

Emperor Modern Slavery Statement

March 2024





About Emperor

Emperor is one of the largest independent strategic and creative corporate communications agencies in the UK. We specialise in brand, sustainability, employee engagement and stakeholder disclosure across all forms of media from digital and print, to film and presentations.

We are an employee-owned business with over 300 talented partners supported by an established roster of freelancers and fixed-term contractors who return year-on-year during our busiest season. Over our 28-year tenure, we have established a network of trusted suppliers without whom we could not provide a complete service to our clients.

In 2017 we launched our 12 pledges, a series of social and environmental commitments; in 2021 we updated our Articles of Association to demonstrate our commitment to creating value for all our stakeholders including employees, suppliers, clients, communities and the environment; and in September 2022 we became a B Corp Certified company joining a movement committed to using the power of business to build a more inclusive and sustainable economy.

For more information about Emperor and our approach to responsible business, please see our Annual Reports.

Why this policy is important

Modern slavery, forced labour, forced marriage and human trafficking continue to be a major issue around the globe; often hidden from sight and hard to detect, this phenomenon exists as much in the 21st century as it did hundreds of years ago. This fundamental issue continues to grow as a cycle of fear, deception and exploitation makes it difficult, even for local employers, to detect. The COVID-19 crisis exacerbated underlying factors that can make people vulnerable to modern slavery, including poverty, financial insecurity, supply chain and logistics challenges due to changes in demand.

The statistics are staggering:

- At any given time in 2021, an estimated 49.6 million people were in modern slavery, including 27.6 million in forced labour and 22 million in forced marriage.
- It means there are 5.4 victims of modern slavery for every 1,000 people in the world.
- One in four victims of modern slavery are children.
- Out of the 27.6 million people trapped in forced labour, 17.3 million people are exploited in the private sector such as domestic work, construction or agriculture; 6.3 million people in forced sexual exploitation and 4 million people in forced labour imposed by state authorities.
- Women and girls are disproportionately affected by forced labour, accounting for 99% of victims in the commercial sex industry and 58% in other sectors.

Source: Global Estimates of Modern Slavery: Forced Labour and Forced Marriage, ILO, Geneva, September 2017.

Our Vision: Positive partners and purchases

Our purchases, partners, suppliers and customers are all part of a chain that links us to the world. This reflects who we are and what matters to us. Our vision is to be part of a supply chain that is as ambitiously positive, resilient, collaborative and responsible as we aspire to be. That is why with every decision we take and every connection we make, sustainability should always be at the forefront of our thinking.

Key initiatives

2021

During 2021, we began a programme of work with the aim of increasing our use and procurement of socially impactful and environmentally preferable products and services in our shared workplaces by making informed decisions and actively shaping our supply chain:

- May we undertook our third annual supplier review process and introduced a set of sustainability criteria, which has been consolidated as a Sustainable Procurement Policy.
- September we published an updated <u>Code of Conduct</u> with suppliers, clients and partners in mind, which outlines our values and provides an overview of key policies.



- November we conducted our first supplier survey informed by best practice screening criteria detailed in B Corp's Impact Assessment (BIA). The questions focused on suppliers' approach to governance, and how they are addressing environmental and social issues. Supplier selection and screening criteria include, but are not limited to:
 - 1. Respect the human rights of their own employees and those in their supply chain.
 - 2. Act with honesty and integrity, managing their business ethically and responsibly.
 - 3. Comply with legislation and regulations.
 - 4. Manage and reduce their impact on the environment.
 - 5. Proactively support the development of an inclusive workplace and a diverse workforce.
- The survey and our Code of Conduct were sent to 139 of our suppliers, which equals more than 80% of our procurement spend. As of December 2021, we received 53 responses.

2022

Our goal during the first half of 2022 was to determine a clear vision of the supply chain we want to have and ensure we have the tools and processes required to achieve the key objective for the year of engaging our internal relationship managers with the importance of developing a sustainable supply chain management programme and their role in the process which in turn would mean greater engagement with our supplier partners:

- February we began a detailed B Corp data collection process to review the suppliers who make up 80% of our procurement spend to provide B Corp with the documentation requested.
- May we created our new Supply Chain Vision Statement as an important internal engagement tool.
- June equipped with the B Corp review of suppliers and the analysis of the survey results from the previous year, we developed a new process for reviewing suppliers which includes a set of 10 sustainability criteria against which to score suppliers.
- August we created a presentation for relationship managers, briefed them on the new process for reviewing suppliers and provided them with the tools required, again starting with 80% of our spend.
- September we began the process of embedding the new sustainability review criteria into the onboarding of new suppliers through further relationship manager presentations.
- November we updated our Sustainable Procurement Policy to reflect our improved processes.
- December we analysed the results of the supplier review and began planning for 2023 with a particular focus on increasing scope and measuring progress.

2023

Our goal during this year was to further embed the supplier review and onboarding processes we had implemented. We also increased the scope of our annual supplier reviews which stood at 80% in 2022 and expanded it to 90% of our top spend in 2023.

- January we further embedded our supplier review into our onboarding process of new suppliers.
- June/July we focused on collecting information about suppliers, including their geographical location, the sectors in which they operate, the percentage of spend on each sector, and any accreditations they may hold. The aim of this exercise was to provide a more comprehensive view of our supply chain and supplemented the data that relationship managers collected in line with our Environmental, Social and Governance criteria.
- August we briefed relationship managers on this year's annual review of suppliers, including the updated increase on the scope from 80% of supplier spend to 90% of supplier spend.
- September/November relationship managers collected data on their suppliers in line with our Environmental, Social and Governance criteria, providing a score out of 12.
- December we analysed the results of the supplier review, which can be found below, and began planning for 2024 with a particular focus on reviewing our supply chain and measuring progress.

Governance

We are continuing to embed our approach within our teams and to establish the necessary systems:

- New suppliers will receive our Supplier Review Form and Code of Conduct.
- Existing suppliers who meet expectations will be reviewed annually.
- Suppliers who do not have policies in place or fall below expectations will be offered support and guidance to improve standards within 6-12 months depending on the level of severity of the issue.



• If standards still fall below expectations, the supplier is referred to our Group Chief Financial Officer and relevant Relationship Managers for review. Persistent non-improvement will lead to the supplier being removed from our system.

Looking forward we undertake to monitor our approach to supply chain standards on an ongoing basis. We will also review against best practice, such as B Corp's guidance, annually or sooner if in line with any significant developments.

Supply Chain Programme Governance Structure for FY22/23

Kingsley James – Director	- Management of risk register and review of		
	Supply chain risks.		
Georgia Mitchell – Deputy Company Secretary & Compliance Assistant	 To ensure compliance with relevant regulations and policies. Management of processes and policies. Oversight of risk register and review of Supply 		
	chain risks.Management of information, communications		
	and approvals required from the Board and Executive Committee.		
Simon Newton – Group Chief Financial Officer	 Oversight of the Supply Chain Management Programme and drive continuous improvement. To approve and oversee processes and policies. 		
	 To review suppliers that fall below expectations. Removal of suppliers who do not improve in line with Emperor's requirements. 		
Yumna Hussain – Responsible Business Executive	 To drive continuous improvement of our Supply Chain Management Programme. To establish and oversee processes. 		
	 To collect and review data. Facilitating conversations on best practice. To report internally and externally on supply 		
	 chain management performance. To review any high-risk suppliers and work with Relationship Mangers to support supplier 		
	engagement for continuous improvement.		
Sarah Edwards – Financial Controller	 Oversight of embedding processes. Work closely with Relationship Managers to support the new onboarding process for suppliers. 		
	 Collecting information from Relationship Managers on any new supplier relationships, including reviews. 		
	 Ensuring that Relationship Managers are undertaking the review process with suppliers prior to adding the supplier to our internal systems. 		
Relationship Managers	- Responsible for undertaking the Supplier Review process with their suppliers to score them against the set of criteria.		
	Responsible for sharing the Code of Conduct with their suppliers.		
	 Responsible for ensuring that all Freelancers/ Sole Traders sign up to our Code of Conduct. 		



 Screen new suppliers against the criteria to ensure suitability through our onboarding
process.
 Liaise with the Finance team to support the data collection process.
 Continuously reviewing supplier relationships to ensure the highest standards are being met.
 Responsible for onboarding of suppliers and using the review criteria.

Policies

Through our policies we communicate our values and expectations, setting a high bar for ourselves and our supplier partners and making clear that we do not tolerate modern slavery. We are committed to consistently evolving and improving our approach. We regularly review our policies to identify areas for update and improvement.

Related policies:

- Code of Conduct an overview of our values, approach and key policies for suppliers, clients and employees. All suppliers are now required to sign up to our Code of Conduct.
- Sustainable Procurement Policy including the criteria to look for in our suppliers to ensure we are supporting and driving a sustainable economy.
- Environmental Purchasing Policy outlining the choices that should inform our purchasing of products.
- Anti-bribery and Corruption training defining ethical business practices.
- Data and Information Security determining the responsible management of data and information in line with ISO27001.
- Speak Up Whistleblowing Policy for partners concerned about behaviours in the workplace and in our supply chain.
- Health and Safety Policy.

Our Supply Chain

Our suppliers fall into two main categories: those providing goods and services that we use to run our companies such as IT, telecommunications, professional services and facilities; and those providing services used in client work, such as print, video production and market research.

Sectors that our suppliers come from	Percentage of spend on each sector	Geographical location	External Accreditations
46% Freelancers	27% Professional services (including legal/accountancy)	83% are based in the U.K.	24% of these suppliers hold an external accreditation such as an ISO certification
26% Professional services (including legal/accountancy)	22% Freelancers	17% are based outside of the U.K.	
9% Print	16% IT/Technology services		
8% Support services (including digital and video production)	15% Support services (including digital and video production)		
8% IT/Technology services	12% Print		
1% Office furniture	7% Utilities		
2% Utilities	1% Office furniture		

About our top 90% supplier spend

Note: 45% of our suppliers from FY2021/22 have remained in our top 90% spend in FY2022/23.



Through our Supply Chain Programme, we aimed to review 90% of our procurement spend which is 150+ suppliers. This data allowed us to determine which suppliers' values align with ours and to flag any high-risk suppliers who are falling below our requirements. An annual review of our suppliers also gives relationship managers an opportunity to consider the value and quality of the goods and services provided.

This annual process requires that suppliers with more than five employees be assessed against our internal criteria as shown below, whilst suppliers with fewer than five employees are required to sign up to our Code of Conduct and Emperor's values.

The ten sustainability criteria fall into three buckets: Ethics and the Environment, People and Society and Governance and Assurance. 89% of reviews have been completed so far and the results can be seen below:

- 36% of suppliers scored 12 out of 12
- 28% scored 11 out of 12
- 17% scored 10 out of 12
- 5% scored 9 out of 12

We determined that there were no high-risk suppliers within our 90% biggest spend. However, we will continue to monitor these numbers, keeping an open dialogue with all our suppliers and identify areas for improvement.

Assessing and managing risk

This year, we continued to embed our set of criteria into our onboarding process of new suppliers. This included the involvement of Relationship Managers and the Finance Team to ensure that every supplier we work with meets our requirements, and to put plans in place for any who do not.

In order to assess and manage these risks, we reviewed our current suppliers against criteria described in our Sustainable Procurement Policy, resulting in a score for that supplier. A low score does not mean that we will not work with the new supplier, but we will seek a commitment to improve their score within 12 months of the start of our relationship. Suppliers accounting for 90% of our expenditure will be reviewed annually with coverage increasing over time as we onboard new suppliers using our review criteria. The Finance Team meet with relationship managers, as required, to ensure information is being kept up to date.

Given the nature of our business, our supply chain and the review processes we have undertaken, we believe that the risk of modern slavery in our supply chain is currently low. We have seen no evidence of modern slavery within any of our suppliers as part of the review and onboarding processes to date. During 2023 we had no reported incidents of modern slavery or human trafficking via our Speak Up initiative. However, we understand that modern slavery and human rights breaches can be difficult to detect, and we remain committed to improving our processes to ensure that we respond to changing circumstances and the evolution of our business.

We are also aware that some regions and sectors present potentially higher levels of risks due to the prevalence of low-paid and migrant workers. Through our review process of our top 90% of our supplier spend, we have identified that we have six suppliers in a high-risk country (United Arab Emirates) and one supplier in the domestic industry (cleaning services) which is a high-risk sector. We aim to prioritise suppliers in high-risk sectors and regions, even if they sit outside of our top 90% expenditure in line with our ambition to increase the scope of the programme.

Engaging our employees

We set a high bar for ourselves and our suppliers. As set out in our Code of Conduct, our supply chain standards are grounded in principles of value creation for stakeholders, inclusivity, transparency and accountability. At Emperor we understand the importance of, not only having good policies in place, but also upholding the undertakings within them. Amongst our own employees, freelancers and contractors we encourage good practice through our onboarding processes, ongoing internal communications and training including:

- Inclusion in onboarding and induction/training sessions.
- Targeted team briefings and discussions for those who are key to implementing the related policies and processes.
- Timely company-wide education and engagement campaigns including special features in Squid, our partner magazine.



• All agency posts on our intranet and email pointing to any important updates.

The effectiveness of our approach

We are continuously working to improve our approach to how we manage our supply chain and tackle modern slavery. We know that modern slavery, though prevalent, can be difficult to detect and we must continue to strengthen our policies and processes to best position ourselves in identifying and preventing modern slavery.

Looking forward

Going into 2024, we endeavour to:

- Develop preferred suppliers lists where appropriate.
- Work with any low scoring suppliers identified through our onboarding and review processes.
- Continue raising awareness with employees, promoting our commitment to working with sustainable partners.
- Review our supply chain on an ongoing basis, focusing on maintaining relationships with suppliers who meet the criterial set out in our Sustainable Procurement Policy.

Governance and approval

This statement has been approved by Emperor's Board of Directors.

Victoria Sugg Co-CEO

Cameron Gunn Co-CEO