



Modern Slavery Statement
2017

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Introduction

Since our humble beginnings as a single sandwich shop, Pret has always strived for positive change in the world. Naturally, that means we are in full support of the UK Modern Slavery Act and the transparency it encourages. Pret published its first modern slavery statement (2016) in May 2017. Since then, we have taken many steps to further mitigate against modern slavery risks, while recognising that we are on a journey with much still to do.

Pret understands that modern slavery is a complex issue – its practice is not always immediately apparent, nor is it isolated to particular industries or specific geographical regions – but we remain steadfast in our commitment to eradicate modern slavery if and when identified in our business and supply chains. We know there's a lot to do and we will continue to make our journey transparent, sharing our successes as well as the challenges we encounter along the way.

This statement has been published in accordance with the Modern Slavery Act (2015). It details the steps Pret has taken to prevent, identify and respond to risks of modern slavery within our direct operations and our supply chains during the financial year ending 28th December 2017.

Key achievements in 2017

1. Standardisation of contractual terms for UK suppliers to include a section on modern slavery.
2. Strengthening of due diligence processes via targeted engagement with suppliers and a continuously deepening relationship with the Supplier Ethical Data Exchange (Sedex) organisation.
3. Identification of areas of risk in Pret's operations and supply chains, and raising awareness internally of these risk areas.

Our organisation, structure and supply chains

Pret is an international chain, founded in 1986 in London, which sells a host of fresh foods and beverages, namely sandwiches, soups, salads, fresh fruit pots, sweet treats and organic coffee. In 2017, Pret's revenue increased by 13.2% to £878.5 million, assisted by the opening of a further net 58 shops in the year, including 31 in the UK and 16 in the USA.

The Pret estate now spans over 500 shops in seven markets, and we are well positioned to continue our growth through disciplined opening of new company-owned stores, increasing sales at existing shops, and opening franchised shops with like-minded, capable partners. Globally, we now have 14 franchised shops. Further details on our international locations can be found at: <https://www.pret.co.uk/en-gb/find-a-pret>

Pret relies on suppliers in our operating countries and beyond to provide us with the products we require. Pret seeks to source produce locally to the market in which we are operating. While we directly source specific items from further afield in our UK supply chain, like our coconut water from Thailand, most of our direct food and drink suppliers (tier-one) are based in the UK (83%) and the EU (14%). Beyond tier-one, the supply chains of our products span the globe.

The Pret way

Pret's company-wide commitment to being a responsible business is underlined by one of our core values, 'doing the right thing'. This is further articulated through our sustainability strategy. More information about this can be found at: <http://www.pret.co.uk/en-gb/sustainability>

Pret began as a mission-driven business to provide delicious, freshly prepared food using carefully sourced ingredients with great service in attractive shops. Since Pret's beginning, we have always been passionate about giving back to society, particularly supporting people in troubled circumstances to better their lives. Our founders recognised the plight of homeless people around our first shop in London Victoria, and ever since, we have donated unsold food at the end of each day to homeless charities and shelters.

Policies

Pret has a number of policies in place which encompass our head offices, our shops and our supply chains. We recognise the role of policies in setting out clear expectations of conduct across the different markets in which we operate, and as an essential element of our effort to grow responsibly and safeguard our commitment to ‘**doing the right thing**’.

Direct operations

Pret’s policies respect the variance of the different markets in which we operate. In the UK, Pret employees are guided by our policies on Anti-Bribery, Whistleblowing, London Living Wage, Equal Opportunities, No Zero Hour Contracts and Seasonal Working Guidelines.

Supply chains

Last year, we referred to issue-specific policies under development in the UK. The structure and content of these policies is currently under review by Pret’s newly formed Policy Governance Committee. The overarching aim of this committee is to ensure Pret’s policy framework is sufficiently thorough and consistent whilst involving the relevant people at the right time.

The publication of policies which uphold Pret’s commitment to ensuring respect for human rights across all areas of our business and supply chains is a priority for 2018. Pret is currently in the process of developing global supplier sourcing principles which are aligned with international frameworks such as the International Labour Organisation (ILO) Core Conventions and Ethical Trading Initiative (ETI) Base Code. These will ensure Pret’s existing values are clearly articulated to our direct suppliers and partners.

In 2017, the scope of Pret’s Supplier Quality Manual was expanded beyond the UK to markets such as France. This manual reiterates Pret’s expectations of suppliers around social compliance, including mandating Sedex membership. A Supplier Quality Manual is also being drafted for Pret’s partnership business.

Embedding

We embed our policies and cultivate Pret values and behaviours in numerous ways, predominantly through training, governance frameworks and clear contractual expectations. In 2017, Pret brought our terms and conditions (T&Cs) for UK food suppliers into alignment with our updated terms for UK non-food goods and service suppliers. Both now include specific requirements around complying with the Modern Slavery Act and conducting appropriate due diligence. Supplier T&Cs relating to modern slavery also exist for Pret's partnership business.

Pret's multi-disciplinary Modern Slavery Working Group – formed in response to the Act – continues to have oversight of Pret's activities relating to modern slavery. It also plays a key role in identifying strategic focus areas for the business moving forward.

In 2017, one area of focus was the introduction of more systemised training opportunities for Pret employees. Selected individuals from across Pret's business and for whom it was most relevant received training on Sedex. One hundred key supplier-facing employees have also been identified to receive targeted training in 2018 on supplier relationship management. This training will align with Pret's newly updated Procurement Guidelines. The training will include content on what modern slavery is, how it manifests and the mechanisms by which employees can escalate concerns.

Due diligence

Pret continues to put emphasis on the development of long-standing partnerships with suppliers based on mutual trust and respect. At the same time, understanding its importance in helping minimise and mitigate modern slavery risks, we are taking steps to transition to a more formalised and systematic due diligence approach for existing and future suppliers. This includes the introduction of Sedex. In the UK, Pret has achieved 100% supplier membership among our food suppliers. Sedex membership across Pret's global markets is now being targeted. Pret has kickstarted the onboarding of suppliers across global markets and will continue to roll this out in the future.

In addition, Pret visits all food suppliers for our UK supply chain, and our Supplier Quality Manual requires food suppliers to complete a gap analysis against this manual. We have further sought to standardise our non-food supplier onboarding process in the UK, including through more efficient pre-engagement screening.

In 2017 Pret developed our first supplier scorecard, planned for introduction in 2018. The scorecard is designed to support Pret's assessment of supplier performance in the UK across a series of predefined criteria. By the end of 2018, Pret suppliers will have been assessed against criteria linked to their commercial, technical and sustainability performance. The scorecards will permit Pret to segment suppliers to establish strengths, weaknesses and potential exposure to risk.

Identification of risk

Pret recognises that certain aspects of our business and supply chains carry heightened risk with regards to modern slavery. Throughout 2017, we sought to better understand the different types of risk which exist in our operations and supply chain, and raise internal awareness of these.

In 2017, a Pret-led supply chain mapping and risk assessment exercise for our tier-one UK suppliers was initiated, prioritising primary ingredients used in food products. Assessment of risk was predominantly made using country-of-origin data.

In 2018, Pret will increase the robustness and scope of our risk assessment process. Pret's deepened relationship with Sedex will facilitate this, giving Pret access to a wider community of information and helping us work collaboratively to address any issues. Pret will use the results of these assessments to work with suppliers determined high risk, to ensure we continue to further mitigate and manage modern slavery risks.

Monitoring the effectiveness of our actions

Pret is committed to taking meaningful steps to ensure we have the policies and processes in place to reduce the risk of modern slavery occurring in our direct operations and supply chains. To evaluate our progress, we will begin monitoring the following performance indicators in 2018:

1. Number of employees who have participated in training on modern slavery.
2. Number of suppliers engaged through the new Pret supplier scorecard.
3. Number of suppliers onboarded through the new due diligence process.
4. Number of high-risk suppliers engaged with through the creation of action plans.

Pret A Manger's 2017 Modern Slavery Statement was prepared by the Pret Modern Slavery Working Group and approved by its Chief Executive Officer.

Signed



C E B Schlee

CEO, Pret A Manger
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