

Introduction

As an employer and provider of goods and services we have a role to play in the fight against slavery, servitude, forced labour and human trafficking (**Modern Slavery**). The Restaurant Group (**TRG**) has a zero tolerance approach to Modern Slavery of any kind in our operations and supply chain. We have a responsibility to prevent and detect exploitation and to influence and work together with suppliers and business partners to raise labour standards in our industry. Despite being a UK centric company component parts of the food we serve are sourced outside the UK and it is our responsibility to promote high standards of ethical behaviour across our supply chain.

Our business

TRG owns well-known restaurant brands including Frankie & Benny's and Chiquitos. We operate over 480 restaurants and employ over 15,700 staff. As a responsible business, we recognise our responsibility to ensure that our business activities are guided by the careful balance of the interests of all our stakeholders. For this reason, the company has established environmental and social policies and procedures as well as programs that protect and sustain the environment, workers within our supply chains and restaurants, and our consumers.

Supply chain purchasing model

Our product supply chains are extensive and global; we source over 15,000 products from more than 1,000 suppliers whose supply chains cover over 70 countries. We operate a centralised procurement model in which we have established strong relationships with food and non-food suppliers. We require all of our direct suppliers to work closely with their suppliers, distributors, agents and producers to promote total transparency and knowledge of operations within our supply chain.

Our policies

Our Responsible Sourcing Policy confirms our zero tolerance approach to Modern Slavery in our supply chain. This policy is based on the Ethical Trading Initiative Base Code for labour practise and sets out our expectation for each supplier to thoroughly assess and ensure that all aspects of their supply chain are compliant. Our policy includes, among other things, 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.

We require all our suppliers to have their own modern slavery related policies and monitoring systems and many are also required by law to make their own Modern Slavery statements.

New suppliers

We have a rigorous process for assessing new suppliers on their technical capabilities and ethical credentials. We do not engage with business partners, including suppliers, who do not meet our high standards.

Key members of our procurement team have been trained to identify the risk indicators of modern slavery and human trafficking in our supply chains. To strengthen our approach to on-boarding new suppliers we have engaged the services of Finance Against Trafficking, a third party organisation who support companies in ethical compliance and best practice with a focus on the elimination of modern slavery, to ensure our on-boarding processes are fit for purpose. The wider procurement team and other key governance personnel will undertake further training in 2017 to ensure key teams understand and adhere to Company policies and procedures.

Supplier Ethical Data Exchange (SEDEX) and ethical audits

All suppliers to the TRG leisure and Concessions businesses are required to register with and complete assessment's within SEDEX. Following a review of the outcomes of these assessments

ethical audits may be carried out. It is our policy that any suppliers who are deemed high risk, as identified by the SEDEX risk assessment score, undertake an audit within three months of being identified high risk. No suppliers were identified as high risk during 2016. We currently have 297 suppliers registered and linked within the SEDEX platform who supply to our Leisure and Concessions business. Our Brunning and Price Pubs division adopted this policy in late 2016 and we are currently undergoing an on-boarding exercise to adopt all Pubs division suppliers into the SEDEX platform.

Risk mapping

During 2016 a detailed mapping exercise was conducted of food and non-food products purchased directly from suppliers and those used as component ingredients within other products in our supply chain. We commit to annually reviewing all products within our supply chain and taking action.

Our people

All our employees are paid by bank transfer and we don't allow payment to be made into third party bank accounts thus minimising the risk of forced or compulsory labour. We do employ family members, however, where possible we avoid this being in a direct reporting relationship and where it is their line managers HR are aware and monitor the situation.

Governance

The relevant heads of each business area such as Brand Managing Directors and the heads of the procurement, legal, property, finance and IT teams have responsibility for their department's compliance with our Responsible Sourcing Policy. All policies are approved by the board and are reviewed annually to assess their effectiveness for the future.

Assessment of effectiveness in preventing Modern Slavery

We will continue to keep under review new risks as they emerge and carefully monitor new suppliers and business activities. We believe in continuous improvement in the prevention of Modern Slavery and we will continue to review our ethical trading programme annually to ensure it reflects best practice.

This statement was approved by the Boards of The Restaurant Group plc, The Restaurant Group (UK) Limited, Brunning and Price Limited, Chiquito Limited and Blubeckers Limited.

Signed



Andy McCue

Chief Executive Officer, The Restaurant Group plc

April 2017