

ESG Insights 2021

Health, safety and wellbeing

Associated
British Foods
plc

Why it is important

We employ almost 128,000 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 safety of their 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 and safety 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; and
- the ABF Supplier Code of Conduct includes a principle on providing safe and hygienic conditions for workers. 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 and safety 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. Employees prevented from working for reasons related to COVID-19 have been paid either by us or through relevant government support schemes. Each business uses its own system to monitor levels of sickness and self-isolation, primarily led by individual Human Resource (HR) departments. Cases of COVID-19-related fatalities are 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 wellbeing has been vitally important during the COVID-19 pandemic and continues to be a priority, especially with many employees returning to customer-facing workplaces, for example in Primark stores.

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 are providing ongoing guidance and training specifically tailored to support employees' mental health and wellbeing during the ongoing COVID-19 outbreak.

Improving safety performance

Across the Group, our businesses focus on the following key risks: moving vehicles interacting with people; 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 principal 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 drive down their injury rates. We continuously assess the safety risks across our businesses and for the people who work for us or with us.

In 2020, we participated in ERM's Global Health and Safety Survey and throughout 2021, we have used the findings to support internal conversations and build upon existing safety management plans. For example, some businesses used the ERM report's template for excellence in health and safety to conduct a gap analysis on their activities and approach. Aligned with the findings and accelerated in response to COVID-19, our businesses have an increased focus on mental health and wellbeing. While the report noted that 83% of respondents have plans to train their leaders in safety, across our divisional health and safety strategies, a common and embedded theme in our way of working is to continuously support and upskill our business leaders in safety behaviours and practices.

Our performance

Health and safety

Loss of life in our operations is entirely unacceptable and we are deeply saddened to report two work-related fatalities in Illovo Sugar Africa.¹ An irrigation employee in Eswatini was tragically struck by lightning while working in the cane fields. The second fatality was in Tanzania in which an employee was fatally wounded when clearing a blockage in a cane machine.

We have thoroughly investigated the incidents resulting in the investment in equipment to detect lightning strikes from a long distance away to allow our workers sufficient time to seek shelter, and we have added additional isolation facilities on equipment. As with all investigations, we have shared the learnings with all our operations.

We recognise that there are areas of high safety risk in our businesses. We work continuously towards our goal of zero harm in the workplace. Our goals remain to eliminate fatalities and continuously improve our safety performance.

Road safety

In 2020, we started a pilot road safety reporting programme with the six businesses that have the largest fleets. The aim of the pilot is to report significant incidents involving vehicles transporting our goods or materials. These vehicles could be involved in incidents on public roads and we need to be aware of this at a Group level so that we can improve management of this aspect of our operations, if required. This year, the six businesses involved in the pilot recorded zero public traffic deaths.

Reportable Injuries (RI)

RIs to employees fell by 18%, from 306 in 2020 to 250 this year, which equates to 0.28% of our employees having an RI. Our Retail business contributed 51% of the Group's RIs but demonstrated another year of strong performance, reporting a 22% reduction in employee RIs from 162 to 127. While temporary store closures contributed to this reduction, the strong performance over recent years is mainly due to the targeted resources and investment made within Retail to improve safety performance, led by strong leadership, the implementation of effective processes, and the embedding of a safe working culture. The RI rate of the Retail business supports this with a 9% reduction from 0.39% in 2020 to 0.35%.

Lost Time Injuries (LTI)

This year, LTIs among full-time equivalent employees decreased by 15%, from 406 last year to 346 in 2021. This equates to an LTI rate of 0.39% of staff experiencing an injury that resulted in time off work. Our LTI rate of 0.39%, compared with 0.42% in 2020, represents an 8% reduction. For contractors, the annual LTI rate has remained relatively static at 0.17% compared with 0.18% in 2020. However, we had a 13% reduction in the absolute number of contractors experiencing an LTI to a total of 4 in 2021.

As we work on our goal of zero harm in the workplace and know that we must continue to maintain focus on safety, we note that injuries in the workplace have fallen each year since 2018. Comparing this year's performance with that of four years ago, our employee LTI rate has reduced by 51% from 0.80% in 2018 to 0.39%. Our reportable injury rate has also decreased by 55% over the last four years. This data represents the concerted effort of all our people, including leadership, to embed positive safety cultures and practices at work. All our segments have demonstrated improvements in their injury rates with retail reporting significant improvements over this time period.

In total, 77% of our factories and retail operations achieved a year's operation without any Reportable Injuries (RIs) and 67% did not have an employee Lost Time Injury (LTI).

Fines and regulatory visits

This year, we received three safety fines and made a payment of £67,000 for one of these fines in the reporting year. Payment for the other two fines will be made in the following year. The fines received this year relate to a safe working environment and the provision of handrails. These issues have been addressed by the relevant sites.

We had 426 visits from safety regulatory authorities, including 328 for routine inspections. The number of routine visits increased this year due to COVID-19-related activity and closer engagement with local safety authorities. 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, particularly this year, to ensure we meet specific COVID-19 safe working practices.

1. Eswatini fatality occurred Nov 2020. Tanzania fatality occurred Aug 2021

Our performance continued

Work-related fatalities – employees

	2017	2018	2019	2020	2021
	0	2	0	2	2Δ

Work-related fatalities – contractors

	2017	2018	2019	2020	2021
	0	2	0	1	0Δ

Reportable Injuries

	2017	2018	2019	2020	2021
Employees	594	663	573	306	250
Employee rate	0.59%	0.63%	0.54%	0.32%	0.28%

Reportable Injuries – by business segment

	2018	2019	2020	2021
Grocery				
Employees	40	44	37	26
Employee rate	0.25%	0.29%	0.26%	0.19%
Sugar				
Employees	62	69	72	58
Employee rate	0.19%	0.21%	0.23%	0.19%
Agriculture				
Employees	3	3	6	3
Employee rate	0.14%	0.13%	0.26%	0.12%
Ingredients				
Employees	39	38	29	36
Employee rate	0.58%	0.56%	0.45%	0.55%
Retail				
Employees	519	419	162	127
Employee rate	1.11%	0.88%	0.39%	0.35%

Lost Time Injuries

	2017	2018	2019	2020	2021
Employees	768	883	682	406	346Δ
Employee rate	0.76%	0.80%	0.65%	0.42%	0.39%
Contractors	80	82	58	48	42Δ
Contractors rate	0.38%	0.37%	0.19%	0.18%	0.17%

Lost Time Injuries – by location

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

Lost Time Injuries – by business segment

	2018	2019	2020	2021
Grocery				
Employees	116	96	106	109Δ
Employee rate	0.73%	0.64%	0.74%	0.79%
Contractors	19	3	11	11Δ
Contractors rate	0.65%	0.03%	0.12%	0.17%
Sugar				
Employees	52	43	54	39Δ
Employee rate	0.16%	0.13%	0.17%	0.13%
Contractors	23	9	13	14Δ
Contractors rate	0.18%	0.07%	0.11%	0.11%
Agriculture				
Employees	9	15	19	7Δ
Employee rate	0.42%	0.63%	0.83%	0.29%
Contractors	2	0	1	2Δ
Contractors rate	1.28%	0.00%	0.14%	0.87%
Ingredients				
Employees	15	15	15	11Δ
Employee rate	0.22%	0.22%	0.23%	0.17%
Contractors	2	3	4	2Δ
Contractors rate	0.10%	0.16%	0.22%	0.10%
Retail				
Employees	641	513	212	180Δ
Employee rate	1.37%	1.07%	0.51%	0.50%
Contractors	36	43	19	13Δ
Contractors rate	0.86%	1.05%	0.57%	0.57%

Our performance continued

Factories and retail operations with zero employee LTIs

%	2018	2019	2020	2021
	69	67	66	67

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

%	2019	2020	2021
Grocery	62	45	42
Sugar	40	41	43
Agriculture	64	64	79
Ingredients	80	77	80
Retail	68	71	71

Number of health and safety fines

	2017	2018	2019	2020	2021
	6	4	6	3	3Δ

Cost of health and safety fines £

	2017	2018	2019	2020	2021
	74,000	4,000	135,500	212,000	67,000Δ

Highlights

Across the Group we have invested £39m in safety risk management, of which £9.3m was dedicated to COVID-19 safety measures. These included significant investments in sneeze screens, the hiring of container offices to enable social distancing and air purification systems. Safety investments were made across a wide spectrum of activities to address site-specific improvements including specialist training, fire safety upgrades, machine guarding, repairs to drainage to prevent flooding, upgrades to dust extraction and improvements in minimising dust risks and repairs to building structures such as floors, roofs and lightning protection. We have also seen many of our businesses focus on employee wellbeing through a range of approaches most relevant for the local environment:

- Over 70% of our people have access to an employee assistance programme.
- Throughout the ongoing COVID-19 pandemic, Germain's Seed Technology enhanced their wellbeing programme to meet employees' changing needs. Evolving to offer more online advice and support, they rapidly developed policies to enable agile working and focused on health, safety and wellbeing in the home office, including advice on how to avoid 'COVID-19 fatigue' by adjusting their working practices.
- Germain's offer mental health awareness training to all employees. Around 90% of managers have now completed this training and they are working with their supervisors to encourage all other employees to attend training too.
- Jordans Dorset Ryvita have trained a team of 40 Mental Health First Aiders and a Wellbeing Team that promotes awareness and runs a calendar of events throughout the year.

- Twinings have launched a new wellbeing digital portal that provides information about physical and mental wellbeing, including topics such as menopause and financial matters. Their employees in the UK are enrolled with Simply Health, through which they can access medical, dental and wellbeing support as part of their employment benefits.
- ACH Mexico have created a wellness programme called Bien Estar Bien, based on feedback from employees, which covers physical, emotional and financial wellbeing.
- ABF head office has trained 20 Mental Health First Aiders and introduced mental health training for managers, with plans to roll this out for all employees.
- AB World Foods have trained over 100 line managers to be Mental Health Aware, accredited by Mental Health First Aid England.
- AB Agri's AgriFest was a one-week programme of celebratory and coming together events for employees in January 2021. After a year of unprecedented disruption due to the COVID-19 pandemic, with its impacts at a business, community and personal level, AgriFest provided an opportunity to reflect, celebrate togetherness and connect as a global business.
- AB Agri organised activities for employees during their Mental Health Awareness Week.
- AB World Foods have run annual Safety and Wellbeing days since 2011 and a Positive Wellbeing programme for employees since 2020.
- ACH Foods' Total Rewards benefits package prioritises the physical, emotional and financial dynamics that contribute to good health and wellbeing in a new holistic offer to employees.
- Senior leaders in our Grocery businesses have connected with employees regularly throughout the COVID-19 pandemic, including AB World Foods' managing director who provides 'Coronavirus Chronicles' updates.
- Several of our UK Grocery businesses ran 'Coffee Roulette' schemes during lockdowns to encourage colleagues to support each other through virtual catchups.

Policies, statements and codes

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

[Speak Up Policy](#)

Outlook

Looking ahead to 2021/22, our priorities will include the following:

- ensuring that basic controls and systems are solidly in place and effective;
- managing on-site and off-site risks for both direct employees and contractors;
- looking out for novel safety thinking and tap into neuroscience and the psychology of safety for pointers to reinforce safe behaviours and discourage unsafe behaviours;
- including our employees more in their own safety and using their practical operational knowledge;
- maximising opportunities to share good practice and lessons learnt from audits, incidents and near-misses.

Methodologies

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 traditional activities in our operations and under our direct control. It also includes employees travelling for work purposes (for example, engineers visiting factory sites or travelling to attend a training course). We also include the death of contractors whose activities are under our direct control and are our responsibility. Deaths from natural causes, such as heart attacks and deaths from non-work activities, are not included. This year, we are reporting two employee fatalities, one fatality that occurred outside the reporting year for our health and safety performance boundaries but within the Group's financial reporting year.

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 and results in the injured employee being absent from work for at least one day or one shift within 12 months of the accident. 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 having an LTI during the year.

Reportable Injury (RI): an employee injury that results from an accident arising out of or in connection with work activities, and that is required to be reported to the external regulatory authorities under the terms of the legislation of the country. This excludes injuries reported only to the country's social welfare or workers' compensation schemes, or where a reported injury is subsequently not attributed to the business by the authorities in official statistics. When we report the percentage of sites without an RI during the year, we use the total number of factories providing employee numbers and production figures and, in the case of Primark, the number of stores and distribution centres.

Reportable Injury (RI) rate: the percentage of employees having an RI 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. In 2021, we are reporting three safety fines which were received in the reporting year. One of these fines has been paid in 2021, totalling £67,000. The remaining two fines will be paid in 2022 and reported next year.

Road safety: a fatality to a member of the public due to the transportation of goods or materials by a business within the Group, regardless of whether or not the vehicle is owned by that business or any other within the Group, or is owned by a third-party logistics company, or is on hire. The vehicle may be driven by an employee, by an agency driver or by a driver from the third-party logistics company. To support this performance metric, the number of kilometres driven by these goods vehicles is included in the reporting.

Methodologies *continued*

Safety risk management spend

We have invested £39m in safety risk management.

Investments in safety risk management are those considered above and beyond the day-to-day running costs to continuously develop the positive safety culture and practices of our businesses. They may include investments in improving working in confined spaces and at height, fire risk assessments and equipment upgrades, dust monitoring and air quality, improvements to lighting and safety signage, and emergency first aid training.

Links

See our 2021 Responsibility Update for information about some of the actions we have taken to improve health and safety.

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

Our impact on the Sustainable Development Goals



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).