

MODERN SLAVERY STATEMENT 2023

This statement is made pursuant to The Modern Slavery Act 2015 and sets out the steps that Whittard Trading Ltd has taken, and will continue to take, to ensure the detection and prevention of slavery and human trafficking within the business and its supply chain.

Introduction:

In 2015, the UK government introduced legislation that requires all businesses operating in the UK, with a turnover greater than £36m, to produce an annual statement detailing activities performed in the past year to eradicate modern slavery within their organisation and supply chain.

Awareness of Modern Slavery and ensuring the detection and prevention of slavery and human trafficking in our business and supply chain is important to us. In 2022, we commissioned Slave-Free Alliance (SFA) to perform an external review of the existing modern slavery provision.

This statement is published in accordance with Section 54 of the Modern Slavery Act 2015 and sets out the steps we have taken for the period from June 2022 to July 2023.

Business, Structure, and Supply Chains

We are a medium-sized business specialising in tea, coffee, hot chocolate, confectionery, and other complementary products like ceramics and equipment lines to support the core categories. Our Head office is based in Oxfordshire, with a satellite office based in London.

Our routes to market include: 41 retail outlets, a global ecommerce platform, international franchise and UK and international wholesale. As of July 2023, we have 383 employees based in the UK.

Currently, we are designing an Environmental, Social, and Governance (ESG) strategy with the expectation that an anti-slavery agenda will sit within this framework. This will embed an anti-slavery culture across the organisation.

1. Business: Risk Register:

We are committed to addressing modern slavery in all its forms within our operations and supply chains. We recognise that modern slavery poses significant risks to our business, reputation, and the broader ethical and social landscape. By proactively addressing these risks and taking the appropriate actions, we not only fulfil our moral obligations but also unlock potential benefits that contribute to the long-term sustainability of our business.

Modern Slavery as a Business Risk:

Modern slavery is not just a distant concern; it has the potential to directly impact our operations, reputation, and financial stability. Our risk assessment has identified the following areas where modern slavery poses a threat to our business:

- **Legal and Regulatory Repercussions:** The legal landscape is evolving, with an increasing number of jurisdictions implementing stringent regulations related to modern slavery. Non-compliance can result in fines, legal actions, and reputational damage.
- **Reputation and Brand Integrity:** Our customers, investors, and stakeholders hold us to high ethical standards. Any association with modern slavery, even indirectly through our supply chain, can lead to a loss of trust and loyalty.
- **Operational Disruption:** Modern slavery risks in our supply chain can lead to disruptions in the availability of goods and services, affecting our ability to meet customer demands and contractual obligations.
- **Financial Impact:** From potential litigation costs to increased due diligence expenses, the financial consequences of modern slavery-related issues can strain our bottom line.

Benefits of Including Modern Slavery on the Business Risk Register:

While modern slavery poses significant risks, taking proactive steps to address it can yield valuable benefits for our business:

- **Enhanced Reputation:** Demonstrating a commitment to combating modern slavery enhances our reputation as a responsible and ethical business, attracting customers, partners, and investors who share our values.
- **Resilience in Supply Chain:** Identifying and mitigating modern slavery risks in our supply chain enhances its resilience, reducing the likelihood of disruptions and ensuring a steady flow of goods and services.
- **Regulatory Compliance:** By identifying and addressing modern slavery risks, we stay ahead of evolving regulatory requirements, avoiding fines and legal actions while ensuring compliance with international standards.
- **Innovation and Efficiency:** Addressing modern slavery requires innovation in supply chain management. This often leads to more efficient and sustainable practices, contributing to cost savings and process improvements.
- **Engaged Workforce:** Demonstrating a commitment to ethical practices can boost employee morale and engagement, fostering a positive workplace culture.

In conclusion, we recognise that modern slavery represents a multifaceted risk that demands our attention and action. By acknowledging its presence on our business risk register, we not only safeguard our operations but also harness the benefits that come with responsible and ethical business practices. We are dedicated to implementing measures that contribute to eradicating modern slavery and ensuring a brighter, more equitable future for all.

The business risk register is reviewed quarterly.

2. Structure: Governance

The CEO retains ultimate responsibility for ensuring that we monitor human rights risks and take mitigating action where applicable.

Specific activity is delegated to the Directors and Heads of Department with assurance provided in the form of our risk management process.

All Directors and heads of departments have responsibility for ensuring compliance with the act within their functional area.

Supply Chains: Suppliers

We source from a global supply base with origins including China, India, Africa, and South America. We have close working relationships with our direct suppliers, some of whom we have worked with for many years. Our suppliers are managed by our buying team and technical teams, who work to establish mutually beneficial relationships based on open dialogue and a clear understanding of our business expectations and standards.

3. Policies

Whistleblowing Policy

We have also developed a Whistleblowing Policy for colleagues to use when they see or suspect serious concerns or wrongdoing. Modern slavery is a consideration within this policy, giving employees the platform to report in the correct manner and have assurances that any concern reported will be treated confidentially.

To enable anonymous disclosures, we are considering the use of a hotline with a 3rd party provider.

Suppliers

Suppliers are expected to have in place suitable modern slavery systems and an appropriate management structure to support this. It is also essential for all suppliers to fill in our Modern Slavery Questionnaire (Doc ref: BF7), which is reviewed and updated annually.

Recruitment

We undertake the right-to-work checks for all employees prior to their first day of working with the company. We run regular RTW audits, including quarterly checks on bank accounts, telephone numbers, and address audits.

Due Diligence: Risk Assessment and Management

Modern slavery is a complicated worldwide issue and is hidden and difficult to detect.

Our buying and technical teams maintain regular contact with our tier 1 suppliers, including quarterly face-to-face meetings. Performance is also measured and reviewed monthly.

In 2023, we've set up a Modern Slavery working group. The purpose of the group is to review, develop, implement, and monitor our modern slavery commitments, using the SFA audit as a baseline.

This group is chaired by the CEO, led by the Head of HR, and the team currently consists of representatives from Buying, Technical, International Sales, Operations and Compliance.

The measures we already have in place to protect food safety and integrity overlap with modern slavery.

Our activity to date has been to explore our supply chain risks, considering geographical and supplier-specific aspects, and to identify mitigation.

4. Training

We have committed to developing an employee training programme on Modern Slavery and Human Trafficking to include:

- The basic principles of the Modern Slavery Act 2015 Awareness of modern slavery definition
- Indicators and how to recognise the signs of modern slavery.
- How to address and mitigate the risk of modern slavery within Whittard's operations and supply chains
- How to report potential breaches and understand how to go about whistleblowing.

5. 2023 and future Focus:

We continue to improve our approach and work to make further progress against our commitments. With the support of SFA, we will develop our training programmes at all levels of the business, see below:

Risk Assessments

- Continue to update and review our business risk register and ensure that, Modern Slavery is incorporated within.
- We will investigate opportunities to join other ethical schemes that correlate with modern slavery controls.

Training and Awareness

- We recognise the importance of leadership in tackling modern slavery, therefore our leadership team and other key roles responsible for decision-making and areas of the greatest potential risk will receive training from the SFA by the end of Q1 2024.
- We will develop awareness training for all other areas of the business in the next 12-15 months and further develop our induction training.
- We will report to the business on a quarterly basis on training completed.

Policy and Governance

- Integrate the Modern Slavery roadmap into the wider ESG strategy.
- Ensure we meet Modern Slavery legislative requirement and review any policies/procedures in line with the legislation.
- Quarterly meetings, chaired by the CEO, led by the head of HR ensuring key stakeholders are represented and taking appropriate action, as agreed.
- Set up a whistleblowing hotline with a 3rd party.

Collaboration and impact

- Utilise benefits provided by membership of third-party organisations to create an impact within our business and supply chains.

This statement was approved and signed by:

Nathan Smith

CEO

Signed:

A handwritten signature in black ink, appearing to read 'N. Smith', written over a horizontal line.

Dated: September 2023