

PORTMEIRIONGROUP

Portmeirion Group PLC
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Transparency Statement on Human Trafficking and Modern Slavery (the "Statement") (in compliance with the Modern Slavery Act 2015)

Portmeirion Group PLC and its subsidiary companies are committed to preventing acts of modern slavery and human trafficking within its business and supply chains, and expects the same high standards from its suppliers. We recognise that modern slavery can take many forms and so regularly evaluate and, where necessary, try to reduce the nature and extent of our exposure to the risk of modern slavery and human trafficking within our business. While we are confident that the risk of slavery and trafficking within our Group and supply chain is low, we continue to evaluate and, where necessary, improve our policies and procedures to ensure that the risk is as low as possible.

This Statement details the measures taken by Portmeirion Group PLC, which includes our U.K. operating subsidiaries Portmeirion Group UK Limited and Wax Lyrical Limited, to prevent modern slavery within our business and supply chains for the financial year ending 31 December 2021. This is our fourth Modern Slavery Act Statement. During 2021, we continued to ensure, despite the continued impact of COVID-19, that we protected and supported the fundamental rights and freedoms of those who work for us and with us.

1. Our business and supply chains

We are a U.K. public limited company with a global presence in the homewares sector. We are the ultimate parent company of the Portmeirion Group, directly employ around 900 people worldwide and sell into over 70 countries. Our largest operations are in the U.K. where we employ around 715 people and in the US and Canada where we employ around 180 people. Together with the products that we produce in our own factories within the U.K., we work with a range of suppliers to design, manufacture, package and transport our products around the world. There have been no structural changes since our last statement.

2. Managing the risk

2.1 Our policies

Our vision to be a leading force in the global homewares sector will only be achieved through a culture of honesty, integrity and openness and by respecting human rights and the interests of our employees, customers and all other stakeholders. We promote an open culture in the business achieved from effective employee engagement, people development and diligent resource management. We are a caring employer with an excellent health and safety record, fair and balanced equality policies, a wide diversity in our workforce and management structures and a consultative approach with our people. The Group has policies which set out our expectations and requirements and support our commitment to combat modern slavery; these include those on diversity and inclusion, harassment and bullying, recruitment, anti-bribery, whistle-blowing, work-life balance and flexible hybrid working.

2.2 Supply chain

We have a Supplier Code of Conduct ("Code") which requires that employment should be freely chosen and that forced, bonded or child labour cannot be used. Our Code is

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based on the Base Code of Labour Practice of the Ethical Trading Initiative ("ETI") which itself is based on the standards of the International Labour Organization ("ILO"). Our product supplier contracts contain, as standard, binding clauses enforcing our Supplier Code of Conduct and retaining our right of audit and inspection of our product supplier's premises and records. Our Code aims to ensure that international human rights standards are respected at all our supplier's sites. If issues are found in supplier audits, our initial goal is to work with the suppliers to bring their practices into compliance.

Compliance with the Code of Conduct is reviewed using a tailored questionnaire that complements our Code and visits to suppliers' premises by our staff or representatives. Our product suppliers are also required to complete an ethical audit every two years. Normally, representatives of our U.K. sourcing team visit each supplier's premises at least annually where we perceive those suppliers to be at a higher risk of instances of modern slavery. Where Covid-19 restrictions have not allowed us to conduct these visits, we have continued to have external SMETA 4 pillar audits on all of our product suppliers to ensure they are working within ETI guidelines. Sedex Members Ethical Trade Audit ("SMETA") is the audit procedure created by the Sedex membership which is a compilation of good practice in ethical audit technique. The Supplier Ethical Data Exchange ("Sedex") is a not-for-profit, membership organisation that leads work with buyers and suppliers to deliver improvements in responsible and ethical business practices in global supply chains. The SMETA 4 pillar audit consists of four key pillars: Labour Standards, Health & Safety, Environment and Business Ethics and is based on both international standards and ILO conventions.

2.3 Employment practices

Our global recruitment and employment practices contain measures to ensure there is no forced labour. These measures include:

- due diligence checks on U.K. recruitment agencies;
- background checks in relation to new starters to our business relevant to the jurisdiction they will be working in;
- encouraging employee vigilance to the risks and signs of modern slavery and human trafficking and to report any instances or suspicions using the procedures set out in our Whistleblowing Policy as soon as they arise; and
- training of relevant colleagues, particularly in HR and management functions, to ensure they are equipped to identify and recognise any potential instances of modern slavery. Training is conducted formally through online training and assessments as well as through on-the-job mentoring.

2.4 Due diligence

The Group reserves the right to request evidence of compliance with our policies and Code of Conduct and to carry out audits at any time having given reasonable notice.

2.5 Impact of the Coronavirus pandemic

We have continued throughout the Covid-19 pandemic to identify and address any additional risk to our operations and supply chains. The health and safety of our employees, contractors and visitors to our sites has remained paramount. With the immense disruption to global supply chains and container freight shipping, the experience and skills of our supply chain teams and good relationships with our suppliers has meant we have coped successfully with such challenges. We have kept in close contact with our sourced product suppliers to identify any fluctuations in demand that

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could lead to new or increased risks of labour exploitation. We have paid all suppliers within agreed terms, enabling them to pay their employees in a timely manner. At each Board meeting, the Directors review the significant risks and mitigants to the Group. As part of this review, emerging or heightened risks are identified, including those related to the pandemic and modern slavery generally.

3. Reporting & Action

Our Group Whistleblowing Policy applies to employees, contractors and anyone else acting on Portmeirion Group's behalf. If a report of actual or suspected modern slavery is made, we would conduct such investigations that we could reasonably do including, where required, liaising with law enforcement officials. Our HR Director – UK & International and Group Company Secretary are available for all employees, contractors, suppliers and other stakeholders to confidentially raise concerns in relation to improper, unethical or illegal practices. We are committed to dealing with all whistleblowing reports and ensure those who raise concerns are protected from retaliation.

We do not tolerate any slavery or human trafficking within our business. If we find evidence of slavery and/or human trafficking in our supply chain, we will immediately seek to terminate our relationship with the relevant supplier and will liaise with law enforcement as required.

4. Further Action

We have embarked on a journey to go beyond compliance in relation to our Environmental, Social and Governance (“ESG”) factors. Throughout 2021, we worked with external experts on an ESG baselining exercise to better understand the materiality of our impacts and to make well-informed choices in focusing our resources and efforts to deliver tangible strides towards a more sustainable world. This exercise identified that the Group's existing approach to environmental and social matters is well managed and under good governance. One of the outcomes of this exercise will be to put in place a framework that ensures a consistent approach to ESG factors across the Group. We are confident that this will further ensure we minimise any risk of modern slavery or human trafficking in our global operations or supply chain.

During 2021, we continued our employee training and awareness programme. No instances of modern slavery were identified or reported.

We believe that Portmeirion Group is effective in combating modern slavery and human trafficking within our business and supply chains through our approach to supply chain management and in promoting awareness of the issue and a transparent culture with our employees.

The contents of this statement are approved by the Board of Directors.



Mike Raybould
Chief Executive
Portmeirion Group PLC
15 March 2022