

ESG Insights 2022

Health, safety and wellbeing

Associated
British Foods
plc

Why it is important

We employ over 132,000 people and have operations in 53 countries across Europe, Africa, the Americas, Asia, and Australia. Our business priority and duty of care is to safeguard the wellbeing, health and safety of our people, contractors and visitors to our sites.

Our commitments

Our approach to ensuring safe and healthy workplaces includes the following commitments:

- we consider health and safety as equal in importance to that of any other function of the Group and its business objectives;
- we are committed to knowing and complying with the applicable legislation of the countries in which we operate and following principles of best practice;
- we collaborate and share good practice across the Group and, where practicable, with suppliers on the health, safety and wellbeing of their people and operations;
- we require our businesses to work towards improving their safety performance year on year;
- our businesses develop and implement safety risk assessments to minimise and effectively manage hazards during plant and process changes;
- all employees and those working on our behalf have a responsibility for the health, safety and wellbeing of themselves and others who may be affected by their actions. Our businesses provide appropriate resources, supervision and training and keep people well informed and consulted on matters affecting their health, safety and wellbeing;
- we foster a culture where all people, including contractors, are held accountable for fulfilling their health and safety responsibilities;
- we monitor, audit, review and report our health and safety performance to support continual improvement and to be transparent in our performance;
- we expect our businesses to create psychologically safe environments for our people to work in; and
- the ABF Supplier Code of Conduct includes a principle on providing safe and hygienic conditions for workers in our supply chain. We reserve the right to review or audit compliance with the Code and expect a timebound programme of improvement to address any shortcomings.

Our approach

We prioritise health, safety and wellbeing and have a strong safety culture. We are committed to providing a safe and healthy workplace to protect all employees, contractors, visitors and the public from foreseeable work hazards.

All our businesses must comply with the Associated British Foods plc Health and Safety Policy, and many of them supplement this with additional policies of their own. Each business has a nominated director with specific accountability for health and safety. Responsibility for achieving compliance with the Health and Safety Policy is devolved to the chief executives of the various businesses.

We engage independent HSE specialists to provide us with an objective opinion of our safety performance, through a compliance and risk management audit programme.

Our businesses have tailored action plans to reduce the risk of injuries and incidents in their operations.

Our employees are provided with paid sick leave according to local legal requirements. Each business uses its own system to monitor levels of sickness, primarily led by individual Human Resource (HR) departments. Cases of COVID-19-related fatalities continue to be reported to the COVID-19 Steering Committee via the relevant HR Director.

Supporting health and wellbeing

Supporting our people's physical and mental health as well as their sense of general wellbeing was vitally important during the COVID-19 pandemic and continues to be a priority for our Chief Executive and Chief People & Performance Officer.

Good mental health is an essential part of health and wellbeing, and we invest in programmes designed to raise awareness and provide practical assistance across the Group. We provide ongoing guidance and training specifically tailored to support employees' mental health and wellbeing and over the last year have increased our focus on financial wellbeing and ensuring that tools and resources are available to support our employees with rising living costs during this period of higher than usual inflation.

Improving safety performance

Across the Group, our businesses focus on the following key safety risks: harm from moving vehicles; falls from height; machinery safeguarding; the storage and handling of hazardous materials; manual handling of heavy and awkward loads; working in confined spaces; and the management of contractors.

While targeting their safety risk mitigation measures on these risks, our businesses also focus their safety efforts in four key overarching areas: providing strong leadership from senior management; identifying and managing activities with the highest risk of fatal and serious injuries; supporting line managers accountable for workplace safety with safety specialists; and actively involving employees in their own safety. In addition, contractors are increasingly involved in safety management, helping to reduce their injury rates. We continuously assess the safety risks across our businesses and for the people who work for us or with us.

At the end of the reporting period, 18% of ABF's manufacturing sites held external certifications for safety, including ISO 45001 standards.

Our performance

Health and safety

Loss of life in our operations is entirely unacceptable and we are deeply saddened to report four work-related fatalities this year. One employee and three contractors died whilst working for us, all involving moving vehicles.

In South Africa, an employee dismounted from a unique type of agricultural vehicle whilst the engine was still on. Vibration caused the vehicle drive mechanism to engage and the vehicle reversed over the employee. Since then we have installed additional vehicle controls to all similar vehicles to prevent this from happening again.

A contract driver delivering product in a heavy goods vehicle died in a road traffic accident in Australia in a head-on collision with another heavy goods vehicle. In Mexico, a contract driver delivering product drove too quickly around a sharp bend on a public road causing the vehicle to roll over and he died of his injuries. In Spain, a contractor died in a road traffic accident whilst commuting to one of our Primark stores. Under Spanish law this was classified as work-related¹.

We have conducted deep root cause analysis of these incidents and shared across the Group the circumstances of these tragic events so that all our businesses review their vehicle risks and controls. To support our businesses, we have produced comprehensive guidance on best practice for transport safety which includes sections on safe site, safe vehicle, safe load and safe driver with a self-assessment tool for each section.

We recognise that there are areas of high safety risk in our businesses. Our goals remain to eliminate fatalities and continuously improve our safety performance.

Lost Time Injuries (LTI)

This year the Group's Lost Time Injury (LTI) rate has reduced by 8% with 0.36% of the full-time equivalent workforce experiencing an LTI compared with 0.39% in 2021. The number of employee LTIs increased by 3% from 346 to 355 Δ .

Primark has reduced its LTI rate by 20% over the year to 0.4% of employees experiencing an LTI.

The number of contractors experiencing an LTI this year decreased from 42 to 41 Δ . The LTI rate for contractors has reduced by 18% to 0.14% as the number of contractors working with us increased this year while injuries remained relatively static.

Of our total factories and retail operations, 67% delivered a year's operation without an employee or contractor LTI.

Fines and regulatory visits

This year, we received four safety fines Δ and made a payment of £6,000 Δ in the reporting year. The fines were for a range of topics including the quality of flooring, conducting annual safety inspections and employee communications. These issues have been addressed by the relevant sites.

We had 274 visits from safety regulatory authorities, including 201 for routine inspections. The number of routine visits decreased this year by 36% across the Group as COVID-19 safety measures eased and local safety authorities were satisfied with the measures implemented. Other visits were follow-ups to complaints or incidents, fire department visits or to support continuous improvement. We welcome these regulatory visits as an opportunity to learn from safety specialists and to ensure we swiftly address any changes in working practices.

1. Although it is classified as work-related under Spanish law, this fatality would normally be outside our reporting boundaries as it was during the contractor's commute. Nevertheless, we have disclosed to align with Spanish law.

Overview	Our approach	Our performance <i>continued</i>	Methodologies
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Work-related fatalities – employees					
	2018	2019	2020	2021	2022
	2	0	2	2	1Δ

Work-related fatalities – contractors					
	2018	2019	2020	2021	2022
	2	0	1	0	3²

Lost Time Injuries					
	2018	2019	2020	2021	2022
Employees	883	682	406	346	355Δ
Employee rate	0.80%	0.65%	0.42%	0.39%	0.36%
Contractors	82	58	48	42	41Δ
Contractors rate	0.37%	0.19%	0.18%	0.17%	0.14%

Lost Time Injuries – by location					
	2018	2019	2020	2021	2022
LTI employees					
United Kingdom	89	71	84	79	84
Europe and Africa	637	517	245	174	178
The Americas	35	31	10	10	12
Asia Pacific	72	63	67	83	81
Total	833	682	406	346	355Δ
LTI contractors					
United Kingdom	23	20	16	15	13
Europe and Africa	47	35	22	18	24
The Americas	0	1	1	1	1
Asia Pacific	12	2	9	8	3
Total	82	58	48	42	41Δ
LTI total					
United Kingdom	112	91	100	94	97
Europe and Africa	684	552	267	192	202
The Americas	35	32	11	11	13
Asia Pacific	84	65	76	91	84
Total	915	740	454	388	396Δ

Lost Time Injuries – by business segment					
	2018	2019	2020	2021	2022
Grocery					
Employees	116	96	106	109	106Δ
Employee rate	0.73%	0.64%	0.74%	0.79%	0.81%
Contractors	19	3	11	11	6Δ
Contractors rate	0.65%	0.03%	0.12%	0.17%	0.24%
Sugar					
Employees	52	43	54	39	46Δ
Employee rate	0.16%	0.13%	0.17%	0.13%	0.15%
Contractors	23	9	13	14	10Δ
Contractors rate	0.18%	0.07%	0.11%	0.11%	0.05%
Agriculture					
Employees	9	15	19	7	11Δ
Employee rate	0.42%	0.63%	0.83%	0.29%	0.42%
Contractors	2	0	1	2	2Δ
Contractors rate	1.28%	0.00%	0.14%	0.87%	1.00%
Ingredients					
Employees	15	15	15	11	9Δ
Employee rate	0.22%	0.22%	0.23%	0.17%	0.14%
Contractors	2	3	4	2	3Δ
Contractors rate	0.10%	0.16%	0.22%	0.10%	0.15%
Retail					
Employees	641	513	212	180	183Δ
Employee rate	1.37%	1.07%	0.51%	0.50%	0.40%
Contractors	36	43	19	13	20Δ
Contractors rate	0.86%	1.05%	0.57%	0.57%	0.65%

2. Two contractor fatalities Δ are disclosed as aligned with our safety reporting methodologies. See page 6. One contractor fatality would normally be outside our reporting boundaries as it was during the contractor's commute. Nevertheless, we have disclosed to align with Spanish law.

Factories and retail operations with zero employee LTIs

%

	2018	2019	2020	2021	2022
	69	67	66	67	68

Factories and retail operations with zero employee LTIs – by business segment

%

	2019	2020	2021	2022
Grocery	62	45	42	45
Sugar	40	41	43	31
Agriculture	64	64	79	66
Ingredients	80	77	80	83
Retail	68	71	71	73

Number of health and safety fines

	2018	2019	2020	2021	2022
	4	6	3	3	4Δ

Cost of health and safety fines £

	2018	2019	2020	2021	2022
	4,000	135,500	212,000	67,000	6,000Δ

Highlights

Safety highlights

Across the Group we have continued to invest significantly in safety risk management, including continued investment into COVID-19 safety measures. Safety investments were made across a wide spectrum of activities to address site-specific improvements. These include capital investments such as traffic management, pedestrian walkways, anti-slip flooring, loading bay improvements, working platforms for working at height and insulation of hot surfaces. Investments were also made in safety behaviours and practices such as specialist training in road safety, first aid and fire control, safety campaigns, employee health monitoring and safety audits.

Mental health and wellbeing highlights

We are delighted that the increased focus on employee wellbeing seen during 2020 and 2021 continues across our businesses through a range of approaches most relevant for the local environment:

- Over 84% of all employees have access to an employee assistance programme.
- 93% of our people have access to education, guidance and support designed to maintain or improve mental health.
- 87% of all employees who find themselves in need of help with their mental health have access to responsive support such as mental health first aiders.
- Our businesses continue to support employees' mental health in many different ways – from training mental health first aiders to running specific awareness campaigns, such as 'Smashing Stigmas' and 'It's OK not to be OK'. Many of these campaigns run in ABF businesses around the world during Mental Health Awareness Week to enable more open conversations, and help our employees feel more comfortable talking about their experiences.
- In Illovo sugar business where we have over 20% of our people, physical and mental health support is provided by onsite medical facilities and professionals.

- As part of wellbeing programmes and other initiatives, physical health support is offered to 83% of our people. This includes fitness and nutritional education and awareness.
- Twinings use a wellbeing digital portal to provide information about physical and mental wellbeing, including topics such as menopause and financial matters. In the UK they have built an on-site fitness and wellness 'Activitea' centre to support physical wellbeing.
- This year, many of our businesses have reviewed their financial wellness activities to make sure they help protect employees from financial shocks, with 86% of our people having access to support for their financial wellbeing.
- Joint webinars run by AB Mauri, Twinings Ovaltine and Vivergo together with Mercer, an asset management company, for UK and international employees has provided financial education.
- Employee benefits have expanded to help employees maximise their earnings, such as employee discount schemes to help cover living costs.
- Awards have been made through the ABF Provident Fund – which supports UK employees in financial difficulty, included those who have retired.
- Offering pension clinics and sessions to those preparing for retirement across our divisions.

Policies, statements and codes

[Health and Safety Policy](#) how we ensure safe and healthy workplaces for everyone;

[Speak Up Policy](#)

Outlook

Looking ahead to 2023, our priorities build on work developed over recent years to expand our measurement and knowledge of work-related safety incidents that occur off-site, or outside the physical boundaries of our factories, stores, offices and other work locations.

In addition, we have collected data on potentially serious incidents that did not result in harm because a person was not in the place of the event; a significant near miss. In many cases, these are related to vehicles or electricals. The expansion of our site-level data across different safety metrics contributes to our knowledge of working practices and where to prioritise attention, resources and investment.

As such our priorities for the coming year include:

- sharing the learnings from fatalities and potential serious injuries across the Group and making changes to operations or processes where attention is needed using the data we collect for employee and contractor on-site and off-site injuries to target action;
- using employees and contractors' operational knowledge to implement practical safety measures;
- maximising opportunities to share good practice and lessons learnt from audits, incidents and near-misses, and
- continuing to support people in leadership roles across the Group to model good safety behaviour and accountability for safety performance.

Methodologies

Reporting our safety performance: In prior years we have reported data for employee Reportable Injuries (RIs). Following a review this year, we have decided to continue to capture the data for RIs and use this information as internal management tool to help us determine where we need to target action and support our businesses with safety improvements. For external reporting, we will continue to disclose data for employee and contractor Lost Time Injuries (LTIs) as the methodology for capturing and reporting LTIs is consistent regardless of the national legislation. During 2022 we have modified our approach to measuring LTIs by defining whether the injury occurred on site or off site. We are currently reporting on site LTIs and will be reporting off-site LTIs in future reporting cycles once our internal reporting processes are established.

Employee: a person working directly for, and paid directly by, the business. Full-time employees include all people with a contract of employment to work the hours of a standard working week. Part-time employees include all people with a contract of employment to work for fewer hours than the standard working week.

Contractor: an independent person who works for the business and is under our control but who is employed by another company or is self-employed. A contractor or seasonal worker does not work regularly or permanently for the business. They work only as and when required. Typically, a contractor or seasonal worker will have a period of work specified in their contract, and an end date will usually be specified. As the nature of contract work varies across our businesses (for example from contract cleaning, security and catering staff to seasonal agricultural staff) businesses are responsible for applying the Group's definition of a contractor to their workforce.

Fatal injury: We report the death of an employee, contractor or seasonal worker as a result of work activities with the business. This includes activities in our operations, under our direct control and for people who are our responsibility be they an employee, contractor or seasonal worker. It also includes employees and contractors travelling for work purposes (for example, engineers visiting factory sites or travelling to attend a training course). Deaths that occur during an individuals' commute to or from work are not included unless the national legislation stipulates this as a work-related fatality. Deaths from natural causes, such as heart attacks and deaths from non-work activities, are not included.

Safety data: For Group safety data, we include Associated British Foods plc central employees based in our head offices as part of our total headcount.

Lost Time Injury (LTI): An injury that arises out of, or in connection with, work activities occurred on site and results in the injured employee or contractor being absent from work for at least one day or one shift within 12 months of the accident.

During 2022, we modified our approach to measuring LTIs by defining whether the injury occurred on site or off site. As we develop this methodology, we report the defined onsite LTIs this year and recognise that in prior years, a small number of offsite LTIs may have been captured in our published data.

When we report the percentage of sites without an LTI during the year, we include the number of factories providing employee numbers and production figures and, in the case of Primark, the number of stores and distribution centres.

Lost Time Injury (LTI) rate: the LTI rate is the percentage of employees (full-time equivalent) or contractors having an LTI during the year.

Safety fine: a fine resulting from the regulator bringing legal action against the business for breaches of the relevant legislation. The cost of the fine is converted to British pounds sterling using the currency conversion factor applied by Associated British Foods plc for the reporting year. We report the fine in the year it is received, even if the offence was committed during a previous year. We report the cost of the fine in the year it is paid. Some fines may be reported in one year with the cost and payment of the fine made in the following year.

Links

See our 2022 Responsibility Update for information about some of the actions we have taken to improve health and safety.

- <https://www.illovosugarafrika.com/illovo-safe>
- <https://www.abagri.com/our-responsibilities/target-zero>
- <https://www.gwf.com.au/social-responsibility/#1494476238894-624c1335-ab7d>

Our impact on the Sustainable Development Goals



Good health and well-being

A number of our businesses, including Ohly, SPI Pharma, Silver Spoon, George Weston Foods, AB Mauri and AB Agri, implement initiatives to improve the physical and emotional health and wellbeing of their people (target 3.4) and some, for example Illovo Sugar Africa, provide a wide range of healthcare benefits for their workforce and their families such as health clinics, dedicated medical staff and vaccination programmes (target 3.8).