



# Modern Slavery Statement

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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 first Modern Slavery Statement demonstrates fpp's commitment to collaboration and partnership in tackling debt bondage, forced labour, slavery and human trafficking risks across our global supply chain.

Founded in November 2021, fpp have been supplying fresh produce to UK retailers, processors, food servicers and wholesalers for over 5 years. To deliver on our ambition of offering the best and freshest produce in the most sustainable way, we source from over 25 countries and touch the lives of over 200,000 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 fpp financial year 2024/25 (between 1<sup>st</sup> October 2024 and 30<sup>th</sup> 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-stakeholder collaboration.

In the last year, we are proud to have joined the Modern Slavery Intelligence Network (MSIN), while continuing to participate in and fund important industry initiatives including the Food Network for Ethical Trade (FNET).

Recognising the risks within the UK agriculture sector, this year we have focused on de-risking our UK supply base through an enhanced due diligence approach.

Looking ahead to 2025/26, we plan to build a clear modern slavery roadmap. This will include strengthening our responsible sourcing function, upskilling our teams and suppliers, and enhancing our due diligence systems to improve transparency and risk identification.

I am optimistic that this increased engagement, together with my sponsorship of our new Group ESG committee, will enhance governance and oversight and help us better identify and address modern slavery risks by country and by region.

*This statement has been approved by the Terradace Holdings Limited Board of Directors.*

A handwritten signature in black ink, appearing to read 'Daryush Farshchi'.

Daryush Farshchi, Group Co-CEO

27<sup>th</sup> February 2026

# Our Business & Supply Chains



Fresh Produce Partners Limited ('fpp'), a subsidiary of Terradace Holdings Limited ('Group'), operates only in the UK and employs 31 experts across commercial, procurement, finance and technical functions.

## Company strategy & values

In a global landscape characterised by political, economic and environmental uncertainty, **Operating Responsibly** remains at the heart of fpp's strategy and values. Our approach to sustainability reflects our commitment to minimising our environmental footprint and maximising our positive social and ethical impacts.

We put this commitment into action through ensuring that our teams and partners across the world behave in a socially, ethically and environmentally responsible way. We aim to uphold the highest ethical trade and human rights standards and align our policies and practices to the ETI Base Code to ensure that everyone within our business and wider supply chain is protected, respected, and always treated fairly.

## Our global supply chain

Working closely with our customers, the fpp team coordinate a complex global supply chain to deliver year-round consistent quality and availability of berries, ambient salads, stone fruit, exotic fruit, top fruit, cherries, kiwi, pumpkins and avocados for shoppers to enjoy.

During the reporting year, our strategic partnerships with 86 suppliers and 2,011 production operations across 22 countries supported sourcing from key regions in Europe, Africa, and South America.



To continually enhance supply resilience for our customers, deliver the best return for growers, and offer the freshest product for shoppers, we aim to increase the volume of product packed into final packaging at source every year. In total, 83 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.

Using the Food Network for Ethical Trade (FNET) country matrix to determine ethical risk by country; 41% of countries sourced from were categorised as high-risk, and 10% of all production operations (grower and packhouse sites) were located in high-risk countries.

# Our Human Rights Due Diligence Approach

## 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](#) and the [ILO Fundamental Principles and Rights at Work](#).

The fpp and Group policies related to modern slavery are:

- Ethical Trade and Human Rights Policy
- Supplier Technical Terms of Trade
- Serious Incident and Allegation Management Policy
- Group Anti-Harassment and Bullying Policy
- Group Grievance Policy
- Group Whistleblowing Policy
- Group Recruitment Policy



## Governance

Our policies are developed and reviewed by the Senior Technical Manager in alignment with our Operating Responsibly Plan and Group human rights policies. Group policies are reviewed at least annually by the Group Head of Responsible Sourcing, Ethical Compliance Manager, and Group Head of People and Development, in consultation with the Group Technical Director.

Responsibility for implementing policies sits with the fpp and Group responsible sourcing and human resources teams:

- Our Commercial Directors and Senior Technical Manager, together with the Group Head of Responsible Sourcing, are accountable for approving and upholding all fpp policies, processes and procedures, including ethical due diligence requirements.
- Our Technical Compliance Manager, supported by our Ethical Compliance Manager, delivers day-to-day compliance responsibilities. These include completing supplier due diligence and risk assessments, monitoring ethical compliance, developing supplier requirements, and supporting suppliers to close out non-conformances.
- Our dedicated Ethical Compliance Manager also investigates serious issues, participates in industry engagement and identifies priorities for policy and process improvement.

Our Senior Leadership Team convene monthly to align on strategic delivery of the Operating Responsibly Plan, including our human rights and modern slavery commitments.

In 2025/26, we intend to increase governance and shared insight through new Group technical steering and an ESG committee. We also plan to initiate a review process of fpp policies to assess their effectiveness in identifying and managing modern slavery risks.

# Assessing & Managing Modern Slavery Risks



## Modern slavery risk in our supply chain

Our approach to identifying, preventing and mitigating risks relies on staying alert to emerging trends and an ever-changing landscape. We do this through monitoring media allegations, analysing inherent risk data, and undertaking trend analysis on supply chain incidents. Our Group Operating Responsibly strategy continues to evolve to reflect the issues that matter most to our customers, suppliers and workers, supported by proactive, multi-level engagement with stakeholders and industry groups.

Our commitment to end-to-end supply chain transparency supports our ambition to better understand and assess modern slavery risk down to grower level across all products. As part of this, we conduct risk assessments of all primary suppliers during onboarding and annually thereafter. These cover both packhouses and growers and include a review of the suppliers' ethical history and risk level, with the final risk score used to inform any further actions.

Whilst we plan to reset our strategic approach to human rights and modern slavery in the next year, through the outlined processes, we have identified responsible recruitment, forced labour and worker voice as areas requiring strong risk mitigation.

All suppliers must confirm compliance with our Ethical Code of Practice and the ETI Base Code. Suppliers must also be Sedex registered, complete a Self-Assessment Questionnaire (SAQ), and undergo third-party ethical audits.

We manage our most salient risks by undertaking enhanced due diligence within our upstream supply chain. During the reporting year, to address risks associated with UK seasonal labour and accommodation standards, we conducted on-site accommodation risk-assessment visits across 10 suppliers and 18 sites. When issues or non-conformances were identified, we worked closely with suppliers to provide ongoing guidance and support, helping them adopt best practices and improve workers' living conditions.

## Modern slavery risk in our business

Within our direct UK operations, the risk of modern slavery is considered low, as all team members are directly employed. Our focus is on building internal capability to identify and manage risks within our supply chain by sharing risk-based insights across the Group. We ensure that the right resources are in place for effective risk management and we train our teams to recognise the signs of modern slavery. We also promote the [Unseen Modern Slavery Helpline](#) and our SeeHearSpeakUp whistleblowing channel across our offices.

## Looking ahead

As our business grows, we recognise that the scale of our supply chain requires us to re-think how we assess and manage human rights and modern slavery risks. To make sure our new approach reflects best practice we have commissioned an independent human rights expert to review our Group-wide human rights due diligence framework. We plan to draw on these insights to inform a strategic reset.

Over the next year, we plan to expand our responsible sourcing team with a dedicated Human Rights and Ethical Trade Manager. This role will enable us to embed our revised strategy, support targeted supplier capacity-building, and improve the identification of emerging risks, so that we continue to progress with targeted mitigation efforts.



# Modern Slavery Due Diligence

## Supplier due diligence requirements

All fpp-approved suppliers sign our Technical Terms of Trade annually, which include requirements on human rights risk management and the ETI Base Code. As a minimum, suppliers operating in high-risk countries must be Sedex-registered with a fully completed SAQ, updated annually. During the reporting period, 98% of high-risk suppliers completed an SA. The SAQ provides valuable site-level risk insights, including the use of labour providers, workers' ability to join trade unions, and presence of site grievance mechanisms.

Where critical non-conformances are raised in third-party ethical audits, including those linked to wages, labour and recruitment practices, we engage with suppliers to support their resolution. We closely monitor any serious incidents and allegations, and where relevant, concerns are reviewed and escalated through weekly meetings, senior management (board) meetings, and end-of-season supplier reviews.



## Enhanced due diligence

In addition to the requirements set by fpp and our customers – including enhanced risk-based requirements – we carry out enhanced due diligence measures across our UK supply base. This reflects the well-documented risks of forced labour and debt bondage within UK labour supply chains. These measures include undertaking supplier visits to assess risk management practice, identify areas for improvement and promote awareness of the [Just Good Work App](#) and whistleblowing channels.

At a Group-level, our modern slavery due diligence and risk management approach has been aligned to the Stronger Together framework. In the year ahead, we plan to deepen fpp's engagement with Stronger Together by registering as business partners and promoting their resources and toolkits with our suppliers.

## Worker Voice & Effective Grievance Mechanisms

### Our supply chain

Strengthening worker voice remains an important mechanism to identify modern slavery risks in our supply chain. We aim to improve the presence and effectiveness of worker voice channels by raising supplier awareness and assessing how well these channels operate through audit findings, site visits and direct worker interviews. Increasing oversight of grievance processes will be a key focus in the coming year, as we continue to promote a culture of transparency across our supply base.

### Our business

In the reporting period, we did not identify any fpp related workplace grievances raised through our internal whistleblowing system. Ensuring employees' voices are heard is important to us, and we hold in-person employee focus groups, using their feedback to improve working conditions and benefits. Recent enhancements include hybrid working, access to additional health benefits, and the introduction of a Line Manager Academy and a Group-wide Future Leaders programme.

# Raising Awareness & Building Capacity

## Training & upskilling our people

Our priority has been to raise awareness of modern slavery across our business by equipping managers and teams to recognise indicators of exploitation. Modern slavery awareness has now been incorporated into our Line Manager Academy programme, through which six people managers across fpp were trained during the reporting period.

Looking ahead, we plan to introduce the role of Modern Slavery Champion and complementary Stronger Together training. Training will include advanced workshops for our Technical and Commercial Managers, who regularly engage with suppliers and workers during seasonal supplier visits.

## 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](#), and the Spanish Ethical Trade Forums.

As part of our collective action engagement, we remain active contributors to the FNET Climate Risk and Human Rights, Responsible Recruitment and the Common Due Diligence Tools Working Groups. Insights from these are shared across the Group.

## 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 continue our membership in the forthcoming year, we aim to increase our role in intelligence sharing and build our capacity to support the disruption of hidden modern slavery activities within the UK.

## Looking ahead: supplier engagement

In the coming year, we plan to refresh our approach to supplier capacity building.

First, we aim to promote and participation in Stronger Together training across our supply base in Spain, South Africa and the UK.

In addition, we will continue to promote supplier engagement in industry collective action initiatives, with Morocco identified as a key focus area. We have committed to co-commissioning a multi-stakeholder initiative designed to deepen understanding of salient human rights risks within the Moroccan fresh produce sector, particularly around responsible recruitment, given the intrinsic risks associated with seasonal and informal labour, as well as the emerging risks of migrant and undocumented labour.

Improving access to education is also an important priority in Morocco. Working closely with our tomato supplier, our Commercial Directors are committed to increasing customer participation in Fairtrade, a key lever for improving educational outcomes for women and girls and expanding skills development opportunities for local communities.

Over the longer term, our hope is that strategic focus in this area, via the Fairtrade framework, will reduce exploitation risks for the most vulnerable people in Moroccan agricultural communities.

Lastly, as a Group, we also plan to join the Egyptian Ethical Trade Forum, working collaboratively to address risks associated with child labour and recruitment models in the Egyptian agriculture sector.

# Measuring our Positive Ethical & Social Impacts

We use the following Key Performance Indicators (KPIs) to measure our progress and assess the effectiveness of our modern slavery approach.

Area	Ambitions & measures	2025/26 Progress & impacts
<b>Assessing &amp; Managing Modern Slavery Risks</b>	<ul style="list-style-type: none"> <li>100% of primary suppliers to be risk assessed before supply</li> <li>All high-risk<sup>1</sup> suppliers to be Sedex-registered with a completed SAQ</li> <li>Non-conformances relating to indicators of modern slavery to be monitored, with appropriate action taken where raised</li> </ul>	<ul style="list-style-type: none"> <li>100% of suppliers risk assessed</li> <li>100% SAQ completion across the 98% of high-risk suppliers registered on Sedex</li> <li>0 non-conformances relating to indicators of modern slavery<sup>2</sup> raised through 322 SMETA and SIZA audits</li> </ul>
<b>Modern Slavery Due Diligence</b>	<ul style="list-style-type: none"> <li>All high-risk grower and packing sites to Band A<sup>3</sup> customers to have ethical audit coverage</li> <li>All suppliers in high-risk countries to have accessible grievance mechanisms</li> </ul>	<ul style="list-style-type: none"> <li>100% of in-scope sites had ethical audit coverage</li> <li>93% of suppliers' high-risk sites have grievance mechanisms as reported in their SAQ</li> </ul>
<b>Raising Awareness &amp; Building Capacity</b>	<ul style="list-style-type: none"> <li>All relevant people in the business to have received modern slavery training</li> <li>All primary suppliers in the UK, Spain and South Africa to have been engaged with modern slavery upskilling</li> </ul>	<ul style="list-style-type: none"> <li>6 managers were trained on how to spot the signs of modern slavery and appropriate actions to take</li> <li>3 suppliers undertook Stronger Together's workshop 'Tackling Modern Slavery in UK Business'</li> </ul>



<sup>1</sup> Based on FNET Country Risk Ratings.

<sup>2</sup> Definition based on a group of 46 issue titles in SMETA 7.0, which each constitute either a direct indicator or structural risk indicator of modern slavery.

<sup>3</sup> 'Band A' customers made up 70% of total volume in the reporting period. 'High-risk sites' comprise sites located in FNET high-risk countries, as well as sites in countries categorised as high-risk by customers.



# Our 2025/6 Priorities

Over the next 12 months, we will focus on five priority areas to develop our modern slavery roadmap. To keep pace with emerging risks, we recognise the need for a more agile, proactive approach that embeds consistent risk identification and prevention across our entire supply chain, supported by strong monitoring and reporting.

- 1 Our human rights due diligence approach**

  - Complete an independent Group-wide human rights due diligence strategic review by external human rights experts
  - Increase senior leadership and board-level oversight through a new ESG governance framework, including modern slavery steering
  - Add dedicated fpp human rights and ethical trade resource
- 2 Assessing & managing modern slavery risks**

  - Draw on risk assessments to identify priority countries for attention
  - Develop targeted country action plans, drawing upon identified salient modern slavery risks
- 3 Modern slavery due diligence**

  - Implement new AI-driven supply chain management systems to enhance transparency
  - Share supply chain data on [Open Supply Hub](#)
- 4 Raising awareness & building capacity**

  - Deliver internal modern slavery capacity building to relevant individuals within the business
  - Develop and deliver an engagement plan for supplier capacity building, aligned with priority country action plans and salient risks
  - Continue engagement in collective action initiatives and formalise Group membership to the Egyptian Ethical Trade Forum
- 5 Impacts & monitoring**

  - Update horizon scanning approach and KPIs aligned to new priorities
  - Strengthen monitoring and reporting processes associated with serious incidents
  - Proactively share risks, insights and performance with external and internal stakeholders throughout the reporting period.

