



Modern Slavery Statement

Terradace Holdings Limited

1st October 2024 to 30th September 2025



Modern Slavery Statement Contents

1	Introduction	Page 3
2	Our business & supply chains	Page 4
3	Policies & governance	Page 4
4	Human rights & modern slavery due diligence	Page 5
5	Assessing & managing modern slavery risks	Page 5
6	Raising awareness & building capacity	Page 6
7	Measuring our positive social & ethical impact	Page 7
8	Our 2025/26 priorities	Page 8

Modern Slavery Statement

1st October 2024 to 30th September 2025

1. Introduction

The Terradace Holdings Limited Group (the “Group”) Modern Slavery Statement for the financial year 1st October 2024 to 30th September 2025 is published in accordance with Section 54 of the UK Modern Slavery Act 2015 (“the Act”) and outlines the steps taken across the Group to prevent modern slavery, forced labour and human trafficking within our subsidiaries and supply chains.

The Group meets the statutory reporting thresholds under Section 54 of the Act based on turnover and operational activities in the United Kingdom.

Whilst all qualifying subsidiaries have produced their own Modern Slavery Statements, Terradace Holdings, as the parent, issues this statement to outline its oversight and accountability for the actions and measures implemented to prevent and mitigate modern slavery risks within our businesses and throughout our global supply chains.

As geopolitical and climate instability continue to heighten vulnerabilities and increase the risk of human rights violations, our group-wide Modern Slavery Statements demonstrate our unwavering commitment to collaboration and partnership in tackling debt bondage, forced labour, slavery and human trafficking risks across our global supply chain.

In the next year, 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 confident that my sponsorship of our new Group ESG committee will support stronger governance and oversight, alongside wider team, supplier, and worker engagement, so that we continually identify and address modern slavery risks.

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



Daryush Farshchi

Group Co-CEO

28th January 2026

2. Our Business & Supply Chains

The Group includes subsidiaries responsible for primary production (Agriculture Investments Limited) and the global sourcing, handling, and supply of fresh produce to UK retail and food service customers (Direct Produce Supplies Limited (“dps”), dps(M&S) Limited (“dps(M&S)”), Fresh Produce Partners Limited (“fpp”), Ethical Food Company Limited (“EFC”), and Integrated Service Solutions Limited (“ISS”). The Group’s global supply chain includes over 6,300 production operations (growers and packhouses) in 46 countries.

3. Policies & Governance

The Group’s policies related to ethical trade, human rights and modern slavery are designed to protect the wellbeing of our people, align with customer requirements, and are underpinned by internationally recognised frameworks including the Ethical Trading Initiative (ETI) Base Code, the UN Universal Declaration of Human Rights, the OECD Due Diligence Guidance for Responsible Business Conduct, the International Labour Organisation’s Fundamental Principles and Rights at Work and the UN Guiding Principles on Business and Human Rights (UNGPs).

Our policies relating to modern slavery are:

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

Group governance for human rights and modern slavery is led by the Group Head of Responsible Sourcing, the Group Technical Director and the Group Head of People & Development, with company-level, senior leadership accountability and Board oversight.

4. Human Rights & Modern Slavery Due Diligence

The foundations of our due diligence approach are end-to-end supply chain transparency, a consistent set of tools to assess risk, proactive supplier engagement, and independent verification through third-party audit programmes across our direct UK operations and global supply chain.

The Group is a member of the Supplier Ethical Data Exchange (Sedex), which is also a core requirement for all upstream strategic suppliers. Each subsidiary completes a Sedex Self-Assessment Questionnaire (SAQ) at least annually, assessing management systems, recruitment practices, and workforce profile. Where supplier SAQs are required, the data and insights are combined with inherent country risk ratings, and the outcomes are used to shape our due diligence and management approach, including enhanced due diligence and derisking measures.

We implement a risk-based programme of third-party ethical audits, prioritising suppliers and sites operating in high-risk countries. These independent audits provide verified insights into recruitment, the management of working hours, grievance mechanisms, and labour-provider practices, enabling us to identify non-conformance trends and work with suppliers to implement mitigating actions.

Within the UK, modern slavery capacity-building visits, labour-provider audits, and accommodation assessments have been a key focus area during this period. These visits focus on worker safety, legal compliance and welfare standards, including facilities, privacy, fire safety and freedom of movement. Where issues are identified, we agree on improvement plans and provide ongoing support through follow-up meetings and visits.

Collectively, these measures form a comprehensive due diligence framework that helps us identify, mitigate and remediate human rights and modern slavery risks across our direct operations and supply chains.

5. Assessing & Managing Modern Slavery Risks

The Group's approach to identifying, preventing, and mitigating risks is underpinned by a multi-level horizon-scanning framework. This includes analysing inherent risk data, monitoring media allegations and supply chain incidents, conducting supplier visits, and using a suite of risk assessment tools. We take a people and victim-centred approach to prevention and remediation, supported by engagement with external stakeholders, including the police and local authorities, which is particularly relevant within our direct UK manufacturing operations.

During the reporting period, we completed a comprehensive review of our Group Operating Responsibility strategy through proactive, regular, multi-level engagement. Our updated strategy reflects the insights, issues and risks that matter most to our customers and suppliers as key stakeholders, and workers as principal rightsholders.

The most salient human rights and modern slavery risks, forming the core focus areas for management and mitigation across the Group, include:

- Responsible recruitment and labour-provider practices
- Forced and child labour in high-risk countries/operations
- Ineffective grievance mechanisms
- Seasonal labour vulnerabilities and decent accommodation standards
- Health, safety and welfare (transport, chemical handling, operational practices)

During the reporting period, one allegation of modern slavery was identified within the dps' supply chain, raised through a supplier's whistleblowing hotline. As part of the dps 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.

Looking ahead, the scale of our supply chain means we need to enhance how we assess and manage human rights and modern slavery risks. We have commissioned an independent human rights expert to review our Group-wide approach, including our policies and practices. The findings will be shared across the business and with key stakeholders (including customers) during human rights due diligence governance sessions. We will report on the resulting changes to our strategy in our next annual report.

6. Raising Awareness & Building Capacity

To increase our collective ability to assess and manage modern slavery risks, the Group continues to align its practices with leading external stakeholders and multi-stakeholder initiatives. We fund and actively participate in the Food Network for Ethical Trade (FNET), Stronger Together, the Seasonal Worker Scheme (SWS) Taskforce, the Spanish Ethical Trade Forum, Egyptian Ethical Trade Forum, and FNET working groups on Climate Risk and Human Rights, Responsible Recruitment and Common Due Diligence Tools.

During the reporting year, we finalised our membership of the Modern Slavery Intelligence Network (MSIN), a multi-agency collaboration supporting intelligence sharing across the UK food and agriculture sector to better protect vulnerable workers. Our focus for the coming year is to increase our MSIN contribution and apply insights across Group operations.

Looking ahead, we plan to deliver a group-wide Modern Slavery Week in October 2026, supported by external expertise from Stronger Together. We also aim to reinvigorate the role of Modern Slavery Champions, targeting six across the Group, with at least one in each subsidiary. dps, dps (M&S) and fpp will introduce Advanced Stronger Together training for senior managers, and all companies will continue to expand worker and supplier engagement activities across key sourcing regions.

Taking a leadership role, EFC also aims to become the first Group subsidiary to undertake the Stronger Together Operational Progress Assessment, an independent verification of the company's approach to identifying and managing modern slavery risks. This marks an important step for EFC as they work towards their broader ambition to progress from Stronger Together Business Partner to Stronger Together Verified Business Partner status.

7. Measuring our Positive Social & Ethical Impact

Since 2022 dps, dps(M&S), fpp, and EFC have aligned relevant Key Performance Indicators (KPIs) to measure progress and effectiveness in implementing our modern slavery approach. In the coming year, we will update our KPIs to reflect our revised HRDD strategy, with progress reported periodically through each company's governance meetings.

During the reporting period, dps, dps (M&S), fpp, and EFC launched a new ethical and human rights KPI dashboard, which has optimised our ability to track and measure compliance and due diligence across our global supply chain, including supplier SAQ completion and third-party ethical audit non-conformance trends.

In addition, ISS has defined new modern slavery KPIs that will be measured over the next 12 months:

- Number of agency audits completed and closed (including trend analysis of non-conformances)
- Percentage of managers and supervisors completing Stronger Together training
- Employee worker voice and engagement metrics, including participation in customer, direct worker-voice surveys and internal pulse surveys

Due to the discontinuation of the Stronger Together Progress Reporting Tool, this metric was not reported by any business during the financial year.

Our 2025/26 Priorities

Over the next 12 months, we will focus on five areas to continually evolve our modern slavery approach across the Group.

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 & modern slavery due diligence

- Implement new AI-driven supply chain management systems to enhance transparency
- Complete an independent human rights due diligence strategic review by external human rights experts
- Refresh our human rights and modern slavery strategy to better align with 2025 Transparency in Supply Chains (TISC) guidance and the UNGPs
- Increase labour-provider oversight, and deepen external collaboration with law enforcement and local authorities

3. Assessing & managing modern slavery risks

- Continually review our human rights and modern slavery risk assessment methodology and consistently apply risk assessment tools to define salient risks and priority regions for action

4. Raising Awareness & Building Capacity

- Enhance monitoring and participation in Stronger Together training across the Group and key sourcing regions
- Deliver a group-wide Modern Slavery Week in October 2026
- Appoint new Modern Slavery Champions to strengthen internal accountability and awareness

5. Measuring our positive social & ethical impact

- Update KPIs and enhance periodic reporting to track supply chain compliance, due diligence, and preventive actions across the Group.