SHEPHERD NEAME - MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT

This statement sets out the steps that Shepherd Neame has taken during our financial year to ensure that modern day slavery and human trafficking is not occurring in our organisation or in our supply chains. This statement will be reviewed annually.

The Company acknowledges responsibility to the Modern Slavery Act 2015 and the relating definitions set out within.

ORGANISATIONAL STRUCTURE AND ACTIVITIES

Shepherd Neame is an independent family business and Britain’s oldest brewer.

Our core business is built around brewing and packaging of beer and a provider of Public House and Hotel facilities. Our operations are predominantly located in the South-East of England and current turnover is in excess of £36 million.

The business is organised into three business units: Managed Pubs and Hotels, Tenancy and Licensed properties and Brewing & Brands.

We maintain many relationships with different organisations in our supply chain, as well as directly employing approx. 1,300 employees throughout the business (as of April 2016).

OUR SUPPLY CHAIN

With regard to employment law, human rights and including the Modern Slavery Act 2015, we will continually review our existing compliance and risk management process. This will determine associated risk, detection and prevention of modern day slavery and human trafficking within our supply chain for products and services to the organisation.

DUE DILIGENCE PROCESS

As part of the company’s due diligence process into slavery and human trafficking the supplier approval process will incorporate:

- A regular Ethical Audit review of controls of all our suppliers and an established process of supplier approval.
- Whilst our supply chain is predominantly UK and EU based and we would expect these entities to have applicable anti-slavery and human trafficking policies and procedures, we do import a small percentage of products and services from sources outside the UK and EU. These may potentially operate with an increased risk for slavery and human trafficking issues. The management control of these suppliers will be continually monitored.
- The business will not forge commercial relationships with any business knowingly involved with slavery or human trafficking.
- We will expect all who have, or seek a commercial relationship to familiarise themselves with The Modern Slavery Act and our anti-slavery values and act consistently within these.
- We have in place systems to encourage the reporting of concerns and the protection of whistle blowers.
- We work in partnership with the Gangmasters Licensing Authority to protect vulnerable and exploited workers.
- We will continue to work with the British Retail Consortium (BRC) and work in partnership to continuously improve our audit procedures and results.

EFFECTIVENESS AND COMMUNICATION

Using key performance indicators to effectively measure the effectiveness of our policy we will:

- Complete regular audits of our supply chain (questionnaires/personal contact) to ascertain their understanding, compliance and set standard expectations.
- We will undertake Agency Worker employment audits on a yearly basis.
- We audit employment agencies within the Gangmasters Licensing Authority guidelines to protect vulnerable and exploited workers.
- We will provide training to relevant members of staff.
Our Directors will champion its understanding and implementation within the business and ensure Shepherd Neame is compliant with our policy.

We will communicate and work in partnership with our recognised Trade Union group to capture additional channels of communication to their membership, regarding the importance, implementation and management of suppliers under the Modern Slavery Act 2015.

OUR POLICY ON MODERN SLAVERY AND HUMAN TRAFFICKING

Our attitude to modern slavery and human trafficking is zero tolerance and we expect all those in our supply chain to comply with our values.

If a supplier is found to be demonstrating unacceptable practices they will be investigated and provided with guidance regarding immediate required improvements.

If no improvement is implemented or they indicate an unwillingness to cease unacceptable practices they will be reported to the appropriate authorities and ultimately trading with this supplier would cease.

Company policies assist the organisation to assess, prevent and mitigate the risk of modern slavery existing in the organisation and its supply chains. These include:

- Modern Slavery policy
- Purchasing Policy
- Grievance policy
- Whistle-blowing policy

APPROVAL

This statement has been approved by the company’s board of directors.

Name: R.N Duncan

Position: Company Secretary and Head of Human Resources.