



Modern Slavery & CSR Report 2020/2021

JZ Flowers International Limited

Definition

Our understanding and definition of Modern Slavery and Human Trafficking is based on the definitions set out in the Modern Slavery Act 2015 and is guided by the UN Universal Declaration of Human Rights and the conventions of the International Labour Organisation (ILO) in relation to forced or compulsory labour.

The Act categorises offences of Slavery, Servitude and Forced or Compulsory Labour, Human Trafficking, and slavery-like practices such as debt bondage, sale or exploitation of children and forced marriage. This all involves a person depriving another person of their liberty, in order to exploit them for personal or commercial gain.

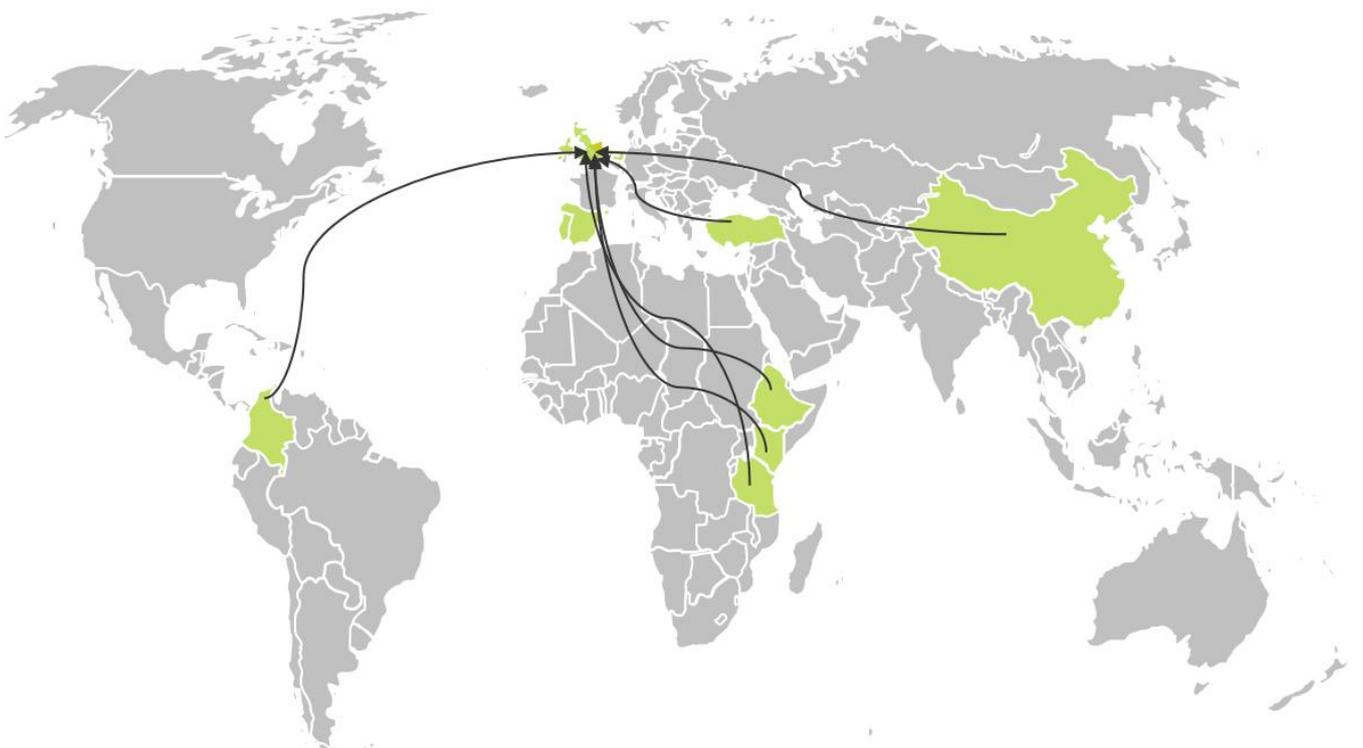
This statement has been published firstly to meet compliance with the Modern Slavery Act but also in alignment to the UN Sustainable Development Goals and to share our approach and commitment in tackling and preventing Modern Slaver offences both within our own operations and our supply chain.

Our Business & Supply Chain

JZ Flowers International Limited (JZF) is a manufacturing company supplying flower bunches to the supermarket chains, primarily Aldi and Coop in the UK and Aldi in Ireland. We have around 500 colleagues across 3 sites in Newport, Spalding and Naas, Ireland.

How we do business is important to us. JZF is a family-business, owned and managed, with an ethos to match. We recognize and understand that all our colleagues and workers are our most valuable asset. Ethical Trade is a centric value for our strategy for the future. We believe that operating in an ethical and sustainable manner provides us with a license to operate.

Corporate Responsibility and ethical trading represent different values for different organisations. For JZF, we continue to define our social responsibility and ethical trading values as working in partnership with our suppliers to collectively take responsibility for the working conditions of all people who make the products we sell. We support and empower our suppliers to meet our ethical trading expectations and adherence to FSi compliance. Our strategy is driven by JZF's desire to be a leader in ethical trade and has been designed to meet the requirements of the UN Guiding Principles and the UK's Modern Slavery Act.



Our mission is to take a proactive and collaborative approach to ensuring our business and our supply chains operate ethically. We will achieve this by working towards clear goals and objectives as defined within the JZF Ethical Trade Strategy. These objectives have been developed in line with Stronger Together guidance, industry standard leading practices and the UN Guiding Principles on Human Rights.

JZF supply chain is worldwide covering suppliers across Europe, Africa, Asia and South America, including hundreds of direct producers and over 50,000 international workers.

Governance & Responsibility

Our Chief Executive Officer (CEO) and Chief Commercial Officer (CCO) has ultimate responsibility for ensuring JZF meets its ethical trade responsibilities. He is supported by the senior management team and the responsible sourcing manager who manages the JZ ethical trade program on a daily basis.

Program performance, market issues/trends, ethical trading progress, compliance KPI's and critical audit findings are monitored by the responsible sourcing manager and discussed with the CEO & CCO on a monthly basis. These updates are also used as an opportunity to gain business approval for program changes and for appropriate escalations to be made.

Risk Assessment 2021

DAFFODIL SUPPLY CHAIN

Daffodils are a high-risk product due to its seasonal nature and common reliance on labour from EU immigration.

AWARENESS & UNDERSTANDING

Awareness and understanding of Modern Slavery continues to be limited within the public and within the horticulture sector, this impacts the ability to then properly address risks and drive change.

BREXIT

The end of free movement will significantly impact the availability of EU labour which underpins the horticulture sector within the UK. The Seasonal Agriculture Workers Scheme (SAWS) has also not created sufficient pathways for workers which again will significantly impact the availability of workers within our own business and supply chain.

COVID19 PANDEMIC

We recognize that COVID19 has increased modern slavery risks in parts of our supply chain and our own business and as such, we have been working closely with FNET and Fairtrade to build additional intelligence and awareness into our risk assessments.

Our Strategy

ETHICAL TRADE STRATEGY

JZF has developed an Ethical Trade Program which comprises of robust ethical governance and policy frameworks. This management system along with supplier engagement, underpins the whole JZF Ethical Strategy and safeguards supplier compliance to the Ethical Trade Policy. This system of rules, practices and processes by which our ethical standards and direction is shaped, provides a control platform in which solutions can then be made to mitigate ethical risks.

SUPPLIER MONITORING PROGRAM

A core function within the ethical trade strategy is our supplier monitoring program. The proactive monitoring of our global suppliers is an essential business practice to enable JZF to measure and manage performance against our ethical trade requirements and to enable us to drive continuous improvement and effectively manage the risks of modern slavery.

Supplier requirements are defined within the JZ ethical trade policy and these requirements set the social standards we hold for all our suppliers.

These requirements are monitored on a monthly basis via the ethical trade kpi tracker and sustainable sourcing scan. Where requirements are not being met, our responsible sourcing manager engages with the supplier in question to define the corrective actions needed and agree formalised plans and timescales of when compliance will be reached.

SEDEX

To provide a sound level of assurance against our ethical requirements, JZF became a member of the Supplier Ethical Data Exchange (Sedex) in 2007 and we require our suppliers to do this also.

Sedex is a global not-for-profit membership organization, which provides a collaborative platform for sharing responsible sourcing data on supply chains.

All JZ sites are interpedently audited to SMETA and the ETI Base Code. The result of our ethical audits and completed self-assessments are accessible to any A or AB member upon request. JZF uses the Sedex system to share, review and centralize supplier data, and improve transparency and global coverage of its supply chain.



FOOD NETWORK FOR ETHICAL TRADE (FNET)

FNET is a network of UK food companies collaborating to improve working conditions in supply chains.

The activities of FNET consist of supplier support, tools including risk assessment and guidance, collaborative working and joint learning to form a framework for identifying, managing and responding to global food supply chain ethical trade risks.



MODERN SLAVERY STRATEGY

Our Modern Slavery Strategy is aligned to Stronger Together guidance and follows the six-stage framework:

I. COMMIT

We have made a public commitment to tackling Modern Slavery which is set out within our CSR & Modern Slavery Statement and posted on the JZF website.

II. ASSESS

Working and learning from other suppliers, other industry leaders, FNET and Stronger Together, we have completed a Modern Slavery risk assessment which has identified the key areas of our business and also products, which pose the greatest risk of possible Modern Slavery offences. Our Responsible Sourcing Manager has also visited all our strategic UK growers to conduct an onsite Modern Slavery review to assess the risks within our supply chain.

III. ACT

Following our risk assessment, we identified Daffodils as a high-risk product due its seasonal nature and traditional reliance on temporary EU labour. We also identified that there was a general lack of knowledge within the supply chain and a lack understanding of what the risks are and if understood, how to then practically manage risk and implement appropriate due diligence. As a result, we funded a Stronger Together workshop for UK growers to improve knowledge and understanding and have issued the Stronger Together toolkit to support suppliers in delivering controls on site.

IV. REMEDY

We have a formal remedial procedure and a Workforce Incident Management Team (WIMT) in place who manage any suspected cases or reports of potential Modern Slavery risks. The WIMT have all completed Stronger Together training and are fully competent in how to manage such cases. We have now agreed an ethical trade budget for victims within the JZF Ethical Trade Program to enable us to provide appropriate safeguarding without delay.

V. MONITOR

We monitor progress via our monthly sustainable scan as per FSI compliance and also the Stronger Together Progress Reporting Tool. Developing how we monitor the impact of our program is of paramount focus point for 2021 with the development of Modern Slavery centric KPI's within the supply chain.

VI. COMMUNICATE

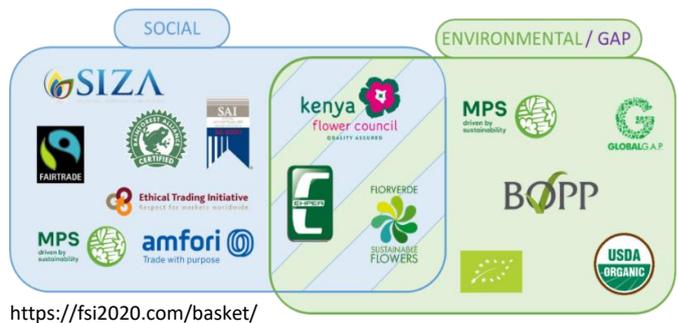
As per our Modern Slavery Statement we have made it public the key challenges and risks we face within our business, what we have been working on so far to tackle these issues and our development objectives for the coming year. Our Moulton site is strategically placed to enable us to build relationships and trust with local farmers and growers for us to then collaborate on Modern Slavery risks and tackle issues at a local level within our supply chain.

Sustainable Sourcing

FLORICULTURE SUSTAINABILITY INITIATIVE

The Floriculture Sustainability Initiative (FSi) is comprised of over 30 major businesses and associations that are taking responsibility and ownership to have **90% of flowers and plants sustainably sourced by 2020**, of which JZF is an active member.

FSi has created a Basket of Standards as an instrument to mainstream and promote responsible sourcing of flowers and plants in the areas of environmental and social practices. The Basket of Standards is benchmarked by GLOBAL GAP and The Global Social Program (GSCP) and has been developed to harmonize certifications within the market and to reduce duplication of certifications. The basket of standards has in turn allowed JZF to adopt a “beyond audit” approach and focus on capacity building and supplier support. The FSi Basket of Standards helps the supply chain to produce, trade and buy more responsible flowers. Using the FSi Basket as a reference, we can identify suppliers with responsible practices and products.



DFG CSR STRATEGY IMPACT25

The Dutch Flower Group, the parent company of JZF, has been committed to a more sustainable horticultural chain for many years. Sustainability and Corporate Social Responsibility (CSR) has been linked to both our identities since our inception and is one of the important core values within our family of companies.

DFG in 2020 launched its new CSR strategy towards 2025 - **IMPACT25** – and with the rest of the DFG companies, we will use all our activities to make a positive impact on the social and environmental field to make our companies and our chains within the horticultural sector even more sustainable.

The IMPACT25 strategy is built on 3 key pillars:

1. **FOR A TRANSPARENT FLORAL CHAIN**
2. **FOR THE PEOPLE IN OUR VALUE CHAIN**
3. **FOR OUR PLANET**

We can only achieve a more sustainable world with each other, this is why JZF through the DFG are part of a number of global collective initiatives and partnerships within the sector such as the Floriculture Sustainability Initiative (FSI) and with our partners within the IMVO covenant ornamental cultivation sector International IRBC Agreements. **Together we will make a difference.**

 <p>FOR A TRANSPARENT FLORAL CHAIN</p>	 <p>FOR THE PEOPLE IN OUR VALUE CHAIN</p>	 <p>FOR OUR PLANET</p>
<p><i>Improving the transparency within our value chain</i></p>	<p><i>Enabling people to improve their livelihood</i></p>	<p><i>Reduce our environmental impact, for future generations</i></p>

What have we done this year?



2021 Objectives

UK GROWER FORUMS

Following on from our modern slavery training day in 2020, in 2021 we will host a national grower forum focused on sharing ethical trade and modern slavery best practice, building greater knowledge of risks and to provide practical tools and controls for growers to implement on site.

MEASURING IMPACT & THE DEVELOPMENT OF MODERN SLAVERY CENTRIC KPI'S

We will develop KPI's focused on modern slavery due diligence and risk management both on JZF sites and supply chain. We will use the stronger together checklist framework and reporting tools to assess current performance and plan our mitigation approach for 2021.

IMVO COVENANT & IRBC AGREEMENT

Working with the DFG we will be supporting the delivery of A global risk assessment and due diligence approach aligned to the IMVO covenant ornamental cultivation sector international IRBC agreements.

DFG IMPACT2025 MODERN SLAVERY PROGRAM

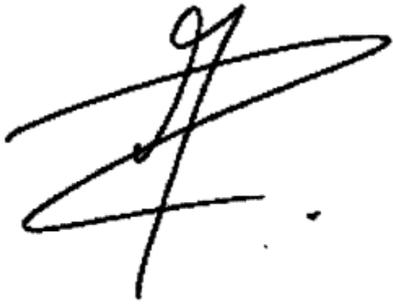
We will continue to drive awareness of modern slavery within the DFG. JZF will be leading A group project starting the first DFG modern slavery program looking at group A risk assessment and response program.

ENVIRONMENTAL STRATEGY

We will strengthen, develop and formalise our environmental strategy. Working with the DFG in driving the IMPACT25 strategy we are working with eco chain to assess our current carbon footprint and to enable us to produce reduction plans to improve our environmental performance.

FSI BASKET DEVELOPMENT

Following industry level discussions, the FSI basket will be expanded from 1 January 2021. There will be a 3rd additional GAP scope to the current social and environmental standards. GAP requirements include i) Demonstrable IPM (Integrated Pest Management) ii) Stronger governance of spraying records and the use of excluded pesticides/crop protection products iii) Improved requirements and data on water management.

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Jelle Zwemstra

CEO, JZ Flowers International Limited