

Modern Slavery Statement 2022

**Associated
British Foods
plc**

This statement is made on behalf of Associated British Foods plc and all relevant entities within the Group, pursuant to section 54(1) of the UK Modern Slavery Act 2015, and sets out the steps taken to mitigate the risk of modern slavery occurring within our operations and our supply chains.

This statement was approved by the Board of Associated British Foods plc on 2 November 2022.

Relevant entities include but are not limited to: AB Agri Limited; AB World Foods Limited; ABF Grain Products Limited; Allied Mills Limited; British Sugar plc; Cereform Limited; Primark Limited; Primark Stores Limited; R. Twining and Company Limited; and Vivergo Fuels Limited. For a full list of Associated British Foods plc subsidiary undertakings, please see Note 29 of the notes to our financial statements in our [2022 Annual Report and Accounts](#).

Covid-19 and modern slavery

The impacts of the COVID-19 pandemic on people's lives continue to be felt across our global supply chains. In particular, vulnerabilities and inequalities have been exacerbated by the pandemic, with many workers facing a variety of outcomes from temporary to total loss of work, short or long-term illness and losing family members in countries with little or no public health care and social security. Women continue to be disproportionately impacted by the pandemic. In addition to family hardship, the responsibilities for caring for family members affected by COVID-19 in the home disproportionately rest with women and have grown over the pandemic. We are committed to continuing our efforts to support decent work and strengthen supply chain resilience in the face of the lasting impact of the pandemic.

Introduction

Modern slavery is a global issue and can occur in many different forms, including but not limited to, forced labour, child labour and human trafficking. New figures published by the United Nations in September 2022 estimate that 27.6 million people are in forced labour. This is a significant increase in the number of people globally in modern slavery compared to the last figures from 2016¹.

As a Group with international businesses with far-reaching and complex supply chains, our international businesses have an important role to play in addressing the risks of forced labour. We expect our businesses to carry out due diligence on the risks of forced labour in their own operations and supply chain and to provide remediation to those who have been impacted where this is appropriate.

We recognise the importance of the UN Guiding Principles on Business and Human Rights (UNGPs) and the OECD Due Diligence Guidelines on Responsible Business Conduct, which require businesses to have a rigorous approach to due diligence².

The OECD Due Diligence Guidelines on Responsible Business Conduct requires businesses to:

- i. embed responsible business conduct into policies and management systems;
- ii. identify and assess actual and potential adverse impacts associated with the enterprise's operations, products, or services;
- iii. cease, prevent and mitigate adverse impacts;
- iv. track implementation and results;
- v. communicate how impacts are addressed; and
- vi. provide for and cooperate in remediation when appropriate.

This statement contains the steps we are taking to address the risks of modern slavery. We value our ongoing engagement and collaboration with a broad range of interested and concerned stakeholder groups as part of our due diligence process and we welcome feedback from stakeholders on our approach.

1. https://www.ilo.org/global/topics/forced-labour/publications/WCMS_854733/lang-en/index.htm
2. <https://www.oecd.org/investment/due-diligence-guidance-for-responsible-business-conduct.htm>

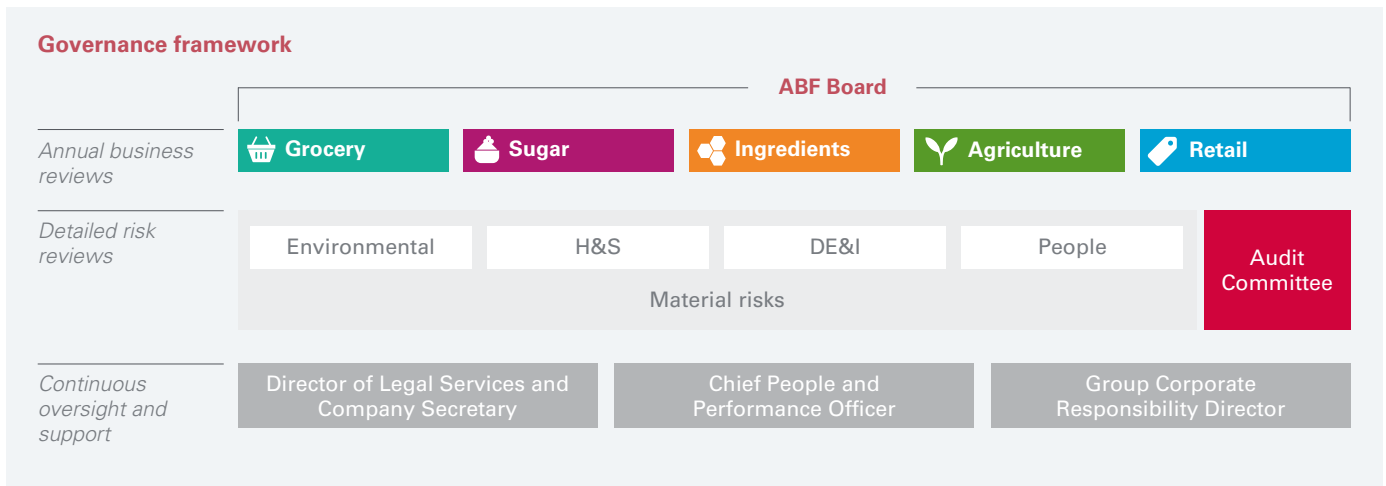
Governance and accountability

Associated British Foods plc (ABF) is a diversified international food, ingredients, and retail group with a revenue of £17,000 million, 132,000 employees and operations in 53 countries across Europe, Africa, the Americas, Asia, and Australia. We operate a devolved operating model across our five business segments of Grocery, Sugar, Agriculture, Ingredients and Retail.

Within individual businesses, responsibility and accountability for risk management, including that of human rights and modern slavery, sits with the chief executive of each business.

Each business produces risk mitigation plans for all types of business risks including safety, the environment and other material responsibility issues that are reviewed annually by the Board of ABF. You can read more about our approach to risk management in the managing risks section within our 2022 Annual Report.

As a Group, we engage across our businesses to share information on risks by convening cross-business and cross-divisional learning and strategy, particularly where those risks are systemic and or severe, such as the risks of state-sponsored forced labour or the exploitation of agency labour and migrant workers.



Support for increasing and strengthening legislation

Our businesses operate in a landscape where policy and legislation on human rights, and particularly the risk of forced labour, is shifting and evolving rapidly. Ensuring that our businesses are prepared for new legislative requirements is essential and built-in to our approach. This includes responding to new legislative proposals from the European Commission on responsible business conduct due diligence, which will be enforced across all EU Member States. Following a ban on the importation of products made with forced labour in the United States, the EU has also outlined its proposal for a ban on goods made with forced labour.

As a global Group with a Supplier Code of Conduct prohibiting modern slavery, we are supportive of policy and legislative measures to address such risks. We can in turn support such measures by sharing our learnings with policy makers on how to address the risks of modern slavery in business effectively.

Within the UK, we are a founding member of the Business Against Slavery Forum, a coalition of business and government that aims to accelerate progress to end modern slavery. As a Group, we discuss areas of potential collaboration to address supply chain risks, raise awareness and support those who have been affected.

Primark and Twinings are co-signatories of a campaign advocating for the introduction of mandatory human rights due diligence legislation in the UK along with other companies and investors.

Embedding responsible business conduct in policy and management

As a Group with international businesses that have suppliers and representatives the world over, our businesses have a responsibility to act in accordance with applicable regulation on human rights and modern slavery.

Furthermore, our businesses expect that their suppliers and representatives uphold the values and standards that we have established as a Group and share that responsibility¹.

Our comprehensive Group Supplier Code of Conduct² sets out the values and standards we expect. It is based on the Ethical Trading Initiative (ETI) Base Code, and the ILO Declaration on Fundamental Principles and Rights at Work (1998, amended 2022) which cover: freedom of association and collective bargaining; forced labour; child labour; discrimination; and a safe and healthy working environment.

We engaged directly with our stakeholders in the development of the Supplier Code of Conduct and periodically update it to ensure it is relevant and fit for purpose to address the risks in our operations and value chains. It clearly outlines our zero tolerance of forced or bonded labour.

Each of our businesses has responsibility for implementing the Supplier Code of Conduct and monitoring compliance against it. We expect all our suppliers and representatives of our businesses to comply with, and to seek to develop relationships with, their own supply chains consistent with principles set out in our Supplier Code of Conduct.

Our Supplier Code of Conduct states that:

1. Employment is freely chosen
2. Freedom of association and the right to collective bargaining are respected
3. Working conditions are safe and hygienic
4. Child labour shall not be used
5. Land acquisition
6. Living wages are paid
7. Working hours are not excessive
8. No discrimination is practised

9. Regular employment is provided
10. No harsh or inhumane treatment is allowed
11. Confidentiality
12. No bribery or corruption will be tolerated
13. Environmental management
14. Quality
15. Audit and termination of agreements.

Specifically on the risks of modern slavery, our Code of Conduct states that:

- There is no forced or compulsory labour in any form, including bonded, trafficked, or prison labour, and
- Workers are not required to lodge 'deposits' or their identity papers with their employer and are free to leave their employer after reasonable notice.

We are also aware that often the signs of forced labour can be manifested through a range of factors so that a confluence of indicators may result in forced labour, rather than one single indicator.

Many of our businesses have developed additional policies that support and strengthen the implementation of the Supplier Code of Conduct, often through consultation and engagement with stakeholders and third-party technical experts.

- Primark and Twinings have developed standalone human rights policies which provide a broader statement on how each business respects human rights in its operations and supply chains and engages in responsible business conduct and supply chain due diligence.
- Westmill, Jordans Dorset Ryvita and Allied Milling and Baking have developed a Preventing Hidden Labour Exploitation policy to support the recruitment and employment of permanent and temporary agency employees across their own operations and supply chains. The policy was drafted in accordance with guidance from Stronger Together, an expert organisation that provides businesses with training, resources, and collaborative programmes on responsible recruitment to prevent labour exploitation within supply chains.

It is also important that workers, and those most at risk of modern slavery, can access and understand our policies and understand their rights within the workplace.

- Primark's Code of Conduct has been translated into 44 languages (those spoken by workers in its supply chain). All manufacturing (Tier 1) sites are required to display the Code of Conduct in the local language in the workplace and to provide training on the Code of Conduct.

1. <https://www.abf.co.uk/about-us/our-purpose-and-values>

2. <https://www.abf.co.uk/about-us/corporate-governance/policies>

Identifying actual and potential harms

Businesses within the Group are responsible for mapping their operations and supply chains in order to identify where their key risks are present. Several businesses have published interactive 'maps' which are updated regularly and show where products are harvested, processed, and manufactured, dependent on the specific business.

Businesses assess the potential and actual risks of modern slavery within their operations and supply chains and prioritise those which are most salient, i.e., those with the most severe negative impact. This may include the country of origin, the product or industry characteristics such as seasonal cycles, and workforce characteristics such as migrant workers.

To do this, our businesses use a range of credible external and internal resources such as Verisk Maplecroft's risk assessment tool which provides country risk data on over 200 commodities, and information from the Supplier Ethical Data Exchange (Sedex), industry bodies, in-depth site and supply chain investigations and assessment, stakeholder reports including those from intergovernmental organisations, civil society and human rights watchdogs, as well as intelligence gathered from our teams in our operations and sourcing locations.

As a Group, we engage regularly across our businesses to share information and learning on cross-cutting and critical issues, particularly where risks are systemic, severe, and may require enhanced due diligence. This has included, for example, human rights issues in Xinjiang Uyghur Autonomous Region (XUAR) and Myanmar, and the exploitation of agency labour and migrant workers.

Examples from the businesses

AB Sugar

All AB Sugar's businesses have complex and diverse supply chains that cross multiple sectors, such as engineering, manufacturing, and agriculture, and they partner with over 25,000 growers worldwide. Agriculture is acknowledged as a high priority sector when it comes to modern slavery risk globally.

Each business within AB Sugar has undertaken a comprehensive risk mapping exercise. This is a continuing process factoring in emerging challenges and trends such as migration.

Twinings website includes a sourcing map that details where its tea and ingredients are sourced. It includes the details of every tea garden Twinings buys from as well as the origins of its key herbs. The map is available here. <https://www.sourcedwithcare.com/en/our-approach/sourcing-map/>

Primark's global sourcing map shows information about the factories that manufacture products for Primark including factory names, addresses, and key indicators such as the number of workers and gender split of the workforce. The map is available here. <https://globalsourcingmap.primark.com/en/>

AB Sugar's global sourcing map for sugar products was a first for the sugar industry. This interactive map shows where the business grows and sources sugar beet or sugar cane, and speciality sugar products. The map is available here <https://www.absugar.com/sourcing-map>.

Key risks identified are

- AB Sugar China – Services (haulage) and workforce (seasonal and agency) used by growers
- Azucarera – Purchasing of raw cane sugar for refinery in Guadalete from developing countries
- British Sugar – Bought-in products such as packaging from overseas
- Illovo Sugar Africa – Services such as cane cutting supplied to growers and female agency workers in the company's whole supply chain whether working on estates, with growers or service providers.

Following the Covid-19 pandemic, AB Sugar completed further analysis into the potentially vulnerable groups within the supply chains across the Illovo businesses.

Suppliers are audited against the AB Sugar Code of Conduct through independent audit such as the Sedex Members Ethical Trade Audit (SMETA). The latest version of this includes details on the UK Modern Slavery Act 2015 and the UN Guiding Principles on Business and Human Rights, which require businesses to address actual and potential adverse human rights impacts.

Many of the AB Sugar businesses are also part of third-party certification schemes, such as Red Tractor (UK) and SAI Platform, FSA 3.0, and Fairtrade, which require supply chain transparency and verified chain of custody elements. This aids the business's approach to responsible sourcing and supply chain mapping.

Identifying actual and potential harms *continued*

Examples from the businesses *continued*

Jordans Dorset Ryvita

Jordans Dorset Ryvita (JDR) has a global supply chain, and, in some cases, ingredients are purchased from extended supply chains involving traders and brokers. Steps are taken to identify risks in supply chains and to monitor risk assessments as required, and due diligence is undertaken when considering taking on new suppliers and regularly reviews existing suppliers.

JDR recognises that temporary workers are a particular risk group in respect of modern slavery, and they work closely with existing suppliers to mitigate the risk of potential labour exploitation. Agency suppliers are fully licensed and comply with the company's Recruiter Compliance Principles. Specific questions have been introduced to interview templates to encourage conversation on how the applicant heard about the role and whether any money has been exchanged in relation to the role.

JDR recognises that its supply chains are not the only area where people may be at risk of modern slavery in the context of its business. As such, six-monthly checks are undertaken within the company's own business operations to identify any areas of concern associated with shared addresses or bank accounts for employees as this could indicate the existence of modern slavery related to debt bondage.

JDR's key suppliers who provide manufacturing materials are linked to the company on Sedex and carry out a review that consists of 3 stages of risk assessment plus remediation and reporting. A range of qualitative and quantitative data sources are used to conduct the risk assessments, including but not limited to: Sedex, Verisk Maplecroft, BRC, and 4 pillar SMETA audit data. A representative from each site has taken responsibility for updating Sedex to improve the quality and detail of the information.

Twinings

The Twinings Community Needs Assessment (TCNA) framework has been created in consultation with expert organisations including WaterAid, UNICEF, Conservation International, Solidaridad, Oxfam and GAIN to help it assess and understand communities' needs on the ground.

Assessments are carried out on a rolling basis every two to three years by the Social Impact team, covering housing, water and sanitation, health and nutrition, gender, children's rights, labour standards, natural resources, and income. For smallholder farmers, the TCNA also incorporates farming practices and land rights. So far, Twinings has conducted 114 TCNAs in its key sourcing regions – China, India, Indonesia, Kenya, and Sri Lanka, covering 69% of its tea supply chain.

Following the TCNA, Twinings works with producers to develop an action plan to address prioritised issues and monitor improvements over time. It also uses the findings to help develop tailored interventions.

Training

Ensuring that businesses provide training to raise awareness of the risks of modern slavery continues to be a key focal point for ABF.

Our online training module is designed to raise awareness of modern slavery. The course seeks to educate staff within our companies on modern slavery and forced labour, providing real-life examples, and highlighting the importance of managing known risks. The course also outlines how those operating in our business' supply chains can help to address the risk of modern slavery and human trafficking.

Many of our businesses have developed additional training materials to address specific risks. For example, Jordans Dorset Ryvita and Westmill provide dedicated training on the risks of modern slavery in the recruitment process. This training was created using material from Stronger Together, an organisation specialised in supporting companies on addressing the risks of modern slavery within the workplace.

Other businesses have partnered with NGOs and other external experts to provide training for suppliers and workers in their supply chain.

- **Jordans Dorset Ryvita** employees in the Procurement and HR teams have received tailored briefings using training material from Stronger Together on the signs and risks associated with modern slavery and hidden labour exploitation.
- **AB Sugar** is working with NGOs to support the training and awareness building on the risks of modern slavery with growers and contractors across the company's footprint. For example, in South Africa, workshops with Stronger Together were provided for growers and contractors' workshops, and in Malawi, senior management teams have been provided with training.

Addressing risks – cease, prevent, mitigate

To address the risks identified, businesses use a range of appropriate measures, including corrective action plans resulting from audits and assessments, through to more longer-term and outcome orientated solutions, often in partnership with expert organisations and stakeholders, and where appropriate, the provision of remedy for those that have been adversely impacted.

We recognise that in many cases, addressing modern slavery, particularly where the risks are endemic and systemic, requires a longer-term approach with the engagement and support of stakeholders including government, intergovernmental organisations, civil society, industry, and worker rights representatives. Where businesses in the Group source from the same or related supply chains, they are able to join forces and work together on collective responses, ensuring that as a Group, we maximise our effort in addressing the risk of forced labour.

UK Grocery

AB World Foods and JDR are members of a project led by the Fair Labor Association (FLA) in Turkey with international food and beverage companies, Turkey-based suppliers, and the Turkish Government. The project, Harvesting the Future, aims to improve recruitment and employment practices among seasonal migrant agricultural workers in Turkey of six commodity crops. FLA worked closely with grassroots organisation Pikolo to implement project activities. These included supply chain mapping and risk assessment, and capacity building of supply chain actors to establish robust social compliance and sustainability management programmes, from training, provision of tools, policies and procedures, and hands-on support during fieldwork.

JDR is also a member of the second phase of the project Harvesting the Future – Access to Remedy, which builds on priority areas identified in Phase 1 of the project, including responsible recruitment, grievance mechanisms, and further support for seasonal migrant families in agriculture.

Primark

'My Journey' is a training and awareness programme focused on modern slavery and forced labour in South India aimed at factory management. The region is a hub for spinning and fabric mills and many workers migrate there from different regions across India. Workers in this region, both local and domestic migrants, have been identified as vulnerable and at risk of forced labour. Recruitment and hiring practices are a key source of these risks.

The programme trains all staff and workers in a factory who are involved in the recruitment and hiring of workers. It helps them understand the potential risks of forced labour involved in these processes, and how they can help to address them. For example, by making sure that all new recruits have contracts that they understand and that they have not paid recruitment fees to secure their job.

To date, 18 factories have received training and support under the programme. A survey on the outcomes of the project found that 67% of surveyed factories have developed new recruitment policies and procedures as a result of the programme. The remaining 33% had modified existing processes already in place. In addition, 80% of the participating factories confirmed that they had improved inter-departmental and management interaction following the training, improving shift planning and coordination among factory departments.

Twinings

In the last four years, the Sourced with Care programme has made a positive difference to more than 540,000 people within the growing communities from which the company sources.

As part of Twinings human rights due diligence process, raw material manufacturers in Malaysia have been identified as high risk with regards to treatment of migrant workers. All Malaysian suppliers and business partners employing migrant workers have been required to either undergo a Twinings commissioned in-depth migrant worker rights assessment, or to organise a similar assessment themselves. Resulting from this, follow up actions have been required for suppliers to be compliant with the Twinings Code of Conduct, including refunding migrant worker fees and improving policies on ethical recruitment.

Twinings has specific partnerships in place in various regions (UNICEF in Assam and CARE International in Sri Lanka), which help it to identify and remediate potential issues as part of specific programmes. More information on current partnerships and programmes can be found online.

Grievance mechanism

ABF encourages an open culture in all our dealings between employees and people with whom we come into contact. Honest communication is essential if malpractice and wrongdoing are to be dealt with effectively. Our Speak Up Policy sets out guidelines for the employees of ABF and its businesses who wish to raise issues in confidence; these could include forced labour concerns. We provide an external advisory service for all staff, including casual or agency staff, and make every effort to protect the confidentiality of those who raise concerns.

Several businesses within the Group have implemented additional grievance mechanisms to enable those affected by modern slavery, including workers in their supply chains, to raise concerns directly or through partnerships.

AB Sugar

AB Sugar's 'We Listen, We Act, We Remedy' sets out the business's approach and policy related to grievances raised by those in its own operations and those that represents rightsholders in its supply chains.

Any grievances related to modern slavery, including forced labour, bonded labour, child labour, human trafficking or inhumane treatment, are fast-tracked to the Head of Advocacy for ABF Sugar within 24 hours.

Twinings

In Sri Lanka, Twinings has created platforms to facilitate dialogue between workers and management, enabling workers to raise grievances and come together to find solutions. Over 39,000 people are able to identify, raise and address issues ranging from wellbeing to working conditions.

Primark

Amader Kotha is a helpline established in 2014 as a mechanism for workers to report grievances in the garment sector in Bangladesh. It is an independent initiative available to all garment workers with the support of factories and brands.

The local Primark team actively supports the functioning of the helpline, regularly visiting factories to raise workers' awareness of the hotline and to listen to management feedback. The team provides ongoing engagement and refresher training to help workers (especially those who recently joined) to memorise the helpline numbers and understand what issues can be reported to the helpline and take them through the steps of reporting a grievance. Between May 2022 to September 2022 the team trained over 4,000 workers and 140 managers at 25 factories.

Measuring progress

Across the Group we expect our businesses to develop the right measurements for both their supply chains and operations and monitor their progress and performance against these. Several of our businesses have key performance indicators (KPIs) in place in relation to human rights risks and they report on these on a regular basis, including through their Modern Slavery Act statements. Key performance indicators and areas monitored include:

- Internal staff and supplier training, and awareness of forced and trafficked labour issues;
- Policies relating to forced and trafficked labour;
- Actions taken as part of collaborative initiatives to address modern slavery;
- Supplier Code of Conduct non-compliances relating to employment being freely chosen and related indicators such as forced overtime;
- Registered grievances relating to any form of forced labour; and
- Investigative and remedial actions taken in response to any risks of forced labour.

Communicating

Communicating our progress is important if we are to have an impact in addressing modern slavery. ABF welcomes the launch of the UK Government's Modern Slavery Registry to provide an accessible repository for company statements. ABF is considering how best to represent its businesses in the Registry given the complexities of the ABF Group structure.

ABF as a Group also reports on its progress and performance on human rights and environmental risk through its annual Responsibility Report and an ESG Insights report. We share our learnings and communicate on our progress regularly as a Group to our investors and shareholders and respond to requests from stakeholders on specific risks within our operations and supply chains.

Regulation governing corporate sustainability reporting is increasing, and we welcome the introduction of increased measures for company reporting under the UK Modern Slavery Act, and at an EU level, through the EU Corporate Sustainability Reporting Directive (CSRD) and EU Sustainability Reporting Standards (ESRS), which are currently being developed by the European Financial Reporting Advisory Group (EFRAG).

Individual businesses within the Group publish Modern Slavery Act statements directly, and these can be found via the [ABF website](#).

This statement was approved by the Board of Associated British Foods plc on 2 November 2022.



Paul Lister Director of Legal Services and Company Secretary

For and on behalf of the Board of Associated British Foods plc

This statement is published in accordance with the UK Modern Slavery Act 2015 and covers Associated British Foods plc and its group companies.

You can review our previous statements on the [ABF website](#). In addition, several businesses within the Group have produced statements that provide further relevant detail in respect of their own operations, these are also available on the [ABF website](#).

You can also learn more about our activities and performance in our 2022 Responsibility Report.