

MODERN SLAVERY ACT STATEMENT 2022



GROUP CHIEF EXECUTIVE OFFICER OVERVIEW

Our people are the heart of our business. As one of the world's largest employers, with operations touching the lives of millions of people every day, we strive to protect the dignity, wellbeing, and human rights of all the people who work in our businesses, our supply chains, and the communities we serve.

We are committed to play our part in eradicating modern slavery in all its forms and recognise that our scale and global reach give us the ability to influence others, to bring about real and positive change.

We cannot overlook that, globally, this has been another year of unprecedented economic and social challenges. While parts of our business were still recovering from the COVID-19 pandemic, navigating persistent supply chain disruption and widespread labour shortages, the conflict between Russia and Ukraine resulted in a humanitarian crisis and sent international markets into turmoil, which severely impacted the international food supply chain, fuelling global inflation, and widening social inequality.

In such periods of global crisis, the risks of human trafficking and forced, bonded and child labour significantly increase, making the fight to eradicate modern slavery, in all its forms, more critical than ever.

Over the past year, we have made further positive progress towards this goal, including:

- renewing our partnership with the Slave-Free Alliance to improve our due diligence processes, address our salient human rights risks and provide support and advice regarding modern slavery and human trafficking
- working with Earthworm Foundation, a not-for-profit organisation, to map the social and environmental risks within the fresh tomatoes and canned tuna supply chains of our businesses in the UK and US
- integrating human rights and modern slavery training into our Group ethics and integrity (E&I) programme, training approximately 12,000¹ of our leaders on a risk to role basis to better detect, address and prevent modern slavery in our operations and supply chains
- launching our new Global Supplier Code of Conduct across our Group businesses, setting out the ethical standards, principles, expectations, and behaviours we expect from our supply chain partners
- rolling out Sedex (Supplier Ethical Data Exchange) across more countries, including Brazil, Portugal and Spain, to further extend our due diligence processes
- forming a new Supply Chain Risk Management Committee, whose remit includes strategic human rights oversight and risk management
- expanding our cross-functional Human Rights Working Group (HRWG) to include representatives from all our regions across more than 20 countries
- appointing a new Group Director for Employment, Equity and Social Impact, responsible for collaboratively driving improvements in our human rights programme design and implementation globally
- updating our Human Rights Policy, including further reinforcing our global commitments to respecting the human rights of all vulnerable groups and emphasising our zero tolerance to forced and child labour

1. As per the Group's internal training records as of 31 October 2022

GROUP CHIEF EXECUTIVE OFFICER OVERVIEW CONTINUED

I am proud of what our teams have achieved this year, however we recognise that there is still more work to do. According to a recent [report](#) from the International Labour Organization, Walk Free and the International Organization for Migration, the estimated number of people living in modern slavery has risen significantly over the past five years, from 40 million people in 2016 to nearly 50 million in 2021, of which 28 million were reported to be victims of forced labour.

No business, including our own, can have absolute certainty that such activity does not exist within its operations or supply chains. At the same time, no single organisation can tackle this global issue alone. Key to achieving positive change is understanding our individual and collective responsibilities, working together to proactively seek out areas of concern and rectify them quickly and transparently.

As a Group, we are committed to continuous improvement and our mission remains to identify and mitigate any incidences and potential risks of modern slavery across our businesses' operations and their supply chains. We also reaffirm our commitment to working collaboratively with our peers and partners, including suppliers, governments, NGOs, clients, and communities, to enhance human rights, raise global standards, and improve social equity for all.

In the coming year, we will continue to build on our progress to date, concentrating our efforts and investment where we can make the biggest difference, whilst ensuring best practice is consistently implemented across the Group's businesses and their supply chains.

This will be supported by continued engagement with our supplier partners to further promote and raise awareness of our new Global Supplier Code of Conduct, while rolling out Sedex into additional markets and further strengthening and embedding due diligence procedures and tools into procurement processes. We

also intend to launch a new Group-wide Third-Party Integrity Due Diligence Policy and Migrant Labour Working Group, alongside further training, new collaborations and improved processes and tools, to build awareness of these issues and bring about the changes needed to help end modern slavery and enhance human rights for all.

DOMINIC BLAKEMORE

Group Chief Executive Officer, Compass Group PLC



INTRODUCTION

This is our seventh Modern Slavery statement issued under the Modern Slavery Act. It provides our stakeholders with an update on the Group's progress during the last financial year (to 30 September 2022), including how we have evolved and strengthened our policies, processes, training and awareness campaigns to detect, address and prevent modern slavery in the Group's operations and supply chains.

Modern slavery is an abhorrent and growing global issue, to which no industry is immune, and which needs to be addressed urgently.

We acknowledge that Modern Slavery is an overarching term that encompasses slavery, servitude and forced or compulsory labour, human trafficking, sexual exploitation, and child labour. At Compass, we fully support the elimination of modern slavery in all its forms. We are committed to upholding human rights, always treating people in our businesses fairly, and expect our suppliers to uphold these same high standards in our businesses' supply chains.

BUSINESS STRUCTURE

Compass is a global leader in food and support services, providing c.5.5 billion delicious and nutritious meals every year, across 40 countries.

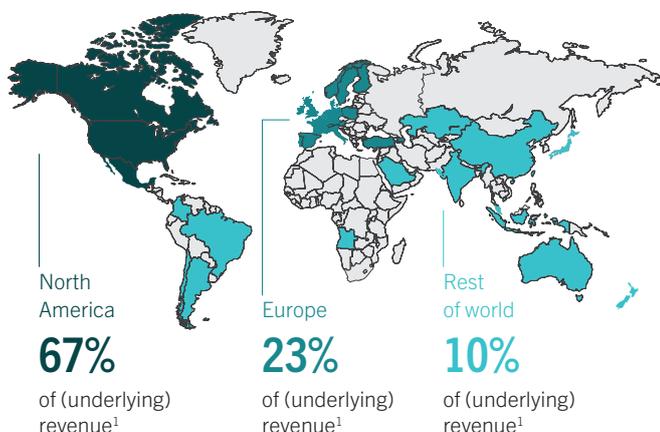
On a statutory basis, the annual revenue for the Group for the financial year ended 30 September 2022 was £25.8 billion, delivering an operating profit of £1.6 billion.

Food is our core competence, and c.84% of our business is considered food service. The remaining c.16% of the business provides support services ranging from cleaning to facilities management.

We operate in approximately 55,000 client locations around the world, from hospitals, schools and oil rigs to offices, sports stadia, and entertainment venues. The locations of these client units range from highly populated urban areas to some of the most remote places in the world.

The Group structures its businesses across five sectors: Business & Industry (33% of annual revenue), Healthcare & Senior Living (26%), Education (19%), Sports & Leisure (14%), and Defence, Offshore & Remote (8%). We operate in these sectors (and related sub-sectors) under a variety of local, regional, and international business-to-business brands, which allow us to develop a deeper understanding of our clients and the challenges they face, while delivering bespoke offers according to clients' specific requirements. By adopting a collaborative approach, we can use our combined efforts to drive positive change and impact on a global scale.

The Group operates within three key geographical regions:



North America
67%
of (underlying) revenue¹

Europe
23%
of (underlying) revenue¹

Rest of world
10%
of (underlying) revenue¹

The Board of Directors has delegated responsibility for the day-to-day operational management and implementation of its strategy to the Executive Committee, which is led by the Group Chief Executive Officer.

The Executive Committee comprises the executive directors, Group General Counsel and Company Secretary, Group Chief People Officer, Group Chief Commercial Officer, and the Regional Managing Directors for North America, United Kingdom and Ireland (UK&I), Europe and Middle East, Asia Pacific, and Latin America.

Compass is a people business, and the quality of services that we provide and the engagement that we have with our clients, consumers, and communities is a direct result of the dedication and hard work of our great people. They are the source of our competitive advantage and the conduit for our unique, caring, and winning culture.

Compass employs and engages around 500,000² people globally. The workforce breakdown among our three regions is as follows:

- North America: 49%
- Europe: 25%
- Rest of world: 26%

The majority of the Group's workforce is made up of individuals who are generally hired directly by our local operations, with a smaller number of agency workers, who are largely concentrated in our Sports & Leisure sector. Around 5% of the Group's workforce are foreign migrant workers, mostly concentrated in our Middle East operations.

The migrant worker population in our Middle East businesses comprises around 24,500 employees, predominantly from India, Nepal, Ghana, Bangladesh and the Philippines.

Our operations are generally decentralised in nature, with country managing directors and leadership teams responsible for local strategy, execution, and compliance, in alignment with the Group's values, governance, standards and frameworks. Depending on the region, an additional layer of regional and functional leadership is present.

As a Group, our largest categories of spend are food and labour. Our food spend includes sub-categories such as fruit and vegetables, meat, poultry, seafood, frozen and dry grocery, beverages, and packaged confectionary and snacks. We also purchase other non-food supplies, including packaging, services, and equipment.

We have a complex, multi-tiered supply chain, which relies on a wide range of growers, manufacturers, wholesalers and distributors to provide the products and services we require to service our clients.

Our largest suppliers are usually food wholesalers and broadline distributors, though we also have direct contractual relationships which extend beyond that to manufacturers, growers, and service providers. Consequently, we engage directly with tens of thousands of suppliers globally, with most of our relationships managed at a country level.

While all suppliers in our extended value chain play a role and can be engaged in the fight against modern slavery and human rights violations, focusing and partnering with direct suppliers in our countries will achieve a greater impact.

1. On a constant currency basis

2. Permanent headcount data (not all full-time equivalents) as at 30 September 2022

POLICIES AND CODES

We are committed to further strengthening our policies and codes and continue to build tools and share best practice to identify risks and improve ethical practices across the Group's businesses and throughout their supply chains.

Our policies are underpinned by our adherence to several important internationally recognised standards including:

- The UN Universal Declaration of Human Rights
- The Ethical Trading Initiative (ETI) Base Code
- The International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work
- The UN Guiding Principles on Business and Human Rights
- The UN Global Compact 10 principles

The Group's regional and country managing directors are responsible for ensuring that the Group's policies and standards are properly implemented and adhered to in their own businesses and supply chains and for monitoring the ongoing effectiveness of the policies and standards.

Our Code of Business Conduct (CBC) sets out the ethical standards that stakeholders - including our people, clients, investors, suppliers, and local communities - can expect when dealing with the Group's businesses. The CBC affirms our commitment to conducting our business safely with honesty, integrity, and respect. It includes a commitment, as a minimum (subject to compliance with applicable laws), to act within the ETI Base Code, the first principle of which is that employment is freely chosen. The CBC applies internally to all employees across the Group's operations.

The Group's new Global Supplier Code of Conduct (SCOC) was launched in August 2022, and applies to all the Group's supply chain partners globally. As part of the launch activities, suppliers are required, on a risk basis, to provide acknowledgements and undertakings across all markets where we operate.

The SCOC represents an extension of our CBC and values, and sets out the high ethical standards, principles, and behaviours we expect from our supply chain partners. The SCOC is an integral part of our approach to maintaining an effective third-party risk management framework.

The five focus areas of the SCOC are:

- Business integrity and ethical principles
- Human rights and labour standards
- Health and safety
- Sustainability
- Speak Up, We're Listening

Under the section entitled 'Human rights and labour standards', the SCOC reinforces, amongst other things, Compass' opposition to all forms of human rights violations or abuse, our commitment to working towards the eradication of modern slavery and human trafficking and specify the minimum requirements we expect from our suppliers.

The SCOC also sets out our expectations relating to health and safety, non-discrimination, harassment and inclusion, and employment terms of workers.



POLICIES AND CODES CONTINUED

The SCOC forms part of our contractual requirements for new suppliers, contract extensions and renewals. The Group's businesses are required to actively manage their third parties to ensure that they continue to act in accordance with the CBC, the SCOC, and all other existing policies and codes which apply.

In line with our Speak and Listen Up Policy, any suspected breaches of the CBC or examples of behaviour inconsistent with Compass' values must be referred to designated functional leaders, such as Legal and Human Resources, or reported via our independent and confidential Speak Up, We're Listening helpline and/or online platform.

The SCOC further promotes and encourages our supply chain partners to speak up when something doesn't feel right and provides access to the programme to report concerns about potential misconduct, criminal activities, unethical behaviours or other improper circumstances. Where instances of non-conformity with the CBC or other codes are substantiated, we will support our business partners to remedy any identified issues, if necessary and appropriate, including in collaboration with third parties. In instances where it is not possible to rectify matters, or the situation warrants it, we will review, suspend, or terminate the relationship.

Our [Code of Ethics](#) supports our CBC. This year, around 13,000 employees, including members of the Executive Committee, senior managers, leaders, and certain employees in control functions were required on a risk to role basis to complete the annual end of year declaration and forward-looking pledge affirming their compliance with, and commitment to, our CBC and Code of Ethics.

Our [Five Golden Rules](#), which include the principle of operating fairly and with respect, are communicated to our teams using several methods, including via payslips, induction materials, posters, and online training.

Our [Human Rights Policy](#) states the importance and responsibility of respecting the human rights of all workers within Compass' operations, throughout our businesses' supply chains and in the communities where they operate. It confirms our commitment to the four core conventions of the ILO, including the elimination of forced or compulsory labour and the abolition of child labour. It also highlights that our commitment to respecting human rights extends to 'vulnerable groups', which include but are not limited to:

- women and girls
- LGBTQ+
- children
- refugees and migrant workers
- national minorities
- senior citizens
- people with disabilities
- indigenous people

The Policy sets out the following key performance indicators that will be used to assess Compass' performance in human rights:

- total number of incidents of substantiated human rights breaches and actions taken
- number of human rights concerns related to Compass reported via our Speak Up resources
- significant actual and potential adverse human rights impact in the supply chain and actions taken
 - modern slavery and human rights training

Our [Global Supply Chain Integrity Policy](#) is applicable to all Group procurement activity and suppliers and sets out how Compass encourages compliance with the ETI Base Code.

This Policy is underpinned by our Supply Chain Integrity Standards; an internal document which details the minimum requirements for the Group's procurement departments to implement. These include requirements concerning risk assessment, transparency, supplier approval, product specification, product surveillance and traceability.

The Group's relationships are closest with direct suppliers however, increasingly, our businesses work further upstream with secondary suppliers for better visibility of their supply chains.

Procurement teams are required to have an enhanced level of visibility well beyond direct suppliers concerning high-risk product categories, with a minimum of tier two processing site visibility required to achieve advanced level Supply Chain Integrity status.

Global Supplier Code of Conduct launch

In 2022, the newly formed Supply Chain Risk Management (SCRM) Committee, with its extended team members from several Compass countries, concluded the work initiated in 2021 and launched the Global Supplier Code of Conduct (SCOC).

The project brought together external specialists, as well as Compass subject matter experts from our Procurement, People, Health & Safety, E&I, and Legal teams. It also drew on external international benchmarking to understand the practices of other responsible companies.

A sub-set of the SCRM Committee was dedicated to the communication, rollout, and implementation of the SCOC, undertaking an important change management and engagement programme with all our regions across 40 countries.

The SCOC was launched in August 2022, translated into 21 languages and a short [video](#) was produced in 24 languages to promote its implementation and communication with suppliers.

As part of the roll out of the new SCOC, our Speak Up, We're Listening programme is being promoted to further encourage suppliers to raise any concerns confidentially via their Compass business partner (if applicable) or via our accessible, independently managed, and confidential reporting helpline and online platform.



GOVERNANCE

We recognise that strong governance is essential for driving improvements and managing and mitigating the risks of modern slavery and human trafficking.

The Compass Group PLC Board through its Corporate Responsibility (CR) Committee is responsible for overseeing the implementation of the Group's strategies, policies and procedures relating to human rights and modern slavery. Further oversight and guidance are provided by the Group Chief People Officer, Group Chief Commercial Officer, Group Head of E&I, Global HRWG and Regional Governance Committees.

The CR Committee comprises all of the independent Non-executive directors of the Board, the Chair of the Board, Group Chief Executive Officer and Group Chief Financial Officer.

The Group Chief People Officer reports directly to the Group Chief Executive Officer and is responsible for setting the people strategy and agenda across the Group. She acts as the global functional lead for the Group in respect of our Human Rights Policy, which is required to be implemented by our regional and country leadership.

The Supply Chain Risk Management (SCRM) Committee provides the Group's strategic human rights oversight and sets the approach regarding salient human rights risks in our supply chain, led by the three senior functional heads: the Director of Group Purchasing Strategy, Group Head of E&I, and Group Director of Employment, Equity and Social Impact (a newly created role this year).

These senior leaders of the SCRM Committee all report directly to members of the Executive Committee (the Group Chief Commercial Officer, Group General Counsel & Company Secretary and Group Chief People Officer) and collaborate on the strategic approach across our businesses and their supply chains.

The Group's systems of internal control, including the policies, procedures and activities that underpin these systems, are designed to manage rather than eliminate risk and to ensure compliance with relevant legislation, regulation and best practice including that related to social, environmental, and ethical issues. These systems provide reasonable, but not absolute assurance that the Group has reduced the risk that modern slavery and human trafficking could be found in its businesses or in their supply chains.

Compass Group's Global Human Rights Working Group

Our Global HRWG is a key component of our efforts to raise awareness, provide training, discuss our human rights salient risks, share best practices, and cascade our related strategy, policies, and tools. It also provides a collaborative space for participants to discuss their concerns, areas of improvement, and to learn from and review current human rights and modern slavery examples reported in the public domain.

This year, we expanded membership of the HRWG further, and we now have participation of representatives from all our regions across more than 20 countries. This cross-functional, multi-country group comprises representatives from Procurement, Human Resources, Sustainability, Communications and Legal. Members of the HRWG perform an important role in raising awareness and cascading the HRWG learnings, discussions, and best practice processes in their local organisations.

During the year, members of the HRWG had the opportunity to interact with external partners including the Slave-Free Alliance, the World Business Council for Sustainable Development and Sedex. The HRWG held sessions with Sedex focused on understanding how our procurement teams can effectively use the platform, its supplier self-assessment questionnaire, analytics tools, and ethical trade audits, and how to use the data acquired to improve their supplier risk management and due diligence processes.

Compass' representatives are also regularly invited to the HRWG to share insights into what the Group's businesses are doing to prevent modern slavery and how they are improving their related processes.

The welfare and wellbeing of migrant workers is important particularly as this population is more vulnerable to labour exploitation. With this in mind, a dedicated training session on ethical recruitment was given to the HRWG during the year. The focus of the training was on the migrant workers' end-to-end recruitment journey, the risks associated with that journey and risk mitigation. The session was also key for participants to understand the progress our Middle East businesses have made on this issue.

Following the ethical recruitment session held by the HRWG, the associated policies, labour agency contract agreement templates and procedures were shared with several Compass countries; a clear example of rapid and critical knowledge transfer and action for prevention.

DUE DILIGENCE

We understand and recognise the fundamental importance of due diligence and robust risk management to identify, prevent, and mitigate incidences of modern slavery in the Group's supply chain and operations. We also remain committed to taking steps to address any incidents or adverse impacts on people, as well as monitoring the effectiveness of any measures taken, while communicating and learning from them.

Our approach to due diligence builds on existing processes and tools already in use and known to the Group (for example Sedex, internal audits, payroll checks, and training) and both new and existing partnerships and projects with industry leading organisations and external advisers. It combines research, risk assessments, alignment with and implementation of industry standards and best practice, utilising cross-functional working groups, stakeholder engagement, and applications of relevant policies.

Given the size and complexity of the Group, we take a risk-based approach and will continue to invest in education, awareness, technology, partnerships, and training to ensure our due diligence processes continue to evolve.

Renewed partnership with the Slave-Free Alliance

In 2022, we renewed our partnership with the Slave-Free Alliance (SFA), a not-for-profit social enterprise and part of the international anti-trafficking charity Hope for Justice. Founded in 2018, the SFA collaboratively supports organisations in building their resilience against the threat of modern slavery and labour exploitation. With the renewed partnership, the SFA will continue to act as our 'critical friend', helping us to improve our due diligence processes and address our salient human rights risks, while providing support and advice regarding modern slavery and human trafficking.

Supply Chain mapping project with Earthworm Foundation

Earthworm Foundation is a not-for-profit organisation which specialises in working with companies to support the transition to responsible sourcing for a wide range of natural raw materials. Tomatoes and tuna are important products within Compass' fresh produce and seafood categories and are associated with sustainability, environmental and human rights issues.

As part of our efforts to enhance visibility of these issues within our supply chain, Compass and Earthworm Foundation began a mapping project in June 2022, to better understand social and environmental risks present in Compass' fresh tomato and canned tuna supply chain for the UK and US markets. These sub-categories were specifically chosen for the mapping project taking into consideration the findings of an earlier project with the SFA (completed in 2021) and considering the potential risks identified in the Group businesses' wider supply chains.

Initial stages of the project have provided us with greater visibility of supply chain linkages beyond our direct suppliers and has improved our knowledge of the practices and programmes our suppliers use to manage the impact of their operations on people and the environment and clarified our connections to various source countries and regions for fresh tomato and canned tuna products. It has also reaffirmed with our suppliers in these sub-categories the importance and benefits of working together towards sustainable and responsible product sourcing.

A number of risks were identified, including a particular concern around labour rights of migrant workers and other vulnerable groups who make up a large proportion of the agricultural and seafood workforce in some of the regions in scope.

Final recommendations from the project will feed into action plans for tomato and tuna product categories and will help to inform due diligence and our responsible sourcing approach for natural raw materials overall.



DUE DILIGENCE CONTINUED

Expanding the use of Sedex

Our businesses' supply chains are complex and multi-tiered, and we continue to adapt our approach in seeking to find solutions which provide us with new and alternative ways to gain better visibility and transparency of suppliers and the goods and services we buy from them. The use of technology, collaboration, and information gathering and sharing can enable and accelerate access to crucial data to identify, prevent, and mitigate human rights violations and modern slavery. Last year, we expanded the use of Sedex to our businesses in Brazil, Portugal and Spain.

With funding from Group, the countries worked with Sedex ethical trade co-ordinators to receive training and to assess categories, prioritising suppliers for increased engagement and to expand enrolment in the platform. This work will continue in 2023.

Elsewhere, we continued to work with our regional procurement teams around the world and, in partnership with Sedex to deliver training and awareness sessions in all our regions. The training focused on Sedex tools and analytics, including how to embed them in our responsible procurement practices and processes.

In those businesses where Sedex was already in use, the teams continued to use the platform and its tools to identify sourcing countries and categories with the highest human rights risks, to allow these geographies to be prioritised.

Over the past 12 months, we have had access to 62 Sedex members ethical trade audits (SMETA) and our objective is to increase the number of Compass businesses and suppliers using the Sedex platform.



Technology solution for supply chain risk assessment in Australia

Compass Group Australia's centralised procurement and supply chain business Foodbuy conducts formal supplier risk assessments (SRA) on both existing suppliers (during ongoing contractual periods) and new suppliers, to ensure both groups meet our required safety, quality, certainty of supply, and social and ethical standards.

In 2021, Foodbuy fully redesigned the pre-existing Compass Group Australia supply chain SRA platform and commissioned a new web-based application to support both buyers and category managers to efficiently conduct SRAs and increase the volume of assessments that could be undertaken.

The application was developed to work on mobile, desktop and tablet devices, and includes questions and qualification/approval criteria for modern slavery and ethical sourcing, such as the requirement for suppliers to disclose if they or their subsidiaries use any forced, bonded, or involuntary prison labour, and to agree to comply with the ETI Base Code. Modern slavery risk features as a distinct component of the assessment criteria in the supplier scorecard. This refreshed SRA technology was rolled out to all of Foodbuy's national procurement category teams in Australia in 2022 as part of the existing regional and domestic supplier pre-selection standards, and 'inflight' procurement review processes.



RISKS AND STEPS TAKEN

The Group's businesses are alert to the risks around modern slavery and, more broadly, human rights risks that could be present within their operations and across their supply chains.

Through the Group's awareness campaigns, salient risks discussions, HRWG, use of external specialist advisers and the newly formed SCRM Committee, we have significantly improved the way we identify, share, and respond to information once a significant risk or threat is detected. This has allowed for more timely engagement and action with suppliers and any other parties involved.

Country-led due diligence is proceeding with new and existing tools and processes which take into consideration each business' complexity, size, scale, operating sector, client and supplier specifications, and individual human rights risks. We are committed to continual improvement and the below examples highlight some actions and initiatives taken during the past 12 months to address potential risks:

Ethical Recruitment in the Middle East

We recognise the significant benefit that migrant work provides to source and host countries and to workers who choose to leave their homes to work abroad as migrant workers. We also recognise that the journey of a migrant worker, from initial application for a job abroad to their arrival in the country where they will live and work, can be a perilous one. It is well documented by the International Labour Organization and the International Organization of Migration that migrant workers are considered a vulnerable group, more exposed and at higher risk of suffering abuse and labour exploitation.

At Compass, we want our businesses to continue to raise awareness and maintain vigilance when hiring migrant workers, using our influence and scale to positively impact every migrant worker's journey to access decent working opportunities overseas. We believe that we can be a source of positive change towards more acceptable recruitment practices when we are interacting and informing candidates, agencies, and sub-agencies of our high ethical expectations on this matter, making it clear that we will take appropriate action when our expectations are not met.

After identifying cross-border recruitment of migrant workers as a heightened area of risk and concern, our joint venture businesses in the Middle East continued to focus on gaining more detailed visibility and understanding of the related labour supply chain. This included migrant workers' journeys from home country to destination country, and the roles and approach of recruitment agencies who work for or on behalf of Compass businesses in the Middle East.

Our businesses in the region built a comprehensive plan focused on improving the end-to-end recruitment process of migrant workers and their wellbeing while employed.

This was informed by a review and assessment conducted by internal and independent external experts who performed:

- more than 200 employee interviews in the Middle East
- audits of six of the main labour agencies and 10 of the major sub-agencies in six countries (India, Nepal, Ghana, Uganda, Malawi, and Kenya)
- interviews with successful and unsuccessful candidates specifically asking them about the payment of recruitment fees

Outcomes of the project include the creation, review, and reinforcement of new and existing policies, including the Employer Pays Principle.

The team supplemented its compliance monitoring programme across the region to ensure the reviewed policies, practices, procedures, commercial agency contracts and SLAs from all involved in the end-to-end recruitment processes are followed.

They also reinforced communication and awareness regarding our Speak Up, We're Listening programme amongst the population of employees, workers, candidates, agencies, and sub-agencies. This allows stakeholders involved in the end-to-end recruitment process to speak up in confidence and without fear of retaliation and is key for monitoring and guaranteeing the effectiveness of the changes implemented.

Compass' Middle East businesses also understand that their success in improving the recruitment journey for migrant workers is influenced by the laws and practices in source countries and is dependent on the cooperation and processes of their recruitment partners and agencies across Asia and Africa who work on their behalf and on training and educating the recruitment partners on ethical recruitment principles.

In 2022, Compass' Middle East businesses trained more than 140 individuals representing recruitment agencies and sub-agencies (including owners, officers, employees, and representatives) from all its source countries. The training themes included understanding ethical recruitment, international best practice on ethical recruitment, and the legal and contractual obligations of agencies and sub-agencies. Participants were given a knowledge test afterwards to validate understanding and help consolidate their learning.

As a Group, we remain committed to continuously improving our due diligence and associated processes in this area, both in our Middle East businesses and across our broader operations.

RISKS AND STEPS TAKEN CONTINUED

Labour agencies in the UK – partnership with Datum

The Group is aware of the increased risks of modern slavery when hiring colleagues through labour agencies, and therefore continues to refine its processes and tools to mitigate such risks.

Building on work initiated in 2020 to review and streamline the use of labour agencies, our UK business partnered with Datum, an independent compliance audit service.

Datum's review was built around our UK business' Preferred Supplier Lists (PSL) framework, processes, and procedures, which require agency checks that include but are not limited to:

- rates being paid to workers
- right to work documentation
- contracts between workers and the labour agency
- assignment / confirmation message details about the workers' role
- workers' payslips
- evidence of holiday payment or accruals
- specific checks regarding forced labour and modern slavery indicators



In the last 12 months, Datum audited 132 labour agencies, with 120 passes, 11 amber warnings and one fail. Consequently, one labour agency was delisted, and it cannot reapply to be a supplier for five years. At the conclusion of the five-year period, it can reapply for admittance to the PSL, subject to an audit and meeting the necessary criteria in advance of readmittance to the PSL.

Datum and Compass UK are working with the agencies with amber warnings to make sure they operate to our standards. All new agencies that wish to become a preferred supplier are required to undergo an audit under the PSL contract framework first before being onboarded and are audited again within six weeks of supplying people into Compass UK's business. In principle, as a current rule, every active agency must be audited at least once in every 12-month period.

The work with Datum has so far covered every geographical region in the UK and it has audited positions from delivery drivers to gardeners, and chefs to hospital porters, allowing for better controls, risk mitigation and enhanced agency worker experience and engagement.

Partnership with The Coalition of Immokalee Workers and the Fair Food Program

We understand the power of partnerships with the right organisations and stakeholders, and how such partnerships can galvanise common efforts towards a world which is fairer, without abuse and exploitation.

This year, our North American business continued its long-standing partnership with The Coalition of Immokalee Workers (CIW) and the Fair Food Program (FFP), which began in 2009, and furthered conversations to expand the categories of produce (and the geographies where they are harvested) that they buy from FFP-certified farms.

The [CIW](#) is a worker-based human rights organisation internationally recognised for its achievements in fighting human trafficking and gender-based violence at work. The CIW is also recognised for pioneering the design and development of the Worker-Driven Social Responsibility paradigm; a worker-led, market-enforced approach to the protection of human rights in corporate supply chains.

CIW launched the [FFP](#) as a groundbreaking model for worker-driven social responsibility based on a unique partnership among farmworkers, Florida tomato growers, and participating buyers. One of the integral parts of the programme is the price premium paid by participating buyers, which is passed to workers through their paychecks, to help provide fairer wages on FFP-certified farms.

The initial commitment from Compass Group North America in 2009 was twofold; to pay an additional penny-per-pound for fresh tomatoes from certified growers in Florida, and to enforce the FFP's standards and codes (with appropriate contractual consequences) through Compass Foodbuy US. The commitment expanded in 2016 to include bell peppers and to cover tomato purchases on farms along the US eastern seaboard during the summer harvest season.

The FFP's human rights-based code of conduct and price premium honoured by Compass Group North America form the foundation of what a wide range of experts recognise as the gold standard for corporate social responsibility. In practice, by making Compass purchases conditional on supplier compliance with the FFP's human rights-based code, Compass helps guarantee that:

- via compliance with the code, there is zero tolerance for forced labour and sexual assault
- worker-to-worker education sessions are delivered across all participating farms, and include information about human rights and workers' labour rights
- worker-triggered complaint resolution mechanisms are in place
- worker health and safety committees are active, enabling all workers to have a voice regarding their health and safety
- regular and ongoing compliance audits take place

Compass Group North America is proud of this partnership and is in ongoing discussion with the CIW and FFP to further expand the partnership. The positive impact and effectiveness of the work conducted by the CIW and FFP can be found in their 2021 [report](#).

ACCESS TO REMEDY

The Group promotes a culture of honesty, fairness, inclusivity and respect, while our values of openness, trust and integrity guide our behaviour. These values reinforce how we uphold and promote our high ethical standards in accordance with our policies, including the CBC, the SCOC, our Code of Ethics and Human Rights Policy, as well as all applicable laws.

Open communication, collaboration and adopting a risk-based approach are essential in identifying, preventing, and appropriately dealing with potential wrongdoing and other sensitive issues. We are committed to maintaining a culture where everyone feels able and safe to voice concerns without fear of retaliation, taking direct action to address concerns raised while sharing lessons learned to prevent reoccurrence.

Speak Up, We're Listening is Compass' confidential reporting programme and is available in all 40 countries where we operate, in applicable local languages. The programme's helpline, online platform and case management system are operated by an independent third-party provider. It is available 24 hours a day, seven days a week, 365 days a year and is managed by Group E&I; a dedicated team of professionals, that is independent of any lines of business.

Speak Up, We're Listening provides the reporting party with several channels to raise concerns and the choice to submit a report confidentially and anonymously (subject to compliance with applicable local laws).

Employees can raise concerns via:

- their manager
- a more senior manager
- Human Resources
- Legal
- the country Listen Up Champion
- a member of the Group E&I team
- the Speak Up online platform
- dedicated country phone helpline provided to all colleagues

External reporting parties can contact their Compass relationship manager (if applicable) or can raise their concern through the online platform or phone helpline. Reports received through Speak Up, We're Listening are referred to Group E&I for confidential review and assignment for follow up and/or investigation, as appropriate.

Once assigned, reports are dealt with by a community of Speak Up investigators who conduct a confidential review and/or investigation. For each report received, we engage with the reporter to advise their report has been received by Group E&I and will be assigned to the appropriate person/investigator to follow up. The individual reporter can check back using the two-way communication channels in the system through engaging with their assigned investigator or asking Group E&I directly about their case. Each reporter receives a close out message, so they know their concern has been addressed, an investigation concluded and/or a matter resolved.

In the 12 months to September 2022 there were 3,176 reports received through the Speak Up programme, of which 32.5% of the reports were substantiated. Of those reports, 68 (representing 2.1% of the total number of cases received globally) were categorised as concerns related to the human rights agenda, with the following breakdown:

- Chile (1), Mexico (1), Spain (1), Qatar (1), Brazil (1), Turkey (7), UAE (53) and USA (3); and
- 13 cases were substantiated, with relevant remedial and corrective action taken

We also received, through Speak Up, a number of reports related to broader human rights topics, including labour matters, working practices and alleged discrimination. These reports were followed up and investigated in an appropriate and timely manner with our standard processes being followed.



Speak Up, We're Listening revised Policy and relaunch

Following the global relaunch and rebranding of our Speak Up, We're Listening programme in October 2021, a new standalone Speak and Listen Up Policy was launched by the Group in April 2022, which continues to be implemented in all 40 countries in which we operate. To help embed the principles of the new Policy, Group E&I launched training in July 2022 to approximately 13,000 leaders on a risk to role basis across the world to further raise awareness of expectations and actions when receiving or managing concerns at Compass.

Of all those who completed the E&I training (all modules including managing concerns and ethical decision making):

- 96% agreed the training raised their awareness of ethics and integrity principles
- 99% agreed they found the training useful to apply in the workplace

A dedicated page on our Speak Up, We're Listening programme can be found on the Compass Group PLC [website](#) and further information is available through our Group E&I portal, which is accessible to anyone at www.letintegritybeyourguide.com.

TRAINING

Training is a core part of Compass' strategy and efforts to fight modern slavery and elevate the conversations about human rights risks across our operations and supply chains.

We firmly believe that our chances of protecting our employees and workers significantly increase when we all understand what modern slavery is, its presence around the world, the more at-risk populations, how to detect it and what can be done to prevent it.

Our people and leaders are our first line of defence in identifying any signs of modern slavery and are the key to building an environment where abuse is not tolerated and where suspicion of exploitation, of any kind, is quickly escalated and appropriately addressed.

Through our Group E&I e-learning training platform, the modern slavery and human rights module was assigned to thousands of leaders of Compass Group in 2022, working across every region, country, sector and from all disciplines. At the time of reporting, approximately 12,000¹ employees on a risk to role basis had completed the training during the last 12 months; circa 90% of the target group.

Furthermore, members of the HRWG and specific teams from our People and Procurement functions around the world participated in several training sessions this year related to human rights and modern slavery.

As part of our human rights strategy, we will continue to raise awareness and deploy training across our operations and plan specific interventions based on a risk-based approach.

AT THE TIME OF REPORTING, APPROXIMATELY

12,000¹

employees on a risk to role basis had completed the training during the last 12 months; c.90% of the target group.



1. As per the Group's internal training records as of 31 October 2022



EFFECTIVENESS

Our committed teams have continued to work hard this year to deliver and implement relevant projects, activities, policies, training programmes and other initiatives aimed at identifying and preventing modern slavery in all its forms.

In an organisation of our size, scale and complexity, the challenge of appropriated change management should not be underestimated. During the year, time and effort were invested to properly plan, communicate, and work with our businesses to make sure that initiatives (related to modern slavery and human rights) were well executed, embedded into daily operations, and therefore become 'business as usual'.

Despite the progress we have made this year, we recognise that there is always more to be done. In that spirit, we have again taken the opportunity over the past year to reflect on the progress of our human rights agenda to date and refine our strategy and direction for the future, which will include continuing to review and monitor our enhanced Human Rights Policy implementation.

Recruitment fees

Our Middle East businesses rely on agencies and sub-agencies who recruit on their behalf and in many cases are the first point of contact between them and candidates / prospective migrant workers in various countries.

As is well known and recognised globally by the United Nations' agencies and others, such recruitment agencies and sub-agencies in source countries play a crucial role in connecting employers to prospective migrant workers, but also in conveying terms and conditions of future employment and managing critical logistic matters, including travel arrangements and visas.

The United Nations, NGOs and employer organisations acknowledge that in spite of considerable efforts globally to address the issues of unethical practices predominately in source countries, the issues persist. During the recruitment process, despite widespread international condemnation of the practice and business processes to prevent it, workers and prospective workers might at times incur illegitimate and illegal recruitment fees which, according to the Employer Pays Principle, should be borne by the employer.

Notwithstanding the persistence of the challenge of illegitimate and illegal recruitment fees, our Middle East businesses have enhanced their processes aimed at preventing recruitment fees being charged to prospective migrant workers and have established independent communication channels that provide opportunities for workers and candidates to freely and confidentially discuss their concerns about recruitment fees being paid and any abuse that may be occurring.

During the last year, as a result of these enhanced processes, the businesses investigated any instances where illegal or illegitimate recruitment fees had allegedly been paid by a worker prior to employment. Consequently, these fees were repaid to those affected employees and the businesses also investigated and resolved questions or concerns about working or living conditions.

LOOKING AHEAD

We will continue to develop our human rights strategy across our Group operations and supply chains to address human rights risks. Our commitments for 2023 are:

- continuing to collaboratively implement our strategic plan and embed our updated Human Rights Policy through the Group's HRWG, SCRMM Committee and soon to be established Migrant Labour Working Group
- further promoting and raising awareness of our new Global Supplier Code of Conduct, including risk-based compliance and assurance activities
- expanding Sedex to additional countries and further embedding due diligence tools into our procurement processes
- launching a new Group-wide Third-Party Integrity Due Diligence Policy and Migrant Labour Working Group
- further increasing awareness of human rights through a programme of sharing insights and effective practice, and biannual e-learning across the Group's businesses
- continuing to work with the Slave-Free Alliance and other third-party experts to further develop our approach on human rights management globally

We look forward to reporting on our progress in next year's statement.

CONCLUSION

Compass is committed to supporting the dignity, wellbeing, and human rights of all our people, the communities in which we operate, and those affected by our businesses' operations. We will continue to work with our business partners, clients, and communities to develop our capabilities and to play our part in ending slavery in all its forms.



NELSON SILVA

Non-executive Director of Compass Group PLC
Chairman, Corporate Responsibility Committee

Approved by the Board of Compass Group PLC on 17 November 2022

ANNEX

Subsidiary companies of Compass Group PLC meeting the criteria to require the preparation of an annual Slavery and Human Trafficking Statement, in accordance with section 54 of the Modern Slavery Act 2015, that are included within the scope of this Compass Group PLC statement:

- Compass Group Holdings PLC
- Compass Group, UK and Ireland Limited
- Compass Contract Services (U.K.) Limited
- Compass Services (U.K.) Limited