



ETHICAL TRADING POLICY

Ethical Trading Policy updated February 2010

1. POLICY STATEMENT

BD Foods recognises that our commercial and corporate activities have myriad impacts on our stakeholders - those individuals or groups who are affected directly or indirectly by our activities and achievements.

As a socially responsible company our stakeholders have a right to expect:

- Products manufactured and sourced by BD Foods are produced under working conditions that are hygienic and safe.
- All workers involved in the production of BD Foods products, from direct suppliers and subcontractors, through to manufacturing site and supply chain, are treated with full consideration to their basic human rights.
- BD Foods acts in an ethical manner above and beyond basic legal requirements.
- BD Foods is therefore committed to following and implementing the principals of the Ethical Trading Initiative Base Code (although we are not members of the ETI).
- This policy sets out BD Foods' commitment to its stakeholders and the measures we are taking to ensure that we act in an ethical manner.

2. BD FOODS COMMITMENT TO ITS STAKEHOLDERS

Shareholders

BD Foods is committed to balancing the ethical and social components of our business, whilst building shareholder value. BD Foods recognises that our ethical and social performance and reputation is a key part of our overall commercial success, and is pleased to be at the forefront of the UK quality meal accompaniments industry in the area of ethical trading and social responsibility.

Employees

BD Foods is committed to ensuring that our personnel policy practices, and the enforcement of corporate regulations, ensure the protection of the rights of all those who work for BD Foods. In many areas we aim to operate above the minimum standards required by law to ensure our employees are safe, rewarded and valued. This is achieved through independent audits of our manufacturing site against the Ethical Trading Initiative Base Code.

Consumers

BD Foods is committed to demonstrating its ethical and social responsibility credentials to enable consumers to make informed choices about whose products they purchase. This is achieved through the publication of policies and accreditations on our web site.

Suppliers

BD Foods is committed to monitoring social standards in our supply chain, and we encourage our suppliers to operate to the same ethical standards we ourselves employ. The ethical trading practices of our direct suppliers are initially monitored by self-assessment questionnaires, followed by Ethical Trading assessments of key suppliers: a part of the BD Foods Supplier Assurance Procedure.

As a minimum, direct suppliers are required to comply with or have time-defined plans to adopt ethical trading standards, based on the ETI code, at their own manufacturing and supply sites, and to drive Ethical Trading requirements along their own supply chain.

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3. BD FOODS ETHICAL TRADING CODE OF PRACTICE

3.1 This Code of Practice applies to:

- Staff directly employed by BD Foods on temporary or permanent contracts
- Staff employed or provided by contractors or employment agencies to work on BD Foods premises or to undertake work for or on behalf of BD Foods.

3.2 No forced, bonded or involuntary labour shall be used.

- All employment with BD Foods is freely chosen
- Staff are not required to lodge deposits or identity papers with us
- Staff are free to leave BD Foods after reasonable notice.

3.3 No child labour shall be used

- There shall be no recruitment of child labour
- Children or persons under 18 are not employed at any time, day or night.

3.4 All employees have the right to join a recognised trade union.

3.5 Union representatives are able to carry out their duties without hindrance.

3.6 BD Foods has an open attitude towards the activities of trade unions.

3.7 Working conditions are safe and hygienic.

- BD Foods takes adequate measures to prevent accidents and minimise potential hazards
- Staff receive regular health & safety training
- Staff have unrestricted access to toilet facilities and drinking water
- BD Foods has a published Health & Safety Policy.

3.8 Working hours and remuneration are reasonable and comparable to other companies in our manufacturing sector and regular employment is provided.

- Staff pay rates are all above the national legal minimum standards by a minimum of £1.00 per hour, as at Sept 05
- Staff are not forced to work in excess of 48 hours per week, a voluntary opt-out agreement is available for those wishing to work in excess of 48 hours per week
- Staff are provided 2 days off per week
- Staff are given written terms and conditions of employment that details the employment relationship between and the respective obligations of the employee and employer, rates of pay, working hours, grievance and disciplinary procedures, holiday entitlement, absence and sick pay rules and notice periods for termination of employment
- No deductions are made from wages as a disciplinary measure, and pay slips detailing lawful deductions are provided for each pay period
- Labour only contracting, sub-contracting and fixed-term contracts are not used as a means to avoid obligations under labour or social security laws.

3.9 No discrimination is practised

- There is no discrimination in pay, hiring, compensation, access to training, promotion, termination of employment or retirement on the grounds of race, nationality, religion, age, disability, marital status, sexual orientation, union membership or political affiliation
- Opportunities for personal and career development are equally available to all employees.

3.10 No harassment, threats, abuse or intimidation shall be practised.

- Physical, verbal and sexual threats, abuse, harassment or intimidation are expressly prohibited and grounds for summary dismissal, if proved.

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4. EMPLOYMENT AGENCIES

4.1 Employment agencies contracted to supply temporary staff shall demonstrate commitment to and application of the requirements of this code.

4.2 Employment agencies contracted to supply temporary staff shall ensure that all staff supplied to BD Foods are eligible to work in the UK by:

- Following Immigration and Nationality Directorate Guidelines on Amendments to Section 8 of the Asylum and Immigration Act 1996
- Ensuring that the requirements of the Immigration and Asylum Act 1999 Section 22 Code of Practice are met
- Retaining copies of identity papers, work permits or passport stamps as detailed in the Home Office List of Specified Documents and UK Passport Stamps.

4.3 Employment agencies contracted to supply temporary staff shall ensure that all staff supplied to BD Foods have sufficient command of English to understand:

- The agency's responsibilities under this code of practice
- BD Foods Health & Safety requirements
- BD Foods Food Safety requirements
- Written statements of employment particulars. Or have other measures in place to ensure that all these requirements are communicated in the employee's native language.

5. ORGANISATION

BD Foods' Board of Directors has overall responsibility for all aspects of ethical trading at work within the business. Lead roles are taken by: Technical Manager, Materials Manager, Production Manager, Overall Packaging Supervisor and Packaging line supervisors in the implementation, communication, planning, developing, reviewing and communicating ethical trading policy and standards and ensuring improvement action is taken where necessary.

The Technical Manager has the policy audit responsibility and for reporting to The Managing Director any policy non-conformances or incidents. The Managing Director takes the responsibility for correcting any non-conformances.

The Board of Directors is copied with all corrective actions and audit reports. Each Employee also has a duty to co-operate with management so far as is necessary to enable the latter to fulfill its statutory obligations. This includes:

- Co-operating in the introduction and operation of all measures designed to fulfill management's obligations under this policy
- Drawing attention to actual or potential problems
- Suggesting ways in which ethical trading practices could be improved.

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