



23.5 DEGREES LIMITED T/A STARBUCKS STATEMENT ON UK MODERN SLAVERY ACT OF 2015 (FOR FISCAL YEAR 2023)

The Modern Slavery Act of 2015 came into effect on 29 October 2015 and requires those entities conducting business in the UK, supplying goods and services, and having annual turnover of £36 million or more to disclose information regarding the efforts they have taken to address slavery and human trafficking from their supply chains during the previous financial year.

This is 23.5 Degrees Limited's third Modern Slavery and Human Trafficking Statement, covering Fiscal Year 2023. It outlines 23.5 Degrees Limited's commitment to ensuring it has a positive impact on preventing modern slavery and the steps we have taken to assess and address the risk of modern slavery in our operations and supply chains. The statement will be reviewed and published annually on our website.

Our Business and Values

23.5 Degrees Limited is a Starbucks franchised business partner and has more than 105 stores in the UK. We offer a range of products that customers enjoy in our cafes, at home, and on the go – including coffee, handcrafted beverages, merchandise, fresh food, and consumer goods.

We have always believed we can - and should- have a positive impact on the communities we serve. *"With every cup, with every conversation, with every community – we nurture the limitless possibilities of human connection"*. It is our vision that together we will elevate our partners, customers, suppliers and neighbours to create positive change. Starbucks focus in four areas where their commitment and scale can make the biggest impact:

- Making coffee the world's first sustainable agricultural product by doing our part to improve the lives of 1 million people in coffee communities around the world.
- Building and operating the world's largest green retail business, minimizing our environmental footprint and inspiring others to do the same.
- Investing in pathways to opportunity through education, training and employment.
- Strengthening communities by welcoming all and creating impact on issues that matter.

Starbucks has a long history of promoting Ethical Sourcing of its products, which are produced in countries all over the world, and have devoted considerable resources over the last several years to mapping their supply chain for greater transparency and developing and implementing appropriate ethical standards applicable to our many suppliers and those involved in the production, processing and manufacturing of all the products we sell.

23.5 Degrees Limited is fully committed to preventing acts of modern slavery and human trafficking from occurring within our business and seeks to impose those same high standards on its suppliers. We will take a zero-tolerance approach to non-ethical practices, and we are committed to acting professionally, fairly and with integrity in all our business dealings and supply chain relationships.

Key Executives

Our executive team comprises of the following people:

Role	Name
CEO	Mark Hepburn
CFO	Luca Contardo
COO	Barry Mulholland

Supply Chain and Due Diligence

Starbucks continues to work closely with suppliers of manufactured products used or sold in Starbucks stores to ensure that the manufactured goods and ethical sourcing standards and all legal obligations are followed.

Commitment to continuous improvement is the cornerstone of this program, and factory assessments have been a key part of Starbucks' and our strategy since 2006. Starbucks continues to collaborate with others in the coffee industry to address ethical sourcing best practices in our shared supply bases. See more of Starbucks' global supply chain approach and efforts to address the risks of modern slavery at www.starbucks.com/responsibility.

Where suppliers work with 23.5 Degrees and do not also work with Starbucks, we will review their working practices and require them to commit to ensuring that modern slavery does not exist within their own supply network and/or business.

Our managed supply chain includes *construction and building fitout, facilities management, deliveries, cleaning, waste, security and technology services suppliers*.

Policies and due diligence on modern slavery for our business and our supply chains

We currently operate the following internal policies to ensure that we are conducting business in an ethical and transparent manner. We continuously review and update all of our policies. These include:

1. This Modern Slavery Statement, which sets out our approach on modern slavery and explains how as a business we can identify any risks and how to mitigate these.
2. The Employee Handbook, which sets out our Entitlement to Work in the UK Policy, and confirmation that all employees will be paid directly into their nominated bank accounts, again to safeguard against human trafficking or individuals being forced to work against their will. It also outlines our Health and Safety Policy, and our Whistleblowing Policy.
3. The Anti-Slavery and Human Trafficking Policy, which is supported by a briefing note and which outlines the obligations for all staff members; and

All employees (referred to as "partners") are required to abide by all of our published policies and procedures in order to ensure that we exhibit and promote ethical business activities.

All suppliers and subcontractors are provided a copy of our Modern Slavery Policy and Statement as well as an overview of our approach to modern slavery and expectations of partners.

In addition to the above policies, 23.5 Degrees Limited has incorporated modern slavery due diligence into new supplier approval procedures. This process particularly seeks to understand the organisation's understanding of and commitment to labour standards, any specific approaches they have to addressing modern slavery, and particular procedures around temporary and agency related labour (which has been identified as a higher-risk indicator of modern slavery in our risk assessments).

We maintain a modern slavery risk-rating for all suppliers, with follow-up procedures and deeper information required for medium or high-risk suppliers. 23.5 Degrees Limited reserves the right to audit or inspect high-risk suppliers against their commitments under the supplier policy. We are committed to working with suppliers to support necessary improvements; however, we will also take action if suppliers and sub-contractors do not meet our standards.

We engage all new and existing suppliers via a due diligence questionnaire to understand their approach to identifying and addressing modern slavery risks. A clear process is in place for following-up with any suppliers who are deemed medium or high-risk to better understand their approach, any gaps or non-conformance and any further action required.

To identify and mitigate risk in relation to the sourcing of goods and services/the supply and acquisition of manufactured products we will be working with contractors and service suppliers to ensure that the necessary Modern Slavery requirements are in place within contracts and that our suppliers engage in ethical business practices. Going forward, as part of our initiative to identify and mitigate risk we will require all contractors and suppliers to provide us with a copy of their Modern Slavery Statement. If this is not available, we require them to confirm in writing their compliance. We also undertake to protect any whistleblowers in line with our Whistleblowing Policy.

Our policies and due diligence processes are all informed by and based on international best practice standards and industry guidance including ILO standards, UK Government and NGO Modern Slavery Act Guidance, the Ethical Trading Initiative Base Code, and CIPS guidance.

Assessing and addressing the risk of modern slavery in our operations and supply chains

23.5 Degrees Limited is committed to identifying and mitigating modern slavery risks in our operations and supply chain. During Fiscal Year 2022, we reviewed and updated our policies, supplier procedures and due diligence process to incorporate modern slavery risks.

While there have been no identified incidence of modern slavery in our operations, or in our supply chains, in 2022 23.5 Degrees Limited undertook an independent risk assessment of our entire supply chain including construction and facilities management, deliveries, professional services and technology services. Suppliers are rated as being Low, Medium or High risk based on a number of factors including the risk of modern slavery in the supply chain, use of sub-contracting or temporary and agency labour and supplier due diligence responses.

Professional Services, Administrative Services, IT Equipment and Support, Print Services and Utilities were all assessed as being low-risk and will still be monitored, but do not form part of the formal risk-rating framework. Potential risks were identified in the use of temporary or agency labour, deliveries, construction and facilities management, security, cleaning and waste services.

We have undertaken further engagement with all suppliers, and particularly medium and high-risk suppliers throughout 2021/22 and will continue to monitor and adapt this process to ensure it is as effective as possible.

Training and awareness for our staff and suppliers

Staff: We carried out Modern Slavery training with 100% of our key executive team and in 2023 we will roll out training with all of our store management team on our modern slavery approach and how to spot the signs of modern slavery. In addition, in 2023 we will communicate 23.5 Degrees Limited's commitment and approach to addressing modern slavery to all staff via internal communications and incorporate this training into our employee induction procedures.

Board: We have briefed our Board on Modern Slavery governance requirements and will report to the board at least annually on our modern slavery commitments and progress.

Suppliers: We will provide all medium and high-risk suppliers with our modern slavery statement, and signpost key resources to enable them to further develop their own approaches, including CIPS, and ETI Guidance or how to raise issues with the Modern Slavery Helpline.

Effectiveness of our approach

We will continue to review our performance in addressing modern slavery risks and will publish our performance against appropriate KPIs in our annual Modern Slavery Statement. During 2021-22, we reviewed our current suppliers and requested that all medium and high risk suppliers completed a Modern Day Slavery (MDS) due diligence questionnaire and provided us with their Statement if they had one.

We will also continue to engage specialist modern slavery in supply chains expertise to ensure our approach is effective and aligned with all appropriate requirements and good practice.

We are committed to continuous improvement and review our programs and policies on an ongoing basis to ensure all actions are consistent with industry norms and to make possible additions or amendments where needed to address the specific topics described in the law.

We are continuously evolving to identify any risk mitigation within our existing business and supplier base. We require employees and our supply chain partners to share our ethical business practices ambitions.

Starbucks responsible business practices can be found at www.starbucks.com/responsibility which discloses at length and in detail our various Ethical Sourcing programs and policies. It is Starbucks and 23.5 Degrees Limited's intention to make its customers, as well as other interested consumers, aware of all that we do to ensure that, among other things, our supply chain is free of forced or trafficked labour.

Our Chief Executive holds overall responsibility for these policies and our approach to addressing modern slavery risks. This statement has been approved by the 23.5 Degrees Limited Board.

This statement is by 23.5 Degrees Limited for itself and is made pursuant to Section 54 of the Modern Slavery Act of 2015 and constitutes our slavery and human trafficking statement for the financial year beginning 1/9/2021 and ending 31/8/2022. This statement is approved by 23.5 Degrees Limited's board of directors.



Mark Hepburn (Feb 5, 2024 13:11 GMT)

Signed

Mark Hepburn
CEO 23.5 Degrees Limited

Date: Feb 5, 2024