

MODERN SLAVERY STATEMENT

APPROVED BY THE BOARD OF MITCHELLS AND BUTLERS PLC ON 25 NOVEMBER 2024

STOP THE TRAFFIK.
PEOPLE SHOULDN'T BE BOUGHT & SOLD



**Mitchells
& Butlers**



FOREWORD

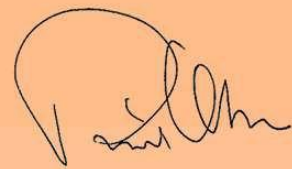
Mitchells & Butlers remain committed to their objective of removing any form of servitude, slavery, forced labour or human trafficking from all aspects of their business. We recognise the responsibility that we have in our ability to prevent these forms of exploitation through detection and through the influence we can have on our people and across our supply chain.

To ensure our strategy remains in line with current exploitation issues and that M&B is taking all of the necessary steps to combat the global modern slavery and human-trafficking concerns, we are delighted to continue our work with [STOP THE TRAFFIK](#) – an NGO aimed at disrupting modern slavery and human trafficking (MSHT) around the world. They have continued to challenge our thinking and assisted in the ongoing delivery of the overall objective. This Modern Slavery Statement elaborates on this further and identifies the progress to date along with the areas that will be addressed in the coming year.

We are committed to working with our supply chain to ensure that all risks associated with the exploitation of people are mitigated to their lowest level. We believe that a collaborative and transparent approach is vital to the success of this commitment.

It remains the case that Mitchells & Butlers plc has a zero-tolerance approach to any form of mistreatment of people and are committed to conducting our business in such a way that human rights are protected and respected. For this reason, M&B fully supports the provisions set out in the Modern Slavery Act 2015.

This statement has been published in accordance with Section 54 of the Modern Slavery Act, and has been approved by the Board of M&B. This statement and the policies and procedures referred to in it, apply to M&B and all subsidiary companies within the group.



Phil Urban
Chief Executive



CONTENTS

1. FOREWORD		6. TEAM MEMBERS	
2. PROGRESS AT A GLANCE.....	4	6.1 Human trafficking and modern slavery policies....	10
3. ORGANISATION STRUCTURE AND SUPPLY CHAINS..	5	6.2 Other team member policies.....	10
3.1 Business structure and ethos.....	5	6.3 Approach to labour agencies.....	11
3.2 Supplier relationships and accountability.....	6	6.4 Inclusivity.....	11
4. IDENTIFYING AND MANAGING RISK.....	7	7. GUESTS.....	12
4.1 Supply chain risk mapping.....	7	8. TRAINING ON MODERN SLAVERY AND HUMAN TRAFFICKING.....	13
5. SUPPLY CHAINS.....	8	9. PARTNERSHIP AND COLLABORATION.....	14
5.1 Supply chain policies.....	8	10. KPIS TO MEASURE EFFECTIVENESS AND PROGRESS...	15
5.2 Enhanced due diligence.....	9		

PROGRESS AT A GLANCE

SUPPLY CHAIN RISK MAPPING

It is part of our commitment to ensure effective human rights due diligence across our supply chain. As such, in 2022 we conducted an actual risk mapping of our suppliers. This identified which suppliers operate in high-risk sectors or countries and highlighted those suppliers who may not be managing risk through the appropriate policies.

BUILDING INTERNAL UNDERSTANDING

We have created a training programme on modern slavery and human trafficking which was launched in the period for our team members. This role-specific training will look at how to spot the signs and what to do in response to a situation of possible human trafficking across all different teams.

POLICY REVIEW

We conducted a review of our policies, to ensure they are in line with best practice. We have also refreshed our KPIs to reflect the situation we find ourselves in as of this year.

PARTNERSHIPS

We continue to work closely with **STOP THE TRAFFIK** on our modern slavery and human trafficking strategy. Further detail on our partnership can be found in 'Partnership and Collaboration'.

ORGANISATION STRUCTURE AND SUPPLY CHAINS

3.1 BUSINESS STRUCTURE AND ETHOS

Our portfolio of brands and formats includes the Harvester, Toby Carvery, All Bar One, Miller & Carter, Premium Country Pubs, Sizzling Pubs, Stonehouse, Vintage Inns, Browns, Castle, Nicholson’s, O’Neill’s and Ember Inns. In addition, we operate Innkeeper’s Collection in the UK and ALEX restaurants and bars in Germany. Our 17 brands and formats are operated across over 1,654 sites and we employ over 50,000 team members.

As a public-facing business, serving food and drink to millions of guests on an annual basis, our brands are highly visible. We recognise the importance of maintaining a high level of corporate social responsibility, which is critical to our values. People are at the heart of what we do, and we care deeply about our team members and consumers. Through this statement, we hope to demonstrate our efforts to prevent modern slavery and to promote human rights across all of our operations. Within our operations, CEO Phil Urban oversees matters relating to human rights, including the implementation of the Modern Slavery Act throughout the Group.

ALL·BAR·ONE



STONEHOUSE



ORGANISATION STRUCTURE AND SUPPLY CHAINS

3.2 SUPPLIER RELATIONSHIPS AND ACCOUNTABILITY

For 125 years, our success has been built on long-term relationships with trusted suppliers through our central procurement function and brand teams. Our goods and services are provided by over 1,800 suppliers, most of whom operate in the United Kingdom and a small number who operate from countries across the globe, including Europe, North America, Asia, Africa, South America, and Australasia. As a hospitality business, the majority of our suppliers are in the food and beverage industry.

However, some provide goods and services such as building maintenance, furniture and fittings, technology services or warehousing and logistics. We do not currently track our tier 2 suppliers (i.e. the providers of raw materials to our suppliers) but acknowledge that this is a gap in our due diligence and hope to address this..

Our supplier agreements set out high expectations and standards regarding the promotion of human rights and the prevention of modern slavery. Our compliance programme also ensures that our supply chain complies with our values.

This consists of:

- Supplier Modern Slavery Code of Conduct. The policy outlining the required principles can be found by following this [link](#).
- Supplier Certification & Procurement – this exists to ensure that problems are caught before contracts are signed.
The two policies above are accessible to suppliers on our online GoProcure system.
- Training of our procurement teams to have conversations with suppliers about their commitment to human rights and modern slavery prevention in their operations.
- Training in modern slavery and our commitments at our supplier conference

Where necessary, we use our expertise to help our suppliers improve and achieve the high standards we set out. We work with **STOP THE TRAFFIK**, who review our policies to ensure they are in line with best practice. It is our procurement managers who are responsible for the implementation of these different policies.



IDENTIFYING AND MANAGING RISK

As a hospitality business operating restaurants and pubs in multiple locations, we are aware that the risks of modern slavery and human trafficking are present daily in our work. We outline below where these risks might appear in our supply chains, while also recognising that risks are present in the restaurant and pub setting itself. Restaurants and pubs may be confronted with modern slavery both in interactions with employees but also with guests. Sexual and labour exploitation can be hidden in plain sight, such as an employee not having possession of their identity documents or a guest being groomed by a fellow guest.

In partnership with **STOP THE TRAFFIK**, we have created training for our team members that addresses how to spot the signs and respond to modern slavery and human trafficking in an effort to mitigate these specific risks.

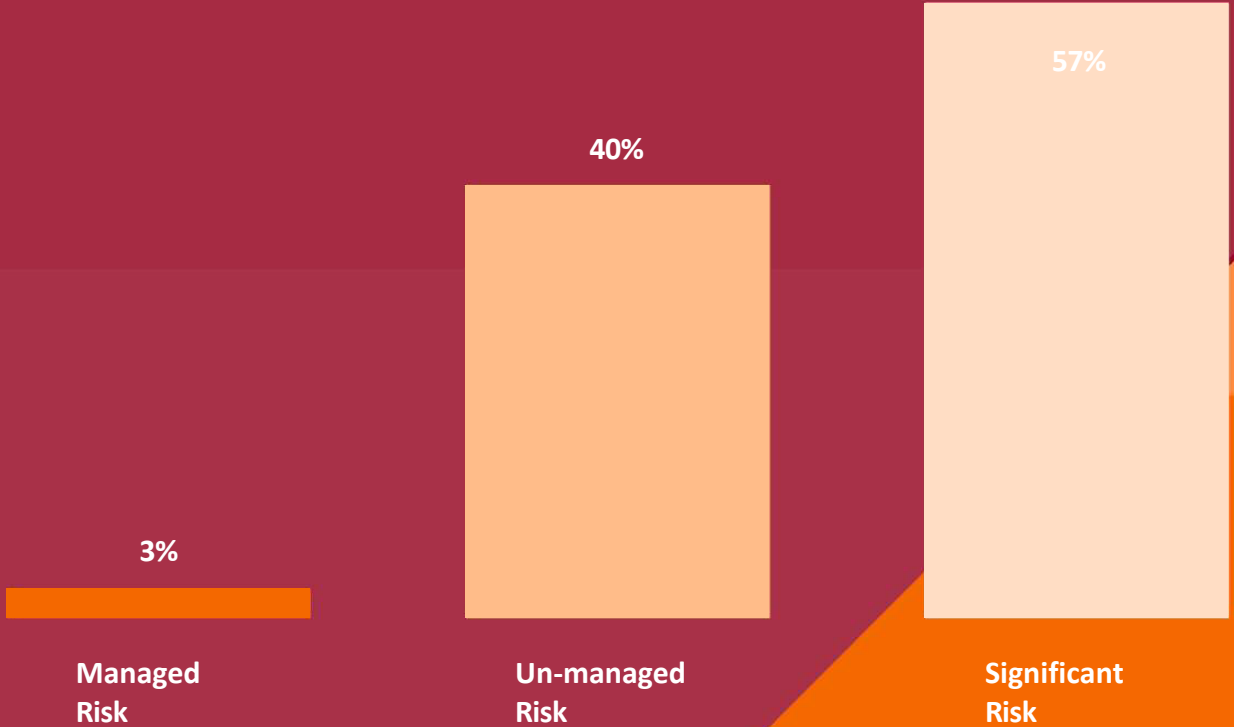
4.1 SUPPLY CHAIN RISK MAPPING

STOP THE TRAFFIK has completed the second stage of the risk assessment process - the actual risk mapping of our 137 highest risk suppliers. Actual risk mapping has allowed us to identify which suppliers operating in inherently high-risk sectors or countries are managing that MSHT risk through appropriate policies and procedures.

The results of our actual risk mapping showed that 3% of our inherently high-risk suppliers were classified as “managed risk”, 40% as “unmanaged risk” and 57% as “significant risk”. Recommendations from the risk mapping included the need for working closely with suppliers to ensure an increase in the completion rate of the self-assessment questionnaire. This was explained as part of our supplier conference and training, the FAQ guidance has been prepared for the procurement team to ensure they are equipped to support suppliers with any questions. Specific issues which were found in the actual risk mapping have been addressed with those suppliers by M&B. M&B is investigating setting up an audit platform and hopes to implement this in the next year.

Common non-compliances, found from the actual risk mapping, included some tier 1 suppliers not having trade unions or worker representative committees and policies against the recruitment of child labour. We will make it a priority to improve the risk level of these suppliers over the next year, in partnership with them using what we have learned from implementing our own approach. This will involve engaging with suppliers on key issues, for example through audits or supplier conferences. We have begun this already and held a supplier conference earlier this year. The actual risk mapping process only focused on those suppliers with a direct relationship with M&B, it did not include an analysis of the indirect suppliers i.e., those providing ingredients for the finished food and beverage product. However, this relationship is managed through the conditions of contract and Supplier Code of Conduct documents. We held a supplier conference this year and will continue these conferences in the future to further strengthen our supplier commitments.

Figure 1: Distribution of actual risk across all suppliers



SUPPLY CHAINS

5.1 SUPPLY CHAIN POLICIES

M&B's Supplier Code of Conduct covers the following expectations and procedures:

- Supply chain accountability
- Company accountability
- Record keeping and actions taken to strengthen supply chain due diligence
- Auditing and verification

We also have a Sourcing Policy which has been developed to ensure the procurement of all meat, poultry and finfish used within our business is carried out in accordance with the company's ethical standards that operate across all of our brands.

We will seek to review our Supplier Code of Conduct each year, and any updates will be notified accordingly to relevant employees and suppliers. We will investigate any supplier found to be in breach of the Code of Conduct and dependent upon this investigation, may terminate the contract with immediate effect.



SUPPLY CHAINS

5.2 ENHANCED DUE DILIGENCE

Reporting procedure

We have an internal incident reporting system that allows people to report modern slavery and human trafficking concerns. We have also committed to a 24-hour response time to any incidents to ensure concerns are dealt with quickly and carefully. Information about how to access and use this system will be included in our training for every team.

Supplier self-assessments

We have launched the requirement for a mandatory self-assessment for all new suppliers. The results of the first set of self-assessments were included in our actual risk mapping. The self-assessments were written in partnership with **STOP THE TRAFFIK** and address key modern slavery and human trafficking indicators, including accommodation standards, document retention and fair payment of wages. Implementing this system has allowed us to identify focus areas where suppliers may need more support to understand how to mitigate risks. These assessments will be ongoing.



TEAM MEMBERS

6.1 HUMAN TRAFFICKING AND MODERN SLAVERY POLICIES

Our Modern Slavery and Human Trafficking Policy together with our Supplier Code of Conduct covers the following expectations and procedures:

- Due diligence processes for identification of modern slavery and human trafficking
- Company accountability
- Ethically and socially responsible conduct in the workplace
- Training and information on modern slavery and human trafficking
- Key performance indicators (KPIs) to measure the effectiveness of modern slavery and human trafficking mitigation

Most of these policies are stored in internal documents (KPIs are listed at the end of this document): all training is held on our internal MABLE platform, company (supplier) accountability is held within contracts and the code of conduct, and ethical conduct is held within contracts of employment.

6.2 OTHER TEAM MEMBER POLICIES

Other policies that are crucial to nurturing and caring for our team members:

Right to Work Policy: we seek to comply with all employment legislation including conducting appropriate right to work checks prior to employment to ensure all employees are fully entitled to work in the UK.

Whistleblowing Policy: if employees are concerned about someone's behaviour or how business is being conducted, they can call our confidential and anonymous whistleblowing line. We have a rigorous system in place to protect whistle blowers. This policy applies to all persons working for M&B or on our behalf, including employees at all levels whether permanent or temporary, agency workers, seconded workers, contractors and external consultants. The whistleblowing line is available free of charge to all M&B employees in the UK and is operated by an independent third party, EthicsPoint. The hotline is publicised through a poster which is displayed on staff notice boards at corporate and trading sites and on the M&B Intranet. Any member of staff may report any inappropriate behaviour via the whistleblowing line. EthicsPoint notify M&B of all reports by e-mail. M&B reviews all reports and determines the action(s) required to investigate.

Human rights requirements are embedded throughout all of our policies. We care holistically for our employees and support employees with whatever they are going through. Wellbeing is of paramount importance. All of our team member policies are communicated internally and are given in contracts. Policies for suppliers are also communicated in contracts.

TEAM MEMBERS

6.3 APPROACH TO LABOUR AGENCIES

One of the ways in which we mitigate against modern slavery risk is by carefully vetting any temporary labour agencies that we use. This is done through the agreements we have in place with the agencies: contain sections on compliance with modern slavery acts.

6.4 INCLUSIVITY

Included in our Employee Policy is our commitment to diversity and inclusion, providing equal opportunities for all our employees and to ensure every employee, without exception, is treated equally and fairly. We are committed to avoiding discrimination in all aspects of employment and in the workplace. We have a zero-tolerance policy to discrimination and harassment and believe that guests and team members should have the right to work in a safe environment where they feel comfortable.



GUESTS

As part of our dedication to people, both our team members and our guests, a section of a recently developed training included how to respond to and escalate situations involving guests. An example scenario detailed a human trafficking risk and provided advice on spotting the signs and the procedure for safeguarding the individual.



TRAINING ON MODERN SLAVERY AND HUMAN TRAFFICKING

In partnership with **STOP THE TRAFFIK**, we developed a mandatory training for all employees on modern slavery and human trafficking. The training looked at how to spot the signs and what to do in response to a situation of possible human trafficking. This training has been tailored to fit the specific needs of those teams.

STOP THE TRAFFIK held interviews with members of the different teams, such as Procurement and Human Resources, to understand current knowledge levels and the support needed. These interviews informed interactive case studies embedded within the training. The case studies posed situations for the different teams and asked them to reflect on what they should do to respond to the situation.

Over the next year, the training will be launched, completed and monitored to see how effective it has been in improving team members' understanding of modern slavery and human trafficking. We will be asking for feedback on the content and making adjustments accordingly to ensure that it is as effective as possible.



PARTNERSHIP AND COLLABORATION

Working in partnership with experts is a critical part of our approach to tackling modern slavery and human trafficking, and since 2019, we have been working closely with **STOP THE TRAFFIK**.

STOP THE TRAFFIK uses an intelligence-led approach to prevent modern slavery and human trafficking and to disrupt the environment which allows it to exist. In its work with businesses, **STOP THE TRAFFIK** aims to eradicate modern slavery across an organisation's operations, driving the 'S' in ESG strategy by providing actionable insights and advice.

The partnership began with an assessment of our current risk level, across both supply chains and operations, to identify where our prevention efforts should be targeted. Having established focus areas, **STOP THE TRAFFIK** then worked with us to:

- Implement an audit programme including ethical questionnaires to be used in supplier onboarding;
- Design a training programme to ensure all staff understand their role to prevent modern slavery and human trafficking;
- Review and update policy and contracts to be in line with human rights best practices; and
- Create a reporting mechanism which allows staff to share concerns.

Most recently, **STOP THE TRAFFIK** attended our supplier conference at our retail support centre to provide an introduction to the risk of modern slavery for businesses as well as an overview of our commitments in this space.

We look forward to continuing this partnership with **STOP THE TRAFFIK** and expanding this programme of work.

"As one of the largest operators of restaurants, pubs and bars in the UK, M&B is in a unique position to prevent modern slavery at scale, and we are thrilled to be working with an organisation which shows a commitment to not only addressing risk but leading change at an industry level."

Over the next year, we will be working even more closely with the team to operationalise prevention work across the business and the communities M&B serves."

Jason Nunn, Director of Business Engagement at STOP THE TRAFFIK

KEY PERFORMANCE INDICATORS (KPIs) TO MEASURE EFFECTIVENESS AND PROGRESS

In order to measure our effectiveness and progress on the issue of modern slavery and human trafficking, we have created key performance indicators to keep ourselves accountable.

Risk area	Mitigations	KPI	Progress	Next steps
Supply Chain	Supply Chain Risk Assessment	100% of existing and new suppliers have an up-to-date risk score.	Conducted an actual risk mapping of 100% of high-risk Tier 1 suppliers (137 suppliers in total), following our 2020/2021 inherent risk mapping.	We will be looking to operationalise our risk mapping process, so suppliers are risk mapped as relationships are built.
	Supply Chain Due Diligence	Commence audit programme for high-risk, tier 1 suppliers.	We made less progress than hoped for this year with implementing our audit programme.	We will be rolling out our audit programme.
	Supplier Training	An increase in the confidence levels of suppliers in understanding their business risk, following their attendance at a training session, measured through a survey.	(New KPI) 48 of the 137 high-risk Tier 1 suppliers came to the Supplier Conference.	Focus on key risk areas within our supply chain and run training specific to those audiences.

KEY PERFORMANCE INDICATORS (KPIs) TO MEASURE EFFECTIVENESS AND PROGRESS

Risk area	Mitigations	KPI	Progress	Next steps
Awareness	Training	>50% of staff who have received training reporting an increased confidence in understanding modern slavery, knowing the signs and ability to appropriately respond. This will be measured through a survey.	90% of retail management completed the course. Prior to completing the course, 45% of the team rated their confidence and understanding as above 4 (out of 5). This increased to 82% post completion.	Annual refresher training will be completed.
Team members		100% of employees received a contract before starting work, with help given to those for whom English is an additional language.	Achieved	
Community		100% of stores have been provided with awareness-raising materials accessible to the community during a modern slavery awareness week.	To be completed within 2024.	We are working with STOP THE TRAFFIK to develop awareness-raising posters to place in our pubs and restaurants during a modern slavery awareness week.