

Anti-Slavery & Human Trafficking Statement

Our Business

Portico is a specialist provider of high quality, tailored guest services incorporating reception, meeting room management, switchboard, event management, concierge and residential lifestyle services. We work with a large number of partners, stakeholders and suppliers and recognise that every entity in our supply chain has a duty to respect human rights.

Our Position

We are clear about our responsibility to prevent slavery and human trafficking. We have a zero-tolerance approach to all forms of slavery both within our own operations and across our supply chain. This statement outlines the steps we have taken to date, and are continuing to take, to ensure that slavery and human trafficking cannot take place in any part of our supply chain and/or business.

Our Supply Chain

We are immensely proud of our supply chain. We deliberately operate a decentralised supply chain model, providing our teams with choice. Our supply chain is predicated on regional supplier networks. It is incredibly diverse and provides the platform from which our business can grow, develop and continue to provide fantastic food and service.

Steps Taken by Portico to Date

1. Governance

We set ourselves some challenging targets on modern slavery last year and we have included these targets, along with a summary of progress against each target, within this year's statement.

Whilst our businesses, like many within the catering and hospitality sector, and indeed other sectors, have been severely impacted by COVID-19 during 2020, we will strive to continue building on the activities and progress made in 2019 as well as progressing with additional initiatives and areas of focus for the remainder of 2020. We remain committed to improving our processes and controls in order to safeguard our business and Supply Chain from any form of modern slavery.

Our Integrity and Ethics Committee, which is responsible for overseeing the processes we are putting in place to prevent modern slavery or human trafficking from taking place in our business and/or supply chain, continues to be fully embedded in our business. Throughout 2019 we increased our attendees in order to offer a broader perspective from across our business and see this approach as being critical to establishing a more holistic understanding of the risks and measures required to mitigate these risks across our business. The Committee has continued to meet on a regular basis with modern slavery (and discussions around it) being a permanent agenda item. The Committee reports to our Board on a regular basis.

2. Ethical Trading Initiative Base Code

Portico remains committed to ensuring that its dealings with its own employees, and with its suppliers, are conducted ethically and responsibly. Portico adheres to internationally recognised human rights principles and, in particular, the Ethical Trading Initiative Base Code. This Code contains the following nine clauses which are founded on the conventions of the International Labour Organisation and are an internationally recognised code of labour practice:

- Employment is freely chosen
- Freedom of association and the right to collective bargaining are respected
- Working conditions are safe and hygienic
- Child labour shall not be used
- Living wages are paid and working hours are not excessive
- No discrimination is practiced
- Regular employment is provided
- No harsh or inhumane treatment is allowed



3. Our Suppliers

Our procurement function is responsible for sourcing the goods and services that we need to run our business. Our supply chain is extensive and, even though our focus naturally lies in the food and beverage categories given the nature of our business, our standards and policies extend to all suppliers used across our operations. We ensure that these standards are met through a supplier on-boarding process, supplier auditing and maintaining a regular dialogue with our suppliers (as described in more detail below).

Supplier On-Boarding:

All new suppliers go through a detailed on-boarding process. Suppliers are then expected to update the information they provided during the on-boarding process on an annual basis for further review and approval by our supply chain team. As part of that on-boarding process, suppliers must acknowledge and commit to comply with:

- a) our Responsible Sourcing and Ethical Trading Policy which sets out our standards in relation to ethical trading; and
- b) our Anti-Slavery and Human Trafficking Supplier Sign-Off which relates more specifically to the Modern Slavery Act.

These commitments have to be made as part of the Self Audit Questionnaire (SAQ) which formally records and captures the supplier's key details and capabilities.

A breakdown of the 1,072 suppliers registered on our Portal who submit Self Audit questionnaires annually (2019) is provided below;

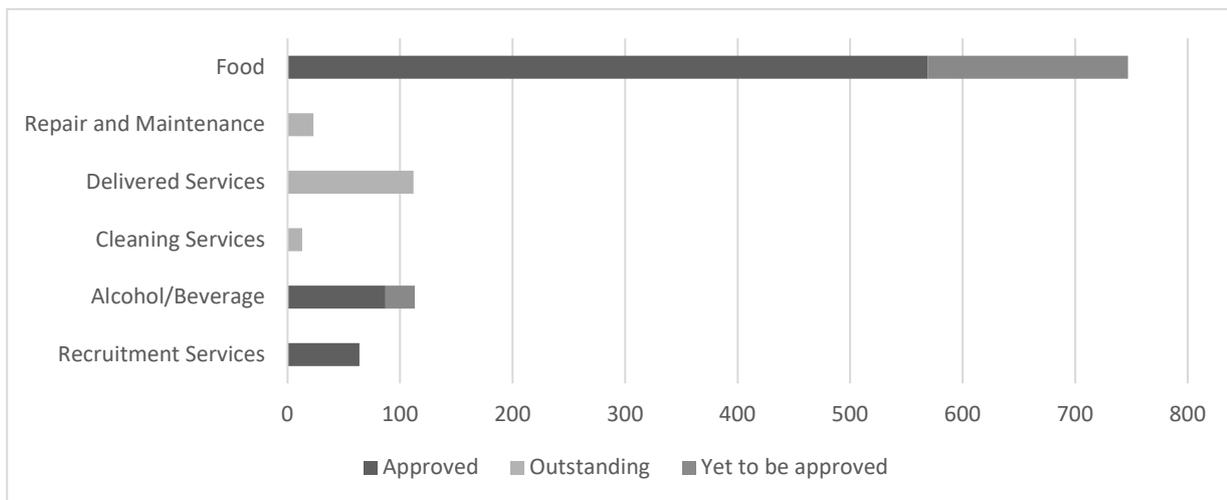


Fig1: Supplier policy agreement status 2019.

Whilst all existing and new suppliers agree and sign up to our general terms and conditions of trade, which include appropriate anti-slavery and human trafficking clauses, the extra level of due diligence managed through our portal enables us to regularly monitor and manage adherence to our policies.

We remain committed to reaching a position where we can ensure that 100% of our suppliers have agreed to our Responsible Sourcing and Ethical Trading Policy and our Anti-Slavery and Human Trafficking Supplier Sign-Off. Our focus in 2020 will be to update SAQ's for those Categories where we have agreements outstanding.

Supplier Auditing:

Our on-boarding process also enables us to determine which suppliers are most at risk of responsible sourcing challenges and, for those high-risk suppliers, we prioritise a site audit. The site audit allows us to understand more about what the supplier is really doing to protect their people. Following a site audit, we notify the supplier of any remedial action we believe is required.



As well as maintaining our desktop risk assessment of Modern Slavery across our supplier base, we committed to a number of further actions in 2019 to improve our levels of due diligence. A summary of these, along with our plans for 2020 are detailed below;

| What we said we'd do | How we've done | What have we done | 2020 Plans |
|--|----------------|--|---|
| Carry out tailored assessments for those suppliers identified as having a higher proportion of low-paid, unskilled labour, particularly where this is likely to be transient or agency labour; | Progress made | We have amended and added to our existing audit schedule of questions however tailored assessments have not yet commenced. | Audits will be undertaken on the high-risk suppliers; we will also be utilising the Supplier Ethical Data Exchange platform (SEDEX) for supporting evidence following our registration in 2019. (Details below) |
| Review those suppliers who are likely to use sub-contracted services and labour; | On track | We continue to evaluate this by category | We will extend the SAQ to all suppliers in this category, |
| Identify our goods and services which have the highest spend as well as those suppliers who are business-critical; | Achieved | This has been an exercise completed as part of our ongoing Supply Chain risk assessment process. | This will be reviewed on a regular basis and updated accordingly in 2020. |
| Consider which suppliers are supplying from, and/or goods or services are ultimately sourced from, countries with a high risk of modern slavery | On track | We have many tiers in our Supply Chain and continue to map source to consumers through our supplier partners. | We will broaden our risk assessment to also include worker exploitation, representation and smallholder livelihoods to prioritise which categories require the most focus, |
| Undertake full traceability mapping on key products and suppliers (identified from the above steps), assessing the modern slavery risk for such products and suppliers. | On hold | We were unable to commence the mapping as planned due to the access and provision of data through the digital provider. | We will continue to review digital options to provide high quality, reliable mapping tools although will also manually assess those suppliers considered highest risk. |

Fig 2: 2019 targets, status and 2020 plans.

In addition to the above, in December 2019 we became members of the Supplier Ethical Data Exchange (SEDEX). SEDEX is an ethical trade service provider, working to improve working conditions in global supply chains. SEDEX provide practical tools, services and a community network to help companies improve their responsible and sustainable business practices, and source responsibly.

An initial assessment of our Food and Beverage suppliers shows 42% are already members of SEDEX, although only 32% of our high risk suppliers are registered. Our focus in 2020 will be to increase the percentage of high risk suppliers registered, working with SEDEX who will engage the suppliers and support them in completing the audit.

Throughout 2020 we will continue to review and modify our modern slavery supplier and product risk assessment to incorporate the information collated on SEDEX as well as review and amend our Responsible Sourcing and Ethical Trading Policy, for all nominated and high risk suppliers to become members of SEDEX.



Our Supplier Expectations:

We maintain a regular dialogue with our suppliers and, with many of them, have a history of strong, long-standing relationships. We believe that this enables them to invest in the longer term and improve working standards for their employees. We see it as our responsibility to work closely with our supplier partners to ensure that they understand and implement our high standards and continue to comply with local legislation and regulations.

We will only continue to trade with those suppliers who fully comply with our Responsible Sourcing and Ethical Trading Policy and our Anti-Slavery and Human Trafficking Supplier Sign-Off or those who are taking verifiable steps towards compliance.

We see it as our responsibility to work with our suppliers to achieve 100% compliance, and if non-compliance or refusal to adhere is presented, we will work to find suitable, compliant alternatives.

3. Training and Awareness

We recognise that to achieve the successful implementation of any anti-slavery and anti-human trafficking culture it is vital to train and raise awareness with those employees who have the potential to come in to contact with suppliers on a regular basis. Our intention is to continue to focus on identifying any potential risks or failures, thereby driving ever greater compliance with our high standards.

In 2019 we committed to rolling out our Ethical Trade and Modern Slavery training module to our teams, accessible through our online learning and development portal. The training is intended to help the business to understand our expectations of ethical trade, to recognise the signs of modern slavery and unethical working practices, and to know how to report any concerns.

Outside the teams directly linked to managing and assessing modern slavery and human trafficking risk within our business, participation has not been as high as we had anticipated. Our continued focus this year and into next will be to ensure a greater level of take-up in completing the module, as well as raising awareness in our locations through digital campaigns and on-site training.

As with last year, we recognise that the implementation, measurement and raising of awareness and standards on modern slavery across our business and supplier base is an ongoing project and will continue to build on the activities and progress we have made to date.

Approval

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes Portico's slavery and human trafficking statement for the financial year ending 27th December 2019. It was approved by Portico's Board of Directors on June 2020.

Paul Jackson
Managing Director
Portico
June 2020