

## MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT

22 January 2024

Recent UK economic conditions such as high inflation and a tight labour market increase the risk of people being exploited within the UK but also overseas, particularly in developing nations.

Marston's recognises that it is our responsibility to understand how the goods we receive are produced and how the services provided to us are achieved. This includes an understanding of the practices of our suppliers, their ethical position and their efforts to prevent the exploitation of vulnerable people within their own organisation and their wider supply chain.

Each year Marston's publishes a Modern Slavery Statement outlining the actions taken to combat the risk of modern slavery. We have a diverse, global supply chain and therefore it will always be a challenge to understand in depth the operations of our suppliers and their suppliers. Each year however we seek to improve this understanding.

The Modern Slavery Act 2015 recognises the role large organisations can play in reducing the exploitation of people around the world. The economic benefit of a global supply chain comes with a responsibility to consider how those goods are produced and services provided, to explain what steps are taken to identify those people at risk of exploitation and to support the efforts of organisations to eradicate it.

Marston's fully supports the intention of the legislation and is committed to respecting the human rights of our employees and the workers within our supply chain, and for understanding their employment conditions and working environment.

### Our Business

Marston's is a UK based pub company operating approximately 1,400 pubs and lodges with c11,000 employees.

Our vision is to operate: "**Pubs to be Proud of**".

### Core Corporate Goals:

**Better than the rest** – consistent market outperformance.

**Responsible business** – committed to being a responsible and sustainable business.

**"Back to a Billion"** – our two £1 billion financial targets:

- achieving sales above £1 billion;
- reducing net debt to below £1 billion by 2026.

### Strategic Priorities:

(1) **We are Guest Obsessed** – loved by guests, trusted, a great place to work with a vibrant sales culture;

- (2) **We Raise the Bar** – continuous improvement and operational excellence, delivered by investing in our people, improving reward and recognition and investing in our employees' engagement;
- (3) **We will Grow** – clear pub goals, strong sales culture, effective category management, efficient digital marketing strategy and the development of our franchise style agreements.

### **“Doing more to be proud of”**

We remain committed to being a responsible and sustainable business by adopting a People and Planet positive approach for our People, Pub Partners, guests, and the communities we serve.

The principal way in which we do this is through our 'Doing more to be proud of' (DM2BPO) initiative and our focus on four core pillars: Planet, People, Product and Policy. Each of the four pillars connects to the core of what we do and where we believe we can make the biggest impact. The People and Planet-positive practices, and targets championed and implemented by senior leaders responsible for each pillar, reflect our core values and strategic priorities, whilst being underpinned by strong policy – that is, good governance, risk management processes and stewardship.

### **Our Supply Chain Structure**

Marston's purchases goods and supplies almost exclusively from the UK, or from European companies, albeit many of these goods and products originate from other areas across the world.

Excluding food suppliers, we have over 300 suppliers with whom spend is over £100k. Our entire supply chain, ranges from small, local businesses such as maintenance contractors attending our pubs to multi-national companies.

The drinks distributor to our business, Carlsberg Marston's Brewing Company, is a joint venture with Carlsberg UK, set up in October 2020.

We have 82 food suppliers all of whom deliver into A F Blakemore & Son Ltd who store and deliver to order to our pubs. 75 produce a modern slavery statement, of whom 70 have uploaded it to our food information system (“Smart Supplier”).

Our pubs are reliant upon a wide range of supplies, including:

- food (chilled, frozen and ambient);
- drink brands (wines, spirits, beers, soft drinks, hot beverages);
- consumables;
- uniforms and cleaning;
- building materials and furnishings;
- plant and equipment.

We recognise that given our diverse supply chain, human rights issues could potentially arise either within the UK or overseas.

Excluding meat, the food we receive mainly originates either from the UK or the EU. Workers' rights are legally protected within Europe, and therefore we have a reasonable level of expectation that people employed in these countries are protected by legislation from exploitation.

Marston's does source food and goods from outside Europe, including some fish, frozen chicken, beef, cooking oil and uniforms. These products are purchased either through a European based company or one based elsewhere in world. We however insist that all our food suppliers, wherever they are based, comply with our Food Supplier Charter, and we arrange site audits where appropriate.

### **Marston's Approach to Modern Slavery**

We mitigate against the risk of people working in our pubs and elsewhere in our business from any form of exploitation.

Marston's is fully compliant with all aspects of UK employment law, particularly those which protect individuals from exploitation.

These are some of the controls Marston's employs to mitigate human rights risks:

- carry out identity checks on new workers;
- ensure that new workers have the right to work in the UK;
- retain copies of documentation as proof of identity;
- audit our payroll process.

In recent years we have used the SEDEX online portal to collect information from our suppliers on the employment terms and conditions of their workers. This information is collected from a Self-Assessment Questionnaire that the supplier submits, and from ethical audit reports which the supplier has uploaded. For further information see [www.sedex.com](http://www.sedex.com).

### **Supplying Staff to our Premises**

#### Agencies

We expect all the agencies we use to comply with UK employment law/practices.

The agencies we use operate within UK employment law when supplying people to work on our premises, which in the past year has included door staff at our pubs, as well as kitchen workers and cleaners.

We continue to form long-term relationships with these agencies so we can improve our understanding of their businesses to identify and mitigate modern slavery risks. We understand the value in furthering our understanding about how agencies recruit their staff, including any practices they may have for recruiting people from overseas to work in the UK.

Our expectation is that the agencies we use are bound by our terms and conditions. We expect our suppliers to be in effect an extension of ourselves, displaying our values and behaviours.

### **Our Expectation of Suppliers**

Marston's builds and maintains long-term relationships with its suppliers, and we are diligent throughout these relationships in understanding their businesses. These relationships allow a greater opportunity to understand their business, collect information, and if necessary to form processes to test their compliance to UK employment law.

During the tendering of our suppliers we carry out due diligence to understand how their employees are treated, and how they source services and resources. We also communicate to them how we expect workers to be treated. Marston's follows the Corporate Code of Ethics published by CIPS (Chartered Institute of Procurement & Supply) <https://www.cips.org/en/who-we-are/governance/cips-code-of-conduct/>.

Our food information system (Smart Supplier – see below) asks all food suppliers to indicate whether they work to a Code of Ethics, with the option to upload their own Code to our system.

Corporate Code of Ethics published by CIPS which we follow sets out the values, business culture and practices which all organisations should adopt. The Code requires a commitment to the eradicate unethical business practices, including bribery, fraud, corruption and human rights abuses, such as modern slavery and child labour.

Our Food Supplier Charter includes the following statement on labour (page 27):

**Forced Labour**

*All work must be conducted on a voluntary basis and free from the imposition of any penalties or sanctions. We absolutely do not agree to purchase any products from any supplier produced through forced, bonded or involuntary labour. We will not tolerate slavery and human trafficking by any of our suppliers for Marston's, or any other purpose, and fully expect our suppliers to take active steps in ensuring the same. The SAQ on Smart Supplier requires a copy of the supplier's modern slavery statement to be uploaded.*

*Suppliers must allow their employees the right to leave after giving reasonable notice. Workers must not be required to lodge deposits or I.D. papers unless it is a legal requirement to do so. In all circumstances these must be returned promptly upon cessation of employment.*

Responsibility for the due diligence over modern slavery belongs to the individual contract owner within the business. Our Procurement team manage overall compliance to our Procurement Policy, which includes instructions on the conduct of tendering and the gathering of information on suppliers.

We review the Modern Slavery Statements of our food suppliers, and our drinks supplier Carlsberg Marston's Brewing Company. We contact our suppliers where necessary with more specific questions, if not answered in their statements. We contact suppliers if we consider their Modern Slavery Statement content is significantly below the expectation of the Modern Slavery Act in terms of detail, or the statement is non-compliant with the Act.

Our aim is to use the SEDEX portal to gain an expanding insight into our suppliers' employment practices, going beyond what they might publish in their own Modern Slavery Statement. SEDEX also provides access to a network of international auditors to conduct thorough site inspections. By collecting in the SEDEX membership details of our suppliers within our food information system (Smart Supplier) we have increased the number of supplier sites sharing their ethical data from less than 20 three years ago to 72.

Our goal is ultimately to encourage all our suppliers in sectors deemed to be at higher risk to provide information through SEDEX. During 2024 we will extend the invitation to engage with us through SEDEX to all higher volume suppliers.

## **Marston's Food Supplier Charter**

<https://www.marstonpubs.co.uk/docs/responsibility/food-supplier-charter-2023.pdf>

We annually review our Food Supplier Charter which communicates the high standards and ethical business practices that must be adhered to by our food suppliers and includes sections on employment practices and modern slavery. The latest version was launched in October 2023. The Charter forms part of the trading terms between us and the companies supplying food to our pubs. We carry out audits at suppliers' premises, which include the consideration of whether the standards in the Charter are being met.

### **Supplier Auditing**

We follow an audit programme which is based upon risk and includes site visits to our key food suppliers.

Our food suppliers are audited by an independent consultant (currently Food Alert). The audit is primarily for food safety purposes; however, the audit programme also includes ethical enquiries, including the risks of modern slavery in the supplier's extended supply chain.

For some foreign supplier sites there can exist a delay between the start of a contract and when a site audit can be arranged through a local auditor. We endeavour to minimise this delay so that the level of compliance to our Food Supplier Charter can be measured as soon as reasonably possible.

### **Smart Supplier**

Three years ago, we implemented a food information system, Smart Supplier. As well as keeping detailed information on the products we buy, the system also holds information collected from our suppliers on their ethical approach. The supplier completes an SAQ which includes questions concerning SEDEX and their modern slavery statement. They are asked to upload their modern slavery statement for review by our managers.

Recently we have turned our attention to our drinks suppliers so we can collect through Smart Supplier knowledge about their ingredients for the purposes of allergen information. The drinks suppliers are asked for their SEDEX membership status and to upload their Modern Slavery Statement.

## **Our Policies**

The way we address modern slavery is through a number of policies:

- Food Supplier Policy  
<https://www.marstonpubs.co.uk/docs/responsibility/food-supplier-charter-2023.pdf>
- Human Rights Policy  
<https://www.marstonpubs.co.uk/docs/policies/human-rights-policy.pdf>
- Procurement Policy  
Marston's Procurement Policy is applicable to all purchases by our employees, managers, senior management and directors, regardless of value, and includes a statement of our ethical approach. Our Procurement team are responsible for ensuring compliance to this policy. We expect our suppliers to operate in compliance with the CIPS Corporate Code of Ethics (see above).

- Whistleblowing Policy:  
<https://www.marstonpubs.co.uk/docs/policies/whistleblowing-policy-june2023.pdf>

Employees are encouraged to report any wrongdoing, which falls short of these business principles

## **Training**

The purpose of the Modern Slavery Statement is explained to our Board, our PLC Exec Committee, the members of our Senior Leadership Team responsible for ESG, and the Risk & Compliance Committee.

Marston's has focussed on building capacity to combat modern slavery, embedding a robust approach and raising awareness. We treat this as a continuous exercise, to involve new employees as appropriate.

The Modern Slavery Act has been explained to our managers responsible for our key purchase streams, who have in turn considered the risks of modern slavery in our supply chain, and the appropriate wording of this statement.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending 30 September 2023.

Justin Platt (Chief Executive Officer)

MARSTON'S PLC

Marston's Trading Limited

Marston's Operating Limited

Marston's Pubs Limited

Marston's Estates Limited