

Hostmore plc

Modern Slavery Statement 2022/2023

This statement has been published by Hostmore plc (“**Hostmore**”) and its relevant subsidiary, Thursdays (UK) Limited (trading as TGI Fridays, 63rd+1st and Fridays and Go), (“**TGI Fridays**”, and together with Hostmore, the “**Hostmore Group**”) pursuant to section 54(1) of the UK Modern Slavery Act 2015 (the “**Act**”) for the 52-week period ended 1 January 2023 and constitutes the Hostmore Group’s modern slavery statement for such period.

Introduction to the Hostmore Group

The Hostmore Group is a UK hospitality business with its current operations focused on the American-themed casual dining brand, “TGI Fridays”, the cocktail-led bar and restaurant brand, “63rd+1st” and the fast casual dining brand, “Fridays and Go”.

Whilst the TGI Fridays brand has been trading for over three decades in the UK, the Hostmore Group was established in 2021 with a core strategy of providing a platform for the development and growth of attractive hospitality brands, defined by their iconic brand experience and vibrant heritage. The Hostmore Group is focused on the organic growth of its existing brands, alongside, in the longer term, expanding through additional concepts which have roll-out potential.

The Hostmore Group operates under the leadership of an experienced management team that has a track record of building businesses in the hospitality and leisure sectors.

The Hostmore Group offers quality casual dining experiences at its restaurants and through its takeaway delivery services. The Hostmore Group does not own the TGI Fridays, 63rd+1st or Fridays and Go brands, or any associated trademarks. These brands and trademarks are subject to franchising arrangements.

Hostmore’s ordinary shares were admitted to the premium listing segment of the Financial Conduct Authority and to trading on the London Stock Exchange plc’s main market for listed securities on 2 November 2021 (“**Hostmore’s Listing**”).

TGI Fridays is the principal trading entity within the Hostmore Group.

Prohibition of Modern Slavery

The Hostmore Group is committed to ensuring that slavery, forced labour and human trafficking does not take place anywhere within our own business operations and our supply chains. We have a zero-tolerance policy to any form of slavery and trafficking, and we are committed to taking continuous improvement steps with our employees and suppliers to mitigate any risk of such activities taking place. This statement sets out these steps, as well as considerations for the Hostmore Group for further progress in these areas.

Scope

As at 1 January 2023, the Hostmore Group employed 4,500 people across 91 restaurants and our support centre. We have a centralised procurement team who work with around 200 food, drink and

non-food suppliers, including building maintenance and services suppliers, with whom we have established strong relationships based on transparency and trust.

We require our direct suppliers to work closely with their supply chain, including distributors, agents and producers to achieve 100% transparency and knowledge of operations within our supply chain. Despite the Fridays, 63rd+1st and Fridays and Go brands and trademarks being franchised, the Hostmore Group was not obligated under the franchise arrangements to work with any particular suppliers in the period under review.

Our Suppliers

Whilst the Hostmore Group has a zero-tolerance policy to any form of slavery and trafficking, the Hostmore Group perceives its food and drink suppliers to represent its highest risk in this area. Consequently, since September 2020, we have been working with our food and drink suppliers to ensure they become members of the Supplier Ethical Data Exchange (“SEDEX”), the ethical audit supply chain digital platform. SEDEX facilitates the measurement and improvement in ethical business practices across our supply chain by capturing evidence of due diligence, including self-assessment, third party audits and corrective action of non-compliance. Such evidence must be shown at any given time on request by TGI Fridays. In 2021, we delivered a step change in the commitment from our suppliers with 91% of our food and drink suppliers having become members of SEDEX by 2 January 2022 (up from circa 20% in February 2021). It remains our policy that our suppliers become SEDEX members, which demonstrates our commitment to ensuring our suppliers adhere to ethical and responsible sourcing and practices.

Food and drink supplier ethical trading information is also housed on the online platform, Trade Interchange, that incorporates a supplier questionnaire in response to, amongst other things, Modern Slavery Act requirements. The objectives of the questionnaire are as follows:

- to raise awareness of the Act and its requirements generally amongst our suppliers;
- to risk assess potential and current suppliers according to sector type, product or services supplied and geographical location;
- to request that all direct suppliers confirm their own compliance with the Act, provide due diligence records of policies, procedures and staff training, as well as confirm their co-operation and transparency in the event that any incident of slavery and human trafficking is found in their supply chains.

Our supplier terms and conditions also reflect provisions to reflect good ethical trading practices and compliance requirements in relation to our policies.

Building on our progress in recent years, the Hostmore Group introduced a legal function in 2021 and it has sought to add further focus in ensuring that appropriate provisions are included in relevant contractual arrangements.

Our Employees

To ensure we minimise the risk of slavery and human trafficking within our own business, our recruitment processes include identification and “Right to Work” checks with managers having received training on this subject. These checks are captured on our Hive platform for monitoring and reporting purposes.

Policies

Hostmore adopted a number of new policies in advance of Hostmore's Listing, such as a new Anti-Bribery and Corruption Policy and a Policy for Dealing with Third Parties. These policies apply across the Hostmore Group, are intended to improve corporate governance and supplement the existing policies and procedures. Training webinars on the new policies were provided to all staff at the Hostmore Group's support centre and its restaurant managers by Hostmore's General Counsel and Company Secretary, in conjunction with external counsel. Those training webinars were recorded and made available on Hostmore Group's intranet. All the policies and procedures are also available on Hostmore Group's intranet.

In 2022, all staff at Hostmore Group's support centre were requested to give an online confirmation that they had read, understood and would comply with Hostmore's Anti-Bribery and Corruption Policy. The intention is that this will be repeated on an annual basis going forward.

Ethical Trading

We require all our food and drink suppliers to meet TGI Fridays' Ethical Trading & Social Policy which is based on the Ethical Trading Initiative (ETI) Base Code for ethical sourcing and reflects all relevant UK, EU and international legislation, including the Act, the UN Universal Declaration on Human Rights and the International Labour Organization Conventions.

The Policy covers 14 key principles, including the prohibition of slavery and human trafficking, safe and hygienic working conditions and payment of a fair wage. All direct suppliers are required to show compliance with this policy and to provide evidence of continuous improvement in worker welfare.

Suppliers must have in place their own policies and monitoring systems to demonstrate their own due diligence. This would include their own modern slavery statement if the relevant criteria were met.

Whistleblowing and Grievance

The Hostmore Group encourages its employees to report in confidence any concerns or suspected wrongdoing related to any part of the organisation. Our Whistleblowing Policy covers all employees, officers, consultants, contractors, interns, casual workers and agency workers. The Hostmore Group has also appointed its own Whistleblowing Officer.

Full grievance procedures, including management of the investigation and outcome, are clearly set out and shared with employees. A confidential support and counselling hotline is also available via Hospitality Action for anyone who raises concerns under the Grievance Policy.

In 2022, to heighten awareness across the Hostmore Group's employees, the whistleblowing and grievance channels were highlighted on the Hostmore Group's Hive platform and new posters were issued to all of the Hostmore Group's restaurants. Checks are carried out routinely to ensure the posters are up in the restaurants.

Anti-Bribery and Corruption and Policy on Dealing with Third Parties

The Hostmore Group is committed to conducting all of our business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption and require all our employees and those working on our behalf to act professionally, fairly and with integrity in all our business dealings and relationships wherever we operate.

We uphold all laws relevant to countering bribery and corruption and we remain bound by UK laws, including the Bribery Act 2010, in respect of our conduct both at home and abroad. We implement and enforce effective systems to counter bribery and corruption.

Our zero-tolerance approach to bribery and corruption is required to be communicated to suppliers, contractors and business partners at the outset of our business relationship with them. Again, with the introduction of our legal function, we have sought to add further focus in ensuring that appropriate anti-bribery and corruption provisions are included in relevant contractual arrangements.

Employees

All employee policies, including health and safety, and food safety management, are available on our internal Hive platform where employees can always have access to them. In the coming year, we intend to reference all these policies in a Welcome Pack which will be given to all new and current employees. The policies, themselves, will continue to be made available on our internal Hive platform.

We monitor feedback from our team in respect of the training they have received to support compliance with the policies. We are committed to maintaining the highest standards of employee conduct and ethical behaviour in all business activities including when managing our supply chain both at home and overseas.

Governance

In advance of Hostmore's Listing, an appropriately qualified and experienced Board of Directors was assembled to ensure Hostmore had the required leadership as a listed entity. Appropriate governance structures, such as Board Committees and relevant policies, were introduced too.

All applicable Hostmore Group policies and related documents are shared with suppliers via digital platforms that are managed and monitored by our Technical Manager. Our food and drink suppliers are required to adhere to certain of our policies. These policies give the Hostmore Group the right to audit these suppliers and visit their premises. If such an audit or visit gave rise to any concerns, we would consider the appropriate manner in which to tackle the issue. This could, amongst other measures, involve engaging with the supplier to ensure the issue is resolved, seeking to terminate the relevant relationship or, in a serious case, reporting the supplier to the relevant authority.

Compliance rates are reported quarterly to our Risk and Compliance Forum which is chaired by the Risk and Compliance Director with cross-functional representation, including the Chief Executive Officer and the Chief Financial Officer. Modern Slavery Act compliance is specifically identified on our corporate risk register. Outputs from this Forum feed into the Board via periodic updates.

The Hostmore Group believes in a continuous improvement approach and we will review our ethical trading systems each year to ensure they reflect best practice and latest developments in this area, updating them as required.

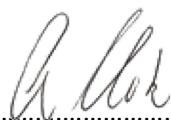
Continuing progress

The Hostmore Group is continuing to enhance the measures to prevent slavery and/or human trafficking from featuring in its business or supply chain. Consequently, it will additionally be engaged in the following:

1. We will extend our review of suppliers to those who provide products other than food and drink, including uniforms and equipment, as well as services including marketing and I.T., to ensure that there is no slavery or human trafficking within our supply chains. All relevant policies and due diligence will be uploaded onto our digital platform for monitoring and reporting purposes.
2. We will be further developing our ESG reporting mechanisms to ensure that modern slavery and human trafficking risk monitoring are being effectively monitored and reported. This will include annual reporting of SEDEX supplier self-assessment, audits and non-compliances with confirmation of corrective action.
3. A new Welcome Pack will be issued to all employees, which references all relevant policies, and this will be form part of the onboarding and training process for new employees.
4. Refresher training will be given to all relevant employees on all policies related to the Modern Slavery Act (with a specific focus on our Ethical Trading and Social Policy and Anti-Bribery and Corruption Policy).
5. We will ensure all our product and service suppliers are members of SEDEX and make membership a mandatory requirement.

BOARD APPROVAL

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes the Hostmore Group's modern slavery and human trafficking statement for the 52-week period ended 1 January 2023. This statement was approved by the Board of Hostmore plc on 7 June 2022.



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Alan Clark
Chief Financial Officer

Date:23.... June 2023

Footnote: This statement applies to Thursdays (UK) Limited, which falls within the scope of section 54(2) of the Act.