts
- Refresh the human rights and modern slavery strategy to better align to the UNGPs

3

SUPPLY CHAIN TRANSPARENCY & RISK ASSESSMENT

- Implement new AI-driven supply chain management systems to enhance transparency
- Redevelop the human rights and modern slavery risk assessment process and use this to inform salient risks and priority regions for action

4

BUILDING CAPACITY & SUPPLIER ENGAGEMENT

- Appoint new Modern Slavery Champions to increase internal accountability and awareness
- Strengthen participation and monitoring of Stronger Together Training across the business and with suppliers in Spain, the UK and South Africa.
- Enhance in-country and online supplier engagement programmes, focused on new priority regions
- Embed serious incident, allegation and remediation procedures with Tier 1 suppliers

5

IMPROVED IMPACTS & MONITORING PROGRAMME

- Update horizon scanning approach and KPIs aligned to new priorities
- Automate periodic reporting through Power BI dashboards
- Proactively share risks, insights and performance with external and internal stakeholders throughout the reporting period.