



February 1st, 2021

Dear Partner,

Thank you for your continued support in 2020, a year that has been incredibly tough for our industry. We appreciate all the work that you have achieved in one of the most challenging periods in our recent history. All of our businesses have been impacted and we value our ongoing partnership that continues to provide reassurance that suppliers are still operating to high safety and quality levels.

Our online Covid-19 Hub helped industry to navigate through these difficult circumstances by making a range of technical and practical guidance available to maintain supply chain fluidity and confidence. We also published regular FAQs, position statements and guidance and worked with you as partners to offer the appropriate audit solutions.

Delivery partners are an integral part of our service offer and I am pleased to see that we work in such a collaborative fashion. Our work with brand owners in APAC, LATAM and EMEA has demonstrated that we work well together to deliver customer value. Our new suite of remote and blended audit solutions has been well received by brands as a means of providing reassurance and supply chain confidence. Our compliance programme, which underpins these new audit protocols, is now recognised by brands as a key difference to other GFSI schemes. This level of assurance is a cornerstone of BRCGS and recent upgrades, such as our confidential reporting system and the new generation directory (launching Feb'21), has been very much welcomed by global brand owners.

To update you on services that you currently deliver, or may wish to deliver in the future, we have recently launched an upgraded Ethical Trading and Responsible Standard which addresses the shortcomings of existing market offerings. The programme will be UKAS-accredited and recognised by the Consumer Goods Forum's Sustainable Supply Chain Initiative, SSCI - equivalent to GFSI.

We are seeing significant interest in our Free-from offer, which includes Gluten-Free and Plant-Based certification. A shift in consumer behaviour, which has been fuelled by the pandemic, has driven up adoption in these schemes. Our B2C Informed trademarks, that can be used on product packaging, are now actively engaging with global brands and suppliers. Our

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relationships with National Coeliac Associations remain strong, and we expect to extend our coverage in Europe with a partnership with the Association of European Coeliac Societies imminently.

We launched issue 4 of our Storage and Distribution Standard to provide supply chain visibility and assurance of industry developments such as e-commerce and cross-docking. As well as seeing growth in the warehousing and logistics sector, the standard is now attracting interest from leading online retailers seeking to support their assurance as they respond to the spike in e-commerce.

Other products and services that are seeing strong growth include BRCGS *START!*, particularly in developing markets where multinational brands are working with small suppliers to meet higher standards, and Consumer Products and Packaging where we are working with a number of global trade associations seeking to licence our Standards for use by their members. Finally, the BRCGS Professional programme now has over 10,000 individuals, all requiring training to qualify. Having put their own technical teams through the programme, brands including as Waitrose and Aldi in the UK, are now actively encouraging adoption by their suppliers.

Digital is a core element of the BRCGS strategy. We launched a new Confidential Reporting system that captures, manages and reports on internal feedback on potentially any compliance-related matter. This is now available to any organisation including delivery partners, suppliers and brand owners. We are also due to roll out our new generation directory which will significantly reduce your audit upload time and simplify how brands engage with the platform.

Our parent company, LGC, has also just announced the acquisition of Safefood 360, an organisation that has developed a food safety and supplier quality management software platform. The need to manage supply chain and food safety more efficiently through a single platform is growing within industry as compliance pressure increases, supply chains are becoming more complex and consumer consciousness is rising globally. The acquisition augments LGC's supply chain and quality assurance offering and meets the developing market and industry trend of adopting digital technology.

There are many ways in which we can collaborate and work together for mutual benefit. While there are a number of fruitful joint initiatives underway, we always welcome the opportunity to work together further. With BRCGS representatives across APAC, EMEA and North America, we are happy to help co-present the brand and assist in any supply chain transition projects, within the context of a competitive environment.

We want to attract and work with your marketing and commercial teams. We have invested in our marketing team and seek to collaborate whether through sharing sales tools, co-branding ready-for-use materials, and joint promotional campaigns. Our global business development team is committed to working with your commercial teams to help them better understand; position and support our entire range of products and services and with regional representation, we're able to provide this support throughout your network.

A reminder that our all-inclusive service package that we offer suppliers is designed to support continuous improvement that will ultimately increase brand and consumer confidence. Our



aim is to be the best-value GFSI scheme and we have enhanced the package to include a range of insight benchmarking reports and access to Food Safety Culture Excellence Lite for all customers operating to a BRCGS standard. Additional digital services and further technical content will be made available to suppliers during 2021.

The current BRCGS service package currently includes:

- BRCGS Corporate brand licence for B2B promotion
- Ethical Trading and Responsible Sourcing Risk Assessment and Guidance
- Unlimited BRCGS Professional enrolments
- Two BRCGS Participate licences (access all BRCGS technical content)
- Licence to trade with customers
- Access to technical and support teams
- Technical benchmarking reports now available on Participate
- Food Safety Culture Excellence Lite

In general, pricing has been held at the 2020/2021 rate with the service package fee increasing to 625 GBP as of 1st August 2021.

Further details of the fees are contained in the table over page.

Once again, thank you for your continued support of BRCGS. If you have any questions, or wish to meet me and my team, then please contact me.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Mark Proctor'.

Mark Proctor
CEO



Delivery Partner Certification Fees

| Delivery Partner Price List | Rate (all in GBP) |
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| Service Package applies to the following Core Schemes – Food Safety, Packaging Materials, Agents & Brokers, Storage & Distribution and Retail | 575 625 (as of 01/08/21) |
| Covid-19 Related Certificate Extension (up to 6 months) Covid-19 Additional Module | 287.50 312.50 (as of 01/08/21) 200 |
| Core Scheme – Consumer Products (Foundation and Higher Levels) | 300 350 (as of 01/08/21) |
| Ethical Trade & Responsible Sourcing – Risk Assessment and Guidance <ul style="list-style-type: none"> • BRCGS Existing Site (on a core scheme) • Non BRCGS Site and BRCGS START! | Part of Service Package 150 |
| Ethical Trade & Responsible Sourcing – Core Scheme. Stage 1 (readiness audit) and stage 2 (certification audit) <ul style="list-style-type: none"> • Site operating to a BRCGS Standard • Site operating to a non BRCGS Standard <p>Only one fee applies for Stages 1 and/or 2 per annum</p> | 250 300 (as of 01/08/21) 450 500 (as of 01/08/21) |
| Food Safety – BRCGS START! | 150 200 (as of 01/08/21) |
| Food Safety – BRCGS PLUS! | 150 200 (as of 01/08/21) |
| Food Safety Culture Excellence Standard Module (Applicable for all GFSI and non-GFSI schemes) | 550 (CB retains 200) |
| Food Safety Additional Module – Food Safety Modernization Act, Preventative Controls for Human Food | 100 |
| Food Safety Additional Module – Meat Supply Chain Assurance | 100 |
| Food Safety Additional Module – AOECs Gluten Free (Note: AOECs terminates on 31/03/21) | 100 |



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| Food Safety Additional Module – Global GAP Chain of Custody | 100 |
| Food Safety Private Module – Asda AA | 50 |
| Gluten Free Certification Programme Issue 3 | 150 |
| Plant Based Certification Programme (Applicable for any site operating to a GFSI programme) | 500 |

NOTES:

These rates apply to all audit types, including announced, unannounced, blended and remote and the price change are for audits conducted from 01/08/21.

MULTIPLE AUDITS:

When two or more core Standards are audited at the same time, the service fee for the additional core Standards will be reduced to 300 GBP per additional core Standard. For example, if a delivery partner audits to both Food Safety and Storage & Distribution standards, then the service fee would be 575 GBP currently + 300 GBP = 875 GBP.

For customers who are on a core Standard and want to add Gluten-Free, Plant-Based Certification Programmes or Ethical Trade and Responsible Sourcing, then please apply the prices set out in the above table.