



MODERN SLAVERY STATEMENT

2022



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OUR PURPOSE
To make great tasting,
freshly-prepared food
accessible to everyone.

OUR VISION
To be the customers'
favourite for
food-to-go.

Since we first opened our doors in 1939, we have always tried to do the right thing by our people, our suppliers, and our communities. Today, Greggs is a company with a national presence, employing thousands of people, supporting hundreds of suppliers, and serving millions of customers. The way we operate affects a great many people, so being a good business is more important than ever.

Our teams have once again demonstrated that they are able to cope magnificently with unprecedented and rapidly-changing conditions, helping us to become a stronger and better business. Our people are at the heart of our company and live our values every day, enabling us to source and serve great tasting freshly prepared food. It is our responsibility that we hold ourselves to the highest standards and promote their well-being.

We care about the journey and the impact our products take before they reach our customers, and we believe in doing business in a way that helps to make both our planet and

“Greggs started out as a family business, and it still feels like one – our people are at the heart of what we do. My key remit is to protect and nurture the culture and values that make Greggs, Greggs.”

our communities safer and better. That’s why we have put in place policies and processes that protect the rights of people through our supply chains, as well as the world we live in.

This 2022 Modern Slavery Statement demonstrates our continued commitment to preventing modern slavery. We have worked closely with our suppliers, partners and key NGOs over the year, building on our work in previous years, and are pleased to share our continued progress.

In 2022, we ran awareness sessions across our supply sites to upskill our managers and supervisors in recognising any signs of modern slavery and training them on what to do if they are suspicious of activity. We will build on this in 2023.

In 2022, we have also been able to build on our existing standards and expectations for our suppliers and partners relating to human rights and will continue to raise awareness of the risks and opportunities across our business and our supply chains and the wider food on the go industry.

This statement has been published in accordance with Section 54 of the Modern Slavery Act 2015, covering the period 2022, and has been approved by the Board of Greggs plc.



Roisin Currie

Roisin Currie,
Chief Executive
May 2023

**OUR PEOPLE ARE
AT THE HEART
OF WHAT WE DO**

OUR COMMITMENT & APPROACH

At Greggs, we believe that our employees deserve the right to live and work with dignity and respect, and we believe that the people employed by our suppliers and business partners deserve the same.

We do not tolerate any form of slavery, forced labour or human trafficking; whether directly within our own business or within the operations and activities of our suppliers, business partners and wider supply chain, whether within the UK or overseas. We are committed to taking steps to ensure that slavery, forced labour and human trafficking does not take place within our business operations or our supply chain.



PARTNERSHIPS

At Greggs, we believe that our collaboration with Fairtrade supports the delivery of our Greggs Pledge commitment to mitigate the risk of modern slavery in our supply chain.



SYSTEM INVESTMENT

In order to continue to meet consumer expectations concerning ethics and the environment, the procurement and sustainability teams have invested in partnering with Ecovadis.



GOVERNANCE

Our modern slavery approach is included within our sustainability governance structure which ensures the right level of scrutiny of both our modern slavery risks and the actions we are taking to reduce these.



GROWING INTERNAL UNDERSTANDING

Greggs is annually listed on the Corporate Ethics Register of the Chartered Institute of Procurement and Supply. This demonstrates our ongoing commitment that we continue to take proactive steps to safeguard against unethical conduct in procurement and supply management.

GREGGS' ORGANISATIONAL STRUCTURE

We are one of the leading food-on-the-go retailers and brands in the UK, selling a range of traditional bakery products, sandwiches, hot drinks, sweet treats and other food-on-the-go products. We stand for great tasting, freshly-prepared food that our customers can trust, at affordable prices.



MANUFACTURING

We make great tasting, freshly-prepared food that customers can trust, in our own manufacturing centres of excellence.



LOGISTICS

We move products from our manufacturing sites to our shops ourselves, helping to keep prices as low as possible.



OUR PEOPLE

We directly employ more than 28,000 colleagues.



CUSTOMER CHANNELS

At the end of 2022, we had 2,300 shops across the UK (including 400 with franchise partners) plus delivery, wholesale partnerships and Click + Collect.



SUPPLIERS

We traded with over 1,600 suppliers in 2022.

THE GREGGS PLEDGE

We believe in doing business in a way that helps to make both our planet and our communities safer and better. That means having sound social, ethical and environmental practices and choosing suppliers who share our values.

In 2021, we launched the Greggs Pledge, setting out ten areas where we wanted to make the world a better place. We committed to help build stronger communities, make the planet safer, and do more to be a better business. To be transparent about – and accountable for – what we wanted to achieve, we set a series of ambitious targets with a deadline by the end of 2025.

One of our pledges – Commitment 9: Sourcing Sustainably – sets out how we want to work in partnership with our suppliers to look after workers in our supply chain. We published our annual update of this report for 2022 on April 11 2023.

Find out more about 'The Greggs Pledge'.



1. STRONGER, HEALTHIER COMMUNITIES



We pledge to play our part in improving the nation's diet by helping to tackle obesity, providing free breakfasts to schoolchildren, and giving surplus food to those most in need.

2. SAFER PLANET



We pledge to become a carbon neutral, zero waste business.

3. BETTER BUSINESS



We pledge to increase the diversity of our workforce and to use our purchasing power responsibly, with the aim of making things better in our supply chain.

IDENTIFYING AND MANAGING RISK

OUR RISKS

We are responsible for managing two major channels of potential risk: our own workforce; and our suppliers' workforce.

Greggs believe that our employees deserve the right to live and work with dignity and respect, and we believe that the people employed by our suppliers and business partners deserve the same.

Within our statement are links to our policies and an outline of our due diligence steps taken to manage risks within these areas.



OUR TEAM MEMBERS

Everyone working within our company operated shops and central office support functions is directly employed by Greggs plc. Occasionally, for special projects, we contract work from consultants or short-term contractors.

Greggs is a vertically integrated company meaning that we own and operate 13 production and distribution facilities. Our supply chain workforce, (which includes people working within our production, distribution and logistics teams) is mostly made up of colleagues directly employed by Greggs plc, with around 10% coming from third party agencies.

Across our supply chain sites, we work with various agencies supplying temporary workers, whether for delivery driver roles or as bakery operatives. These agency workers support our core directly employed workforce during seasonal periods of peak production or to cover short term labour shortages.

We outsource some routine services, such as contract cleaning and private refuse collection, to third parties.

The agencies that we work with are all reputable national or international organisations and we rely on them undertake checks to ensure that the labour provided does not pose a risk of modern slavery.



However, we have identified that our use of temporary and agency staff represents a potential risk of modern slavery occurring, because:

- it involves labour for volume food production;
- a proportion of this workforce is comprised of migrant workers; and
- a proportion of this workforce is comprised of temporary agency workers.

We have longstanding relationships with our trade unions. We have a National Agreement with the Bakers Food and Allied Workers Union (BFAWU), (USDAW in Scotland). We have a robust meeting structure in place with these unions and at a local site and regional level we have regular Joint Collective Consultation meetings. At national level, a Retail Partnership Forum, a Supply Chain Forum and a National Negotiating Committee meet regularly where concerns can be raised and issues investigated.

IDENTIFYING AND MANAGING RISK CONTINUED

OUR SUPPLIERS' WORKFORCE

We procure our raw ingredients, finished products, equipment and other goods not for re-sale and services from third party suppliers.

Our procurement team is split into areas of spend and our purchasing managers are responsible for sourcing aspects of supply within their category, in addition to ensuring the performance of suppliers is of a satisfactory standard.

Over the last year, our procurement function has worked closely with the newly established sustainability team, aligning on objectives and collaborating to deliver our human rights programme. This means that both teams collaborate and are responsible for the day-to-day operation of our due diligence procedures. We ensure relevant internal and external training is provided to ensure clarity on processes and each person's role within them.



SUPPLIER ONBOARDING AND ETHICAL QUESTIONNAIRE

A fundamental aspect detecting and preventing modern slavery and forced labour in supply chains is a risk assessment at onboarding. Prior to entering a trading relationship, we ask potential suppliers declare the industries they operate within from a dropdown menu.

They are then asked further relevant questions that assist us in identifying whether products themselves (or their components), ingredients or commodities come from a list of pre-defined high-risk countries (as set by the Global Slavery Index).

In addition, suppliers are also asked to confirm if they are members of SEDEX and are willing to share data they have input to SEDEX by partnering with Greggs within the SEDEX portal. This partnership is initiated by Greggs and enables us access to any ethical data within the portal should we require further information on our suppliers.

If suppliers fail to meet our standards, we will work with them via a closely monitored remediation process to improve their practices. However, if a supplier crosses a 'red-line' regarding human rights and does not work with us to remediate, a contract exit process would be initiated.



IDENTIFYING AND MANAGING RISK CONTINUED

SUPPLIER DUE DILIGENCE – PROGRESS THROUGH THE YEARS

As at 27 April 2022, Greggs had a total of 1,622 Suppliers that required modern slavery due diligence to be performed.

1,433 suppliers provided information relating to modern slavery via our first Modern Slavery Due Diligence Questionnaire. This represented a 88% completion rate as against a 82% completion rate reported in our 2020 statement.

From 2021 onward, all existing suppliers and all new suppliers to Greggs were required to complete a upgraded Modern Slavery Questionnaire. The information provided by suppliers allows our colleagues to perform a risk assessment based on numerous factors, including potential modern slavery risks, and is used to support the management of our suppliers.

As of April 2022, 299 suppliers have provided responses to the upgraded Modern Slavery Questionnaire.

As of April 2023, 828 suppliers have provided responses to the upgraded Modern Slavery Questionnaire.

UPGRADED MODERN SLAVERY QUESTIONNAIRE

Suppliers are required to provide information as to what they are doing to help identify and prevent modern slavery within their supply chain.

By selecting the industries they operate within from a dropdown menu, the supplier is asked further relevant questions, which will assist us in identifying whether products themselves (or their components), ingredients or commodities come from a list of pre-defined high-risk countries (as set by the Global Slavery Index).

We have also introduced an additional question requesting that the supplier directs us to a copy of their latest Modern Slavery Statement.



POLICIES

Supplier Code of Conduct

We want to ensure that our suppliers live up to our values and standards and share that responsibility. In turn, we expect them to seek to develop relationships within their own supply chains consistent with the principles set out below. As a minimum, all Tier 1 and Tier 2 suppliers should be compliant with all local laws and follow these principles which are based on core international labour organisation conventions, the ETI base code and the UN Guiding Principles on Business and Human Rights:

1. EMPLOYMENT IS FREELY CHOSEN

2. FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING ARE RESPECTED

3. WORKING CONDITIONS ARE SAFE AND HYGIENIC

4. CHILD LABOUR SHALL NOT BE USED

5. WAGES AND BENEFITS

6. WORKING HOURS ARE NOT EXCESSIVE

7. HUMANE TREATMENT

8. REGULAR EMPLOYMENT IS PROVIDED

9. CONFIDENTIALITY

10. NO BRIBERY OR CORRUPTION WILL BE TOLERATED

11. ENVIRONMENTAL MANAGEMENT

12. QUALITY

13. AUDIT AND TERMINATION OF AGREEMENTS

14. LEGAL REQUIREMENT



Policy updates

With a commitment to achieve best practice in our supply chain management, we annually review and enhance our procurement and responsible sourcing policies.

[All policies can be viewed on our website →](#)

SUPPLY CHAINS

We are strongly committed to our partnership with Fairtrade and have been purchasing Fairtrade products for 17 years.

Over time, we have added new categories and today we exclusively purchase Fairtrade coffee beans, apple and orange juice, sugar sticks and syrup, hot chocolate, black tea, mint tea, green tea and bananas. In 2022, we converted our chocolate couverture to Fairtrade, and are now reviewing all our direct chocolate purchasing. We have generated over £6.1 million in Fairtrade Premium for producers across their supply chains.

Our collaboration with Fairtrade supports the delivery of our pledge to mitigate the risk of modern slavery in our supply chain. Key benefits of working with Fairtrade include:

Fairtrade Standards

The Fairtrade Standards combine a range of economic, environmental and social criteria designed to support farming communities to strengthen their economic position and address imbalances of power in conventional trade. Fairtrade's main focus is to reduce economic precarity at the farm level, but it also has interventions to mitigate unfair trading practices, abuse of labour, and environmental damages throughout supply chains.

Credible assurance

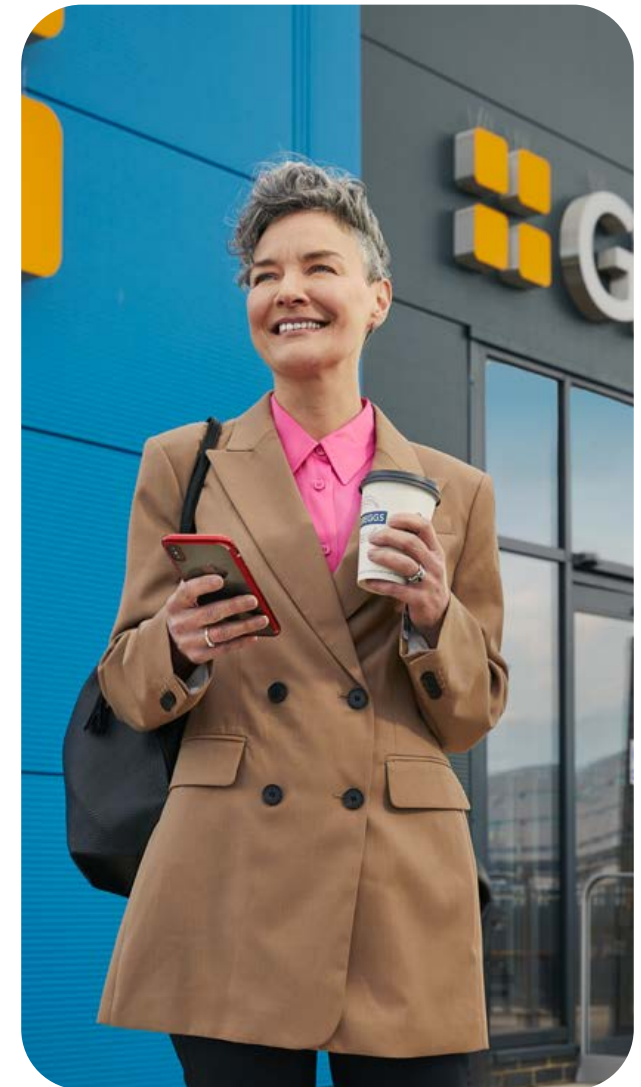
Fairtrade operates with a single certifier model. Its independent certification body, FLOCERT, follows rigorous practices in verifying whether a producer or supply chain actor fulfils the Fairtrade Standards. This ensures a clear focus on credibility and quality of both virtual and in person data collection and audits.

Tailored risk analysis

Fairtrade provides analysis on specific commodities, countries and supply chains that empowers each supply chain member as well as its commercial partners to decide on the appropriate activities to enable them to act ahead of regulation that may impact them.

Producer Networks (in Asia, Africa and Latin America)

Through Fairtrade Producer Networks, who hold 50% of voting rights at Fairtrade, Fairtrade is present in Africa, Asia and Latin America and engages closely with farmers, workers and relevant stakeholders. The producer networks support the set-up of new farmer organisations, helps to create premium development plans, and provides training and implementation programme. Having the producer networks enables Fairtrade to manage risks in real-time, which helps to drive impact and secure supply.



FAIRTRADE COFFEE

Since 2005, all our coffee beans and fruit have been sourced entirely from Fairtrade accredited suppliers.

By paying a Fairtrade premium, we support marginalised producers in developing countries by guaranteeing a minimum price plus a Fairtrade premium. This secure income allows producers to plan for a more sustainable future as well as support their local communities through investment in local schools, health care and infrastructure.

We source coffee from Columbia, the “Central Basket” (which includes Peru, Honduras and Guatemala) and Vietnam via an intermediary trader – our supplier – who is required to adhere to the “Fairtrade Trader Standard”. Coffee traders are required to be aware of the applicable labour laws in the countries they trade in and of the fundamental International Labour Organisation (ILO) conventions. Relevant ILO conventions related to modern slavery covered by Fairtrade include: Forced Labour Convention, 1930 (No. 29); Abolition of Forced Labour Convention, 1957 (No. 105); Minimum Age Convention, 1973 (No. 138) and Worst Forms of Child Labour Convention, 1999 (No. 182).

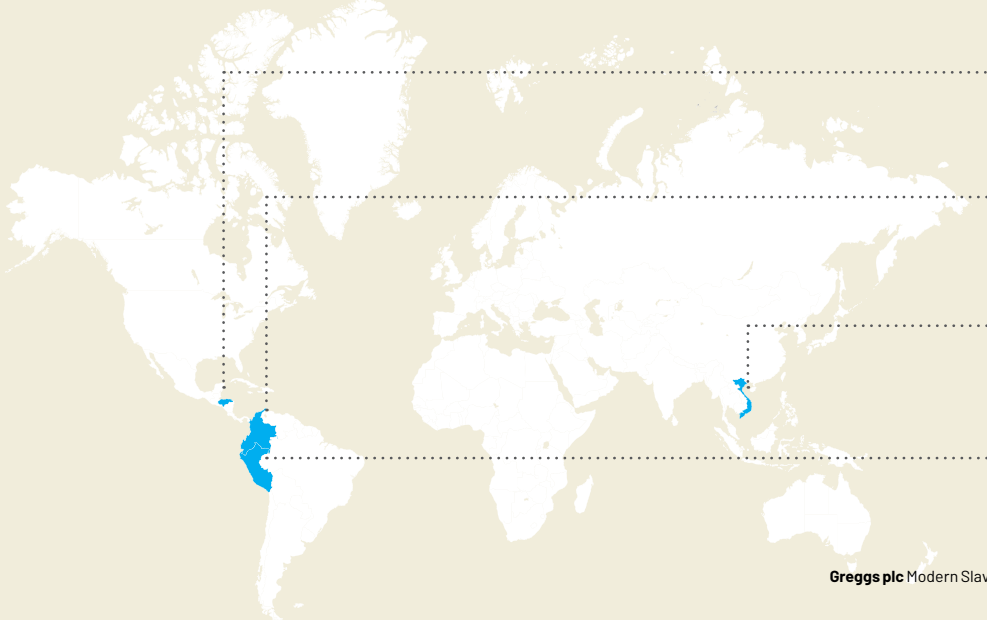


£648,248

Fairtrade premium generated for coffee farmers in 2021

37

Producer organisations



Honduras

7

Colombia

9

Vietnam

9

Peru

12

POLICIES CONTINUED

FAIRTRADE COFFEE CONTINUED

By working in partnership with Fairtrade, our intermediate supplier is aware that coffee communities continue to be marginalised and be made up of vulnerable people, living in poverty and having a low income. These are all factors that are known to increase the risk of forced or child labour. According to labour rights organisation Verite, there is a risk that coffee is produced with child labour in Columbia and Vietnam. The Responsible Sourcing Tool shows that in Peru, workers in agricultural sector are at risk of being exploited in forced labour.

Due to this risk of forced or child labour in the coffee supply chain in the countries we source from, our supplier is working in partnership with Fairtrade to mitigate the risks of violations against ILO conventions 1930, 1957, 1973 and 1999 related to forced and child labour.

For example, compliance with Fairtrade Standards (and through the Fairtrade Small Producer Standard and Trader Standard relevant ILO conventions) is monitored closely by FLOCert, an independent company accredited for Fairtrade certification by the International Organization for Standardization (ISO). Coffee producer groups are supported on the ground by Fairtrade Producer Networks in addressing any issues arising in real time, with mechanisms in place to investigate and act on allegations of breaches. Any alleged breaches can be safely reported to Fairtrade or to FLOCert, who can then take appropriate action.

In addition, by working in partnership with Fairtrade, our supplier is seeking to address the underlying issues which can be drivers of human rights abuses. Coffee farmers receive at least a Fairtrade minimum price, which aims to cover the average costs of sustainable production, or the market price, whichever is higher. In addition, producers receive a Fairtrade premium, which they can invest in their own development, according to their needs. Both the minimum price and premium help to alleviate poverty and increase the incomes of coffee farmers and their families, which in turn helps to reduce the risks of forced and child labour occurring in these communities.



FAIRTRADE CHOCOLATE

We have increased our commitment and will source 100% of the chocolate used in our products and across our supply chain from Fairtrade accredited suppliers.

- All direct purchases of chocolate contain Fairtrade certified cocoa.
- We have established whether all materials that contain chocolate as an ingredient contained only Fairtrade certified cocoa.
- By the end of 2023, all materials that contain chocolate as an ingredient will only contain Fairtrade cocoa.
- By 2025, all direct purchases of cocoa products will be Fairtrade certified.
- We aim for all indirect sources of cocoa products to be Fairtrade certified by 2025.



TRAINING

PROCUREMENT TEAM TRAINING

Greggs is annually listed on the Corporate Ethics Register of the Chartered Institute of Procurement and Supply. This demonstrates our ongoing commitment that we continue to take proactive steps to safeguard against unethical conduct in procurement and supply management.

We ensure our staff who select and manage suppliers are trained in ethical sourcing and supplier management.

We adopt ethical values in how we source and manage suppliers.

We have signed a statement of commitment to ethical sourcing and the management of their suppliers and are entitled to display the CIPS Corporate Ethics Mark.

COMPANY WIDE TRAINING

We ran sessions in 2022 across all our supply chain management and supervisory teams to raise awareness of modern slavery. We will refresh these sessions with those teams in 2023 and extend them to our retail area management teams.



INVESTING IN SYSTEMS

ECOVADIS

In 2022, we undertook a selection process to identify a suitable supplier sustainability ratings system to improve the collection and analysis of direct supplier data. Following a multi-vendor tender selection process, led by the procurement and sustainability teams at Greggs, we selected Ecovadis as the preferred partner.

This partnership will help us continue to meet consumer expectations concerning ethics and the environment. Implementation has begun, giving us access to externally validated data on our suppliers Ethical Performance. Over time we will use the data we collect to drive up the performance of our suppliers' ethical and environmental standards.



"We've had an appetite for a supplier sustainability ratings system to ensure we can exceed and respond to evolving customer and regulatory environments for a while. Following a comprehensive review, it was clear the Ecovadis platform was the best fit for current and future needs here at Greggs."

Malcolm Copland




Commercial Director, Greggs, December 2022.







2022 PROGRESS REPORT

PROGRESS TO DATE

In 2022, our procurement team made significant progress against our targets, and delivered six of our seven objectives.

HOW DID WE DO?

 Achieved
  Partially achieved
  Still to be achieved

Risk area	Objective	Progress
Supply chain and team members	Publish Responsible Sourcing: Labour and Human Rights Policy	
Supply chain	All suppliers to provide information on their approach to modern slavery as part of the supplier onboarding process.	
Supply chain	Annual review to identify high risk locations and industries as published by the Global Slavery Index.	
Supply chain	Request access to ethical audits already performed and shared via the SEDEX portal	
Supply chain	Conduct annual ethics training for those working with sourcing suppliers	
Supply chain	Trained our supply chain management and supervisory teams	

LOOKING FORWARD

The table below provides an overview of our 2023 and beyond objectives.

Risk area	Objective
Supply chain	Build capacity to identify high risk suppliers and seek further due diligence
Supply chain	All information obtained by suppliers to be resubmitted and revalidated at least annually
Supply chain	Access to a third-party system to externally validate a supplier's ethical credentials
Supply chain	Establish partnership with the ETI (Ethical Trade Initiative)
Supply chain	All suppliers to provide information on their approach to modern slavery as part of the supplier onboarding process.
Supply chain sites and retail area management	Run awareness training sessions

