



Modern Slavery Act Transparency Statement 2022

MODERN SLAVERY TRANSPARENCY STATEMENT

AT EG GROUP, WE DO NOT TOLERATE ANY FORM OF MODERN SLAVERY AND ARE COMMITTED TO TAKING STEPS TO ENSURE SLAVERY AND HUMAN TRAFFICKING DOES NOT TAKE PLACE WITHIN OUR OWN OPERATIONS OR SUPPLY CHAIN.

AT EG GROUP, WE ARE COMMITTED TO DELIVERING WORLD-CLASS CONVENIENCE RETAIL WHILST IMPROVING THE LIVES OF OTHERS AND DELIVERING A POSITIVE IMPACT ON SOCIETY.

We seek to act ethically and with integrity in all our business dealings and relationships and to implement effective systems and controls to reduce and address risks of modern slavery.

We recognise that all businesses must be alert to risks of modern slavery and labour exploitation in the workplace and we are committed to taking a proactive approach to identify and mitigate risks. We have announced a new partnership with the anti-slavery charity, Unseen, to help us improve our understanding of modern slavery risks and strengthen our due diligence (see page 6 for more about our work with Unseen)⁽¹⁾.

ABOUT THIS STATEMENT

This statement has been prepared in accordance with the statutory requirement (set out in the UK Modern Slavery Act, section 54) for large UK businesses to publish an annual transparency statement on steps taken to prevent modern slavery in their business and supply chain.

This statement is available to download from the EG Group website at www.eg.group and is also available on the UK Modern Slavery Registry. It covers the activities of the EG Group across the UK and international markets for our financial year 2022 (1 January to 31 December 2022).

This statement covers all EG Group's UK legal entities required to publish a transparency statement under the UK Modern Slavery Act (see page 8 for a list of UK entities covered).

See UK Home Office Guidance for further details of the statutory disclosure requirements under the Modern Slavery Act.



⁽¹⁾ Although this report covers our 2022 financial year (1 January-31 December 2022), we started working with Unseen in early 2023 to help us develop our approach on our modern slavery due diligence.

COMPANY OVERVIEW

EG Group is one of the world's leading independent convenience retailers with an extensive network of sites across the United Kingdom & Ireland, Continental Europe, Australia and the United States of America.

Founded in 2001 by the Issa family with the acquisition of a single site in the UK, today the company is at the forefront of delivering an innovative approach to forecourt convenience retail.

At EG Group, we pride ourselves on being recognised for our investment model, trading performance and more importantly, providing a best-in-class customer experience in Grocery & Merchandise, Foodservice and Fuel.

Our transformational convenience retail business model has been built on excellent relationships with an extensive portfolio of leading retail brands, and through strategic network acquisitions supported by a programme of new-to-industry developments.

Every day, our committed workforce tirelessly deliver our products and services to millions of customers alongside supporting the local communities in which we operate.

COUNTRIES

10

SITES

6,612

EMPLOYEES

55,180

2022 REVENUE

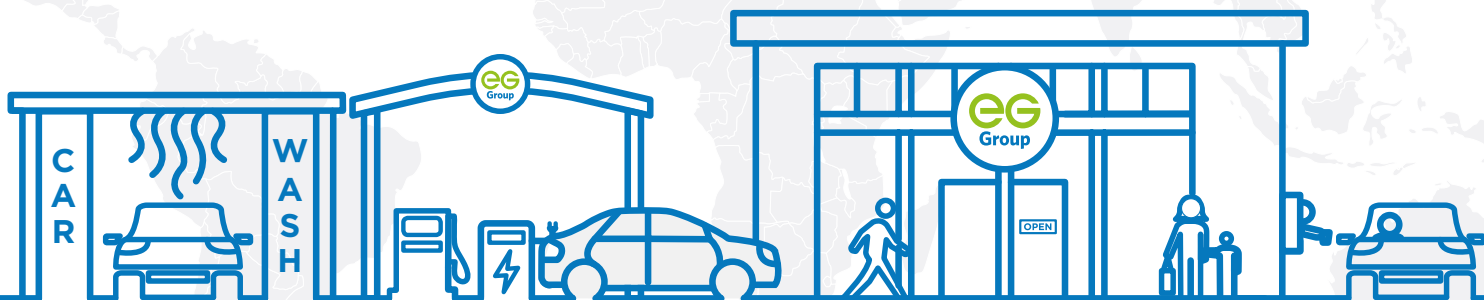
\$30.6bn

2022 ADJUSTED EBITDA⁽¹⁾

\$1.4bn

CUSTOMERS SERVED ANNUALLY

1.3bn



Figures correct as of December 2022.

⁽¹⁾ Earnings before interest, tax, depreciation and amortisation, before exceptional items.

OUR SUPPLY CHAIN

Our procurement activities predominantly take place from our Group Head Office and Shared Services Centre in Blackburn (UK), with support from regional offices in Australia, France, Germany, Italy, the Netherlands and the USA.

GOODS FOR RESALE:

We work with leading retail brand partners to deliver products and services to our customers across Grocery & Merchandise, Foodservice and Fuel (see table below). We aim to work with trusted brand partners that are well recognised globally or in their local markets and that have well-established Environmental, Social & Governance (ESG) policies and programmes, including due diligence on human rights and modern slavery.

GOODS & SERVICES NOT FOR RESALE:

We also procure equipment and services from a range of suppliers and contractors to support our business, including for example, uniform suppliers, logistics companies, waste contractors, cleaning and landscaping contractors, construction and refurbishment companies, IT equipment and services.

PROPRIETARY FOOD BRANDS:

Our proprietary food brands in the UK - LEON and Cooplads - work with a range of suppliers including ingredient suppliers, food wholesalers, food manufacturing and service companies, packaging and logistics suppliers. Food ingredients are sourced from all over the world. In line with LEON's commitment to responsible sourcing, it only uses British free-range eggs and the menu celebrates local and seasonal produce where possible.

OUR BRAND PARTNERS:

United Kingdom & Ireland

Some examples of our brand partners are included in the table below.

GROCERY & MERCHANDISE	FOODSERVICE	FUEL
 	         	  



OUR POLICIES ON MODERN SLAVERY & HUMAN RIGHTS

We have developed a Human Rights and Modern Slavery Policy Position Statement, which was approved by the Board in September 2022.

This is included in our Environment, Social & Governance (ESG) Policy Position Statements, which are available on our website at www.eg.group. We plan to review our policies on an annual basis.

Our policy sets out our commitment to respect and uphold human rights in line with international conventions and guidelines including the United Nations Guiding Principles on Business and Human Rights, the International Bill of Human Rights (which includes the Universal Declaration of Human Rights), the UN Global Compact, the International Labour Organisation's Declaration on Fundamental Principles and

Rights at Work, the Children's Rights and Business Principles and UN conventions on the elimination of discrimination. It also sets out our overall approach to human rights and modern slavery due diligence.



RISK ASSESSMENT

We monitor and review our ESG risks, including human rights and modern slavery risks.

The key risks we have identified are summarised in the box opposite. These have been identified through a combination of internal review, peer review and research, and work with external consultants on an ESG materiality assessment.

Our new partnership with Unseen will also help to provide us with additional insights into risks and steps we need to take to address these.

KEY AREAS OF MODERN SLAVERY RISK FOR EG GROUP

- Food production sites for proprietary food brands, where use of labour providers is a risk
- Sourcing of food ingredients for proprietary food brands
- Suppliers of EG uniforms
- Direct use of labour providers to provide temporary staff at our sites. Note that the majority of our recruitment is carried out in-house but we do occasionally use labour providers in some parts of our business
- Indirect use of labour providers to provide services to us, such as cleaning, logistics, construction, maintenance and site refurbishment.
- Our extended, global supply chain

Note that we have automated car washes on our forecourts at some locations, and also jet washes that are operated by our customers. We recognise that there are higher risks of modern slavery in the car wash sector, but these apply to attended hand car washes.

RISK MANAGEMENT

We manage risks of modern slavery and human rights through our ESG governance and management structures.

- Our Co-CEOs, Mohsin and Zuber Issa, together with our Group Executive team, have overall responsibility for our ESG strategy and performance, including our approach to human rights. This transparency statement was signed off by our Co-CEO's (see page 8).
- Our Group Board, which includes three Non-Executive Directors has oversight of our ESG strategy and performance, and is updated and consulted throughout the year with a schedule of ESG updates. The Board approved our Human Rights and Modern Slavery Policy Position Statement in September 2022 and this transparency statement in June 2023 (see page 8);
- Our Audit & Risk Committee and Executive Risk & Disclosure Committee are responsible for identifying and reviewing risks, including our key ESG-related risks.

Our Group Head of ESG and Sustainability reports into the Group Executive, and updates the Group Board regularly on our ESG strategy and progress. The Group Head of ESG and Sustainability also liaises directly with our Non-Executive Directors to review risks and shape ESG priorities. We have started to expand our ESG team, so that we have a global team with locally led activity in the markets in which we operate. Progress against our modern slavery action plan (see page 6) is monitored by our Group Head of ESG and Sustainability.

➔ See our [ESG Report 2022](#) for further details of our ESG governance and approach to embedding ESG in the business.

DUE DILIGENCE

Our plans and actions

WE HAVE A MODERN SLAVERY ACTION PLAN TO MANAGE KEY RISKS. THIS IS REVIEWED AND UPDATED ON AN ANNUAL BASIS. WE HAVE SUMMARISED OUR ACTION PLAN AND PROGRESS BELOW.

ACTION PLAN	PROGRESS
<p>Review and assess modern slavery risks</p>	<p>See section on risk assessment (page 5).</p>
<p>Raise employee awareness on modern slavery through training and communications</p>	<p>See section on employee training (page 7).</p>
<p>Incorporate clear expectations on human rights and modern slavery into our supplier and partner contracts</p>	<p>We have started to incorporate clauses on wider ethical and sustainability issues, including human rights and modern slavery into a number of new supplier and partner contracts.</p>
<p>Renewed focus on our approach to whistleblowing, with an independent reporting hotline</p>	<p>We have developed a formal whistleblowing policy and procedure, which was launched in 2022. This includes a confidential whistleblowing hotline in each region to enable our colleagues, customers and suppliers to speak up if they have any concerns without any risk of detriment. This is accessible at www.eg.group/whistleblowing.</p> <p>The Audit & Risk Committee receives quarterly updates on issues raised via our whistleblowing procedures, including our reporting hotline.</p>
<p>Develop a standard protocol for dealing with incidents of modern slavery</p>	<p>Our Human Rights and Modern Slavery Policy Position Statement sets out our commitment to ensure any incidents of modern slavery or human rights violations are dealt with in a sensitive way that protects the victims, in line with relevant local law or guidance such as the British Retail Consortium (BRC) Protocol for Handling Reported Cases of Modern Slavery.</p> <p>In 2023 we plan to work with Unseen to carry out a detailed review of our procedures for handling potential incidents of modern slavery, including our approach to escalation and remediation.</p>

SPECIFIC RISK AREAS:

ACTION PLAN	PROGRESS
<p>Food production sites</p> <p>Pilot third-party ethical / social audits at a sample of food production sites for our proprietary brands</p>	<p>We plan to carry out our first Sedex ethical audit in May 2023, which will cover our Cooplands food production site. We will review the findings with relevant management teams and develop a plan for further audits.</p>
<p>Sourcing of food ingredients</p> <p>Promote responsible sourcing of food ingredients for proprietary food brands</p>	<p>LEON has a number of responsible sourcing initiatives to promote good working conditions and environmental protection in its supply chain. The menu features coffee that is fair trade, organic and World Land Trust certified (with proceeds donated to the World Land Trust for reforestation projects) and celebrates local and seasonal products where possible. It also sources a number of staples, including rice, from suppliers in Europe to increase supply chain visibility, and to decrease risk whilst also reducing food miles.</p>

DUE DILIGENCE CONTINUED

Our plans and actions continued

SPECIFIC RISK AREAS: CONTINUED

ACTION PLAN	PROGRESS
<p>Labour providers</p> <p>Minimise risks associated with use of labour providers</p>	<p>We have developed Minimum Standards for Labour Providers to address modern slavery risks. Cooplands (our proprietary food brand) works with a small number of recruitment agencies and has started to engage with them to check compliance with the standards.</p> <p>We also plan to start engaging with our UK service providers (in high risk areas such as cleaning services, logistics and hauliers, construction and refurbishment) to require them to check compliance for their labour providers.</p>
<p>Uniform suppliers</p> <p>Require ethical audits for uniform suppliers</p>	<p>We plan to add specific requirements on ethical audits into new contracts for uniform suppliers.</p>
<p>Extended global supply chain</p> <p>Work with brand partners and suppliers to understand and address modern slavery risks.</p>	<p>We have developed a supplier questionnaire on ESG which includes a section on human rights and modern slavery, in order to help identify and manage risks across our extended global supply chain. We will start to roll this out to key partners and suppliers in 2023 – focussing on our largest suppliers (by spend).</p> <p>The questionnaire covers details of their human rights policies, risk assessment and due diligence across their operations and supply chain. This will allow us to evaluate risks and areas for improvement, as well as highlighting areas where we can collaborate with our suppliers for greater impact.</p>

EMPLOYEE TRAINING

In order to address modern slavery risks effectively, we recognise that employees need to be aware of the issues and how to report any concerns.

We have an online training module on modern slavery and human rights. All new employees in the UK are required to complete this training module as part of their induction training. In 2022, almost 12,000 employees completed the training module (2021: over 17,000).

We plan to work with Unseen to develop further training and awareness on modern slavery. This will include, for example, more detailed training for HR managers on the potential signs of modern slavery and how to report concerns, and this training will be cascaded into the business. We also plan to put up posters across noticeboards at our UK sites to help raise awareness about the 24/7 modern slavery helpline run by Unseen.

EFFECTIVENESS OF MEASURES

In 2022, we had one potential incident of modern slavery in our UK business. The colleague involved was referred into the hands of authorities, to ensure their own safety and to allow the authorities to investigate. And in 2021, we were notified by a colleague of their personal circumstances which led to us contacting authorities to investigate a potential case of modern slavery. In neither case was EG implicated in any wrongdoing, but we have taken steps to strengthen our response to suspected cases of modern slavery. This includes developing a new partnership with Unseen to help enhance our due diligence.

OUR FUTURE PLANS

We plan to work with Unseen to improve our understanding of modern slavery risks and strengthen our due diligence. Our priorities for 2023 are to work with Unseen to provide modern slavery training for HR teams and to review our procedures for responding to potential incidents of modern slavery. We will also focus on engaging further with suppliers on human rights and modern slavery, including rolling out our new ESG supplier questionnaire. See due diligence section (page 6) for further details of our action plan.

ENTITIES COVERED BY THIS STATEMENT

This statement covers the activities of EG Group for the financial year 2022 (1 January to 31 December 2022). It covers all entities in the Group as at 31 December 2022.

We have listed below our UK holding companies and subsidiaries that are included in this statement which fall in scope of the UK legal requirement to publish an annual transparency statement⁽¹⁾.

ENTITY NAME

Euro Garages Limited

Coopland & Son (Scarborough) Limited

Leon Restaurants Limited

Pollo Limited

Scotco Restaurants Limited

Scotco NI Limited



Transparency statement approval

This statement has been approved by the Board of EG Group on 6 June 2023.

Signed by:

Zuber Issa

Co-CEO
Director, EG Group Limited

Date: 6 June, 2023

Mohsin Issa

Co-CEO
Director, EG Group Limited

Date: 6 June 2023

⁽¹⁾ All UK legal entities with a turnover of £36 million or above are required by law (section 54 of the Modern Slavery Act) to publish a modern slavery transparency statement.