

MODERN SLAVERY AND HUMAN TRAFFICKING ANNUAL STATEMENT

This statement has been published in accordance with section 54(1) of Modern Slavery Act 2015. It sets out the steps taken by all companies within the Group during the financial year ending 30 June 2017 to prevent modern slavery and human trafficking in our business and supply chains.

We do not tolerate any form of modern slavery or human trafficking in our organisation or in our supply chain. This statement sets out what steps we have taken to eliminate modern slavery and human trafficking to date. It also provides an outline of our plans to improve the controls that we have in place to evaluate our suppliers effectively and ensure that our own practices remain compliant with all applicable laws.

OUR GROUP STRUCTURE AND BUSINESS

The Sunderland Group has four trading companies:

Sunderland Limited: the Group parent company and the principal activities of the Group and this company continues to be a professional football club.

Sunderland Association Football Club Limited: an English Football League Championship football club.

Sunderland Association Football Club Ladies Limited: a women's football club which operates in Women's Super League 1.

1879 Events Management Limited: an events management company providing food, beverage and events management services. It is however to be noted that this company ceased trading in May 2017.

OUR BUSINESS AND OUR SUPPLY CHAIN

We are aware of the need to be conscious of the working conditions and practices within our supply chain. Since the publication of our last statement on 10 October 2016, we have implemented a process which requires initial due diligence to be completed on all new business partners. Each department has also reviewed the suppliers it contracts with. We have identified that we have a broad range of suppliers across a number of different industries including but not limited to digital media services, medical equipment and services, playing and replica kit, retail, property, betting and gambling, utilities.

We have:

- Implemented a clear policy that is made available to all business partners. We have also published this on our website so it is easily accessible. This sets out our commitment to acting ethically and with integrity in all of our present and future business relationships and confirms that we do not tolerate modern slavery and human trafficking.
- Modern slavery provisions have been incorporated into commercial contracts and also our standard terms and conditions of business. This will ensure that our business partners and suppliers are aware of our policies and thereafter place stricter controls to ensure they adhere to them.
- Conducted an initial risk assessment of our suppliers to identify specific industry risks.
- Introduced and completed initial training for executive personnel internally to raise awareness of the principles of the Modern Slavery Act.
- Implemented a process across the Group to ensure that due diligence is carried on business partners and suppliers before we engage them.

Next Steps:

We are consistently working towards implementing a procedure to ensure the ongoing monitoring of business partners and suppliers to continually monitor existing and new suppliers and business partners. This will ensure that risks in the supply chain are mitigated and that we engage with ethical companies only. Over the next 12 months we will commit to the following:

- Implement and communicate a procurement policy.
- Implement and communicate a Code of Ethics within the Group.
- Create standard supply terms and conditions and a supplier and business partner code of conduct. These documents will be issued to all suppliers and business partners.
- Conduct a full internal review of our own payment policies, process and rates to all staff and contractors.
- Introduce the training across the Group to all staff to ensure all staff are aware of the risks of modern slavery and human trafficking to our business and within our supply chain.

NON-COMPLIANCE

We work to remedy any areas in which our business partners and suppliers do not meet the standards that we expect. This may include ceasing to trade with partners who do not continue to meet our internal criteria for selection or breach relevant regulations.

BOARD APPROVAL

This statement is approved by the Board and is a statement of the Board's continued support of managing our risks in this area.

Signed:

A handwritten signature in dark ink, appearing to be 'Martin Bain', written over a horizontal line.

Name: Martin Bain

Date: 15 February 2018