

MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT 2022

(Financial year July 2021-June 2022)

INTRODUCTION AND COMPANY STRUCTURE

We present our 2021– 2022 statement as required by section 54 of the Modern Slavery Act 2015. This report has been endorsed by The Board of Oaxaca Ltd (Wahaca and DF Tacos) on 1st of December 2022 and covers our financial year from July 2021 until June 2022.

The last few years have been incredibly difficult for many, and unfortunately modern slavery continues to affect the lives of many individuals in different countries. This is driven by many causes with poverty and globalisation being the main two. More recent studies have also highlighted the effect the environment is having on modern slavery.

Our concern for the environment has driven us since we opened our first restaurant. We are the UK's first carbon neutral restaurant group and a proud member of the Sustainable Restaurant Association. We are honoured to have received numerous awards in this area -

- ✓ Sustainable Restaurant of the Year Group Award in both 2012 and 2013
- ✓ Large Group of the Year at the 2016 "Food Made Good" awards
- ✓ the R200 sustainability award in 2021 for our improvements in sourcing, the impact on society (both employees and the wider community) and on the environment
- ✓ and most recently, the Peach Award in 2022 for the Business who has shown true innovation and leadership in addressing the sustainability agenda.

Our 13 Wahaca restaurants and 6 DF Tacos sites across the UK serve fresh, vibrant, Mexican-inspired street food that doesn't cost the earth. We are immensely proud of our approach to the environment, sourcing and society; all of which has sustainability at its core.

Our Company values: Be Humble, Choose integrity, Have fun, Show Pride and Think Positively - help us navigate both the day-to-day challenges that come our way; but also determine who we build external relationships with, as we seek out like-minded Partners.

Over the last year we have continued challenging ourselves and our external Partners to minimise our collective impact on our planet and improve our communities.

In a continually challenging economic environment with significant macro-economic and global factors at play we understand there may be new or increased modern slavery risks. We welcome the sharing of our statement as an opportunity for us to have meaningful conversations both internally and externally and set out further steps to prevent modern slavery and human trafficking where it may touch our business.

OUR SUPPLY CHAIN, PROCUREMENT AND PAYMENTS

We take our inspiration from the street markets of Mexico and aim to emulate their character and flavours in the most sustainable way possible.

We believe that we have a responsibility towards the environment and communities and that this responsibility goes beyond legal and regulatory requirements. In recent years, we have seen an emphasis on climate change and its effects on human rights. Recent research has shown evidence of the link between them and how sudden weather events and longer-term climate issues are contributing to climate-induced migration. This is placing people at a higher risk of conflict and inequality and making them more vulnerable to modern slavery.

Our Co-Founders, together with our Sustainability Manager continue to challenge the way we do things; with an emphasis on continuing to elevate our sustainability credentials and push ourselves and our industry even further.

Our [Environmental Policy - Wahaca](#) reflects our commitment to reducing our environmental impact. Over the last year we have also extended this approach to all new suppliers prior to bringing them on board. This means making sure that they agree to comply with our guiding principles and code of conduct before they become a partner.

The nature of our activities means that we rely on a complex ingredient supply chain to ensure high quality and strong provenance. We currently work with over 50 companies, the majority of which operate under UK law; including legislation on Human Trafficking. Although we do work with some companies that are based outside the UK, in the majority of cases we use UK-based distributors with strong industry credentials. With any new suppliers we undertake a Financial, Safety and Legal Due Diligence to ensure there is nothing publicly available that may deem that supplier to be a risk or not aligned with our values.

We try to use local UK suppliers as much as possible to support our local communities and reduce our environmental impact. As examples –

- ✓ our free-range pork and grass-fed beef are sourced from British farmers we know and trust
- ✓ we are committed to serve free-range chicken currently sourced from net zero farms in Northwest France
- ✓ we have switched to British Halloumi
- ✓ we have created “Wahacamole”, an alternative to the popular dish guacamole, which is made from British fava beans instead of avocados.
- ✓ we work with UK based Riverford Organic to increase our organic offering

Whilst we continue to use avocados in our classic Guacamole, they are sourced from reputable sources with at least GlobalGap certification which enshrines good agricultural practices including respect to the environment and communities.

Although the UK is perceived as a low-risk country because of the relatively ample resources and strong political will, we remain vigilant against the risk of modern slavery throughout our supply chain.

Where local sources are not a possibility, we aim to source ethically. As examples -

- ✓ our coffee and hot chocolate are ethically sourced and Direct Trade from small producers in Central America
- ✓ our tea is sourced from Canton Tea who have a longstanding buyer-growers relationship and only buys ethically produced teas.

We understand the negative impact of over-fishing on fish stocks and the associated labour practices on fishing boats. With that in mind, we only purchase fish from MSC (Marine Stewardship Council) fisheries whose aim is to protect our oceans and the fish within it, and combat climate change. They also work towards mitigating forced and child labour risks and require their fisheries to submit forced and child labour statements annually. They withdraw certification of any fisheries convicted of forced or child labour abuses.

We acknowledge that, as a relatively small business, we do not have resources to verify secondary sources of supply, however where possible we try to visit farms and other suppliers, especially when considering new suppliers.

We operate a legally compliant, planned approach to procurement and payment. We acknowledge that the current economic challenges are having an adverse effect on our supply chain, but we ensure that we make timely payments of outstanding debts to all suppliers for orders placed by us.

OUR PEOPLE - RECRUITMENT AND EMPLOYMENT PRINCIPLES

We currently employ around 700 people and are committed to providing fair and rewarding employment for everyone. We embrace the principles developed by the United Nations and Institute for Human Rights and Business regarding migrant workers.

We treat all staff equally, without discrimination and with respect for their human rights. All staff enjoy the protection of relevant UK law in respect of their employment.

We always ensure that everyone we engage has the legal right to work in the UK. Our recruitment and promotion policy enshrines a modern slavery and human trafficking guarantee. No member of staff is subject to forced labour or coercion: every member of staff enjoys 100% legally compliant employment.

In particular: -

- ✓ We bear the full costs of recruitment and do not charge staff fees for hiring, placing or promoting them.
- ✓ We provide written statements of terms and conditions of employment to all staff as required by law. These documents explain everything in a clear and transparent way.
- ✓ We support the right to seek, obtain and hold employment without discrimination and with complete respect for dignity.
- ✓ We do not coerce anyone to work for us. When you choose to work for us you do so voluntarily.
- ✓ Everyone must prove their entitlement to work in the UK. However, we do not hold or retain original passports, identity documents or residency papers. Each staff member retains such documents personally.
- ✓ Everyone is paid regularly, in accordance with their terms and conditions. We provide a written summary of pay and deductions (pay slip) on every occasion.

- ✓ We pay national living wage, regardless of age and have a clear progression route to support career development and internal promotion.
- ✓ Everyone has the right to join or not join a trade union at their complete discretion.
- ✓ We provide safe working conditions with suitable training as necessary. Our operations comply with or exceed statutory health and safety standards.
- ✓ We provide formal grievance provisions through which staff are free to lodge a work-related complaint or raise a matter of concern.
- ✓ We do not impede anyone's freedom of movement or their opportunity to seek employment elsewhere.
- ✓ We ensure all our employees have access to a confidential external helpline and counselling sessions if needed.
- ✓ We have a number of Mental Health First Aiders across our business who have been trained to identify symptoms of poor mental health and support anyone who may need help.

OUR POLICIES IN RELATION TO SLAVERY AND HUMAN TRAFFICKING

We continue to provide clear guidance to staff about tackling bribery and corruption. We operate specific provisions through which they can confidentially report any concern or "blow the whistle". We promote equality, diversity and inclusion and have adopted measures to deal with any instances of intimidation, bullying or harassment. All members of staff have access to our grievance procedure.

Our list of relevant policies includes -

- ✓ Equal Opportunities Policy
- ✓ Bullying and Harassment policy
- ✓ Bribery provisions
- ✓ Whistleblowing policy
- ✓ Grievance procedure
- ✓ Recruitment and employment policy

Provisions such as these not only reflect our commitment to the highest employment standards; they can also play an important supportive role in our opposition to modern slavery and human trafficking.

OUR COMMUNITIES - CHARITY WORK

Our passion and commitment to giving back to our community and charities has (and always will be) part of what we do. In order to achieve this, we work with some key charity partners here in the UK and in Mexico.

We know there is very little we can do about the wider issues of modern slavery and human trafficking. However, through our chosen charities, we feel that we and our customers are making a difference in other ways.

✓ **EDNICA – Inspiring young lives in Mexico**

In Mexico, we work with EDNICA, a UNESCO backed charity supporting vulnerable children whose parents live and work on the street. Our donations (so far over £172,000 since 2012) provide education, help and support the human rights of children in Mexico giving them the opportunities their parents never got.

✓ **Kitchen Social – Fuelling the next generation in the UK**

Through our 'street food specials' we help Kitchen Social, a charity supporting over 100 community hubs in London to provide good food and enriching activities to children from low-income families during the school holidays when free school meals are not available.

✓ **Carbon offsetting projects – helping the planet and its people**

We choose our carbon offsetting projects carefully, so that we're not only helping the planet, but its people too, whilst giving back to Mexico, the country that's inspired everything we do at Wahaca and DF.

In the past we have supported the Improved Mexican Cookstove project, which makes efficient cookstoves for low-income households in some of the poorest rural states in Mexico. The new stoves help reduce fuel use by as much as 58% and reduce exposure for families to harmful indoor air pollution.

Last year we supported Oaxaca Wind, they produce enough electricity to power 700,000 households each year with renewable wind turbine energy! Not only that, but they are award winners for their wider positive impact on their community.

✓ **Centrepoint and The Clink - We believe in second chances**

We have and will continue working with several organisations to offer employment to people often overlooked in the job market such as ex-offenders. With this aim, we are proud supporters of Centrepoint and The Clink.

Centrepoint help young homeless people to recover their health and find a job and home of their own.

The Clink aims to reduce reoffending rates of ex-offenders and work in partnership with Her Majesty's Prison Service to run projects that train and give practical skills to prisoners to aid their rehabilitation.

OUR COMMITMENTS

Modern slavery has been described by the government as ‘the great human rights issue of our time’ Although we have not encountered any instances of modern slavery or human trafficking in the last 12 months, we understand the risk and will continue operating a zero-tolerance approach to modern slavery in our operations as well as our supply chain.

We will continue to place sustainability and the treatment of our staff and the wider community at the heart of everything we do. We are committed to achieving a working environment which provides equal opportunity and freedom within our business as well as in the communities we are a part of through our supply chain.

Our Environmental Policy includes our responsible sourcing and sustainable procurement initiatives. We are currently reviewing this policy to include our expectations regarding supplier staff treatment (Based on the United Nations and Institute for Human Rights and Businesses). We aim to include this policy in all our new supplier’s contracts.

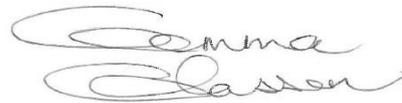
Although we acknowledge that we can only play a small part in the eradication of modern slavery and human trafficking, we take our responsibilities in this respect incredibly seriously and will continue to do what we can to oppose and prevent it.

As the leaders of our company, we are proud to present this public statement and will continue to display it prominently on our website.



MARK SELBY

Co-Founder



GEMMA GLASSON

Managing Director