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Modern Slavery Statement

Quintessential Brands Group

This statement sets out Quintessential Brands actions to understand all potential modern slavery risks related to its businesses and to put in place steps that are aimed at ensuring that there is no slavery or human trafficking in its own business or its supply chains. This statement relates to actions and activities during the financial year 1 April 2016 to 31 March 2017.

As part of Quintessential Brands dealings with numerous suppliers worldwide, both those who are a part of the drinks industry and those outside, it recognises that the Company has a responsibility to take a robust approach to slavery and human trafficking. The Company is absolutely committed to preventing slavery and human trafficking in its activities, and to ensuring that its supply chains are free from slavery and human trafficking.

Organisational structure and supply chains.

This statement covers the activities of Quintessential Brands Holding Company and its UK subsidiaries. The Company and its subsidiaries work within the alcoholic spirits industry, producing, bottling, branding and warehousing spirit products.

The Company currently operates in the following countries:

- England and Scotland- producing, bottling and warehousing spirit product as well as managing sales and marketing of products.
- Ireland- producing, bottling and warehousing spirits and liqueurs.
- France - producing, bottling and warehousing spirits and liqueurs in addition to managing sales and marketing of products.

The nature of the company's supply chain is relatively simple, as many of its supply chain activities are covered by food legislation making traceability mandatory:

- The majority of our suppliers are based in Europe, therefore in low risk countries
- The procurement team has the objective of working directly with producers and remove intermediaries (brokers) as much as possible

The following is the process by which the company assesses whether or not particular activities or countries are high risk in relation to slavery or human trafficking:

- Use of Sedex register to assess whether a supplier is already audited and approved to a high ethical level, all suppliers must be registered on SEDEX and must immediately fill in the self-assessment questionnaire which forms the start of the knowledge gathering process.

- Use of Maple Croft’s risk register to assess if the supplier or any of their main suppliers are in high risk areas, such as countries with known human rights abuses, where there is political instability or a high level of corruption and bribery. This would trigger further investigation by the procurement team to assess if a clear picture can be achieved by the use of audits or historical information, or if the risks are too high to contemplate the use of the supplier in the supply chain.
- Risk assessments are completed each year with each supplier, by the Quality and Procurement departments, these aim to look at any changes with suppliers including changes in their supply chain.
- Each year Quality and Procurement will review any new information available to consider if risks have changed to the supply chain, by using both of the above resources along with an “horizon scanning” approach to gathering information from current events and relevant NGO’s

The following activities have been identified as high risk areas for slavery, trafficking and human rights abuses in the supply chain.

- Botanicals, due to the links with the agricultural supply chain and also because of the location of some of the crops of botanicals which are in areas which have been historically linked with human rights abuses and human trafficking.
- Suppliers in the Far East and other Asian countries where working conditions have historically been poor and where forced labour and debentured labour are still prevalent.

Responsibility for the organisations anti-slavery initiatives is as follows:

- **Policies-** Procurement is responsible for putting in place and reviewing policies in relation to the supply chain and the process by which they are developed is determined by best practice and the gathering of information relating to Modern Slavery and Human trafficking. Human Resources are responsible for internal policies and ensuring that no slavery or human trafficking happens through the employment channels at Quintessential Brands locations of employment.
- **Risk Assessments-** The risk analysis for human rights and modern slavery is influenced by the use of Sedex and Maple Croft systems and other information supplied by agencies and other interested parties relevant to the industry.
- **Investigations and Due Diligence** – Quality departments and Procurement are responsible for investigating and completing due diligence in relation to known or suspected instances of slavery or human trafficking
- **Training** – Each year a supplier day is arranged, here the Company uses the opportunity to discuss the Modern Slavery act and Quintessential Brands expectations of suppliers in ensuring the slavery act is abided by. Internally, employee training is conducted via online learning and team meetings, where we discuss and highlight what an employee’s responsibility are in preventing modern slavery and human trafficking, what signs they should look out for and how to raise concerns about anything they may have witnessed.

Company Policies

The organisation operates the following policies that describe its approach to the identification of modern slavery risk and steps to be taken to prevent slavery and human trafficking in its operations:

- **Whistleblowing policy** – The Company encourages all its workers, customers and other business partners to report any concern related to the direct activities, or the supply chain of the Company. This includes any circumstances that may give rise to an enhanced risk of slavery or human trafficking. The Company's Whistleblowing policy is designed to make it easy for employees to make disclosures without fear of retaliation.
- **Governance Policy** - This policy outlines how we always aspire do business and conduct ourselves in our daily activities in order to (i) present a world class professional, responsible and successful approach, (ii) to promote and protect the group companies and colleagues, and (iii) to succeed in the pursuit of our Quintessential Brands (QB) shared QB vision and overarching philosophy, and (iv) to promote our shared QB essence.
- **Recruitment Procedure** - Quintessential Brands uses only specified, reputable employment agencies to source labour and always verifies the practices of any new agency it is using before accepting workers from that agency

Due Diligence

The Company undertakes due diligence when considering taking on new suppliers and regularly reviews its existing suppliers. The Company's due diligence and reviews include:

- Mapping the supply chain broadly to assess particular product or geographical risks of modern slavery or human trafficking, this includes the use of Maple Croft or Sedex
- An annual risk assessment review of all aspects of the supply chain for each supplier
- Conducting supplier audits and spot assessments through internal resources who have a high degree of focus on slavery and human trafficking
- Creating an annual risk profile of each supplier
- Taking steps to improve and support those with substandard supplier practices, which includes providing advice and giving notice of required changes within a set time period.
- Using Sedex and Maple Croft services, where suppliers can be checked for their labour standards, compliance in general and modern slavery and human trafficking.
- Invoking sanctions against suppliers that fail to improve their performance in line with an action plan or seriously violate our supplier code of conduct, including the termination of business relationships.

Performance Indicators

The Company has reviewed its processes in light of the introduction of the Modern Slavery Act 2015, as a result the Company is;

- Requiring all Office Managers, HR professionals, Executive Members and procurement colleagues to have completed training on modern slavery by December 2016

Training

The Company requires Procurement, HR, Office Managers and Executive members to complete training on modern slavery. Procurement, HR and Executive members will complete an online module and will cascade the information to their team members. The training is expected to be completed by December 2016.

Awareness raising programme

As well as training staff, the Company has raised awareness of modern slavery issues by distributing posters across the Company's noticeboards and circulated information via our internal intranet.

The communication explains to workers;

- The basic principles of the modern slavery act 2015
- How employees can identify and prevent modern slavery or human trafficking
- What external help and support is available from third parties.

Board Approval

This statement has been approved by the Company's Chief Executive Officer who will review and update it annually.

Date: 30th August 2016

Chief Executive Officer's name: Warren Scott



Chief Executive Officer's signature: