

People in our supply chains and surrounding communities

Our businesses work with a diverse range of suppliers from large businesses to smallholder farmers. They recognise the importance of the United Nations Guiding Principles on Business and Human Rights (UNGPs) and their guidance on human rights due diligence processes.



A rice farmer growing Hom Mali rice for Westmill using the Sustainable Rice Platform Standard, Ubon Ratchathani, Thailand

Human and labour rights in our supply chains

Our Group Supplier Code of Conduct is an essential requirement of the responsible business conduct of our businesses. This Code is based on the core conventions of the International Labour Organization (ILO) and on the Base Code of the Ethical Trading Initiative.

Human rights due diligence across our Group

In their application of the Group Supplier Code of Conduct, our businesses continue to develop and improve human rights due diligence processes. Some of them are guided by the UNGPs, the Organisation for Economic Co-operation and Development (OECD) Due Diligence Guidelines for Responsible Business Conduct, and the ILO Decent Work Agenda.

Our devolved business model enables each of our businesses to adopt tailored risk-based approaches based on their specific supply chains and the nature of their supplier relationships. Assessing where potential negative human rights impacts might exist, combined with supply chain mapping, helps some of our businesses to identify, monitor and where they can address actual issues, to seek remedies, or even anticipate and prevent issues before they arise, prioritising those that are most salient.

Risk management and monitoring

Our businesses use a number of data platforms to assess and monitor potential human rights risks. For example, most of our Grocery businesses monitor their supply chains and engage suppliers through the Sedex (Supplier Ethical Data Exchange) online database. In some of our businesses, risk monitoring is conducted through audits carried out by internal teams or third parties. Some businesses also engage workers and their representatives directly outside of the audit process to understand what issues they face. For example, Primark's Ethical Trade and Environmental Sustainability (ETES) programme is one of the key elements of how human rights due diligence is implemented in its product supply chains. Through this programme, Primark conducted over 2,000 social audits over the last year. Primark carries the full cost of these audits, which include rigorous checks for human rights issues and against the requirements of the Primark Supplier Code of Conduct, based on first-hand assessment of the working environment, reviews of relevant documentation and confidential worker interviews. At the end of each audit, supplier factories are issued with a time-bound corrective action plan that outlines any areas for improvement. Primark uses these audits in the approval process for all new tier one factories. Any potential new factories are audited and only if the outcome of the audit is satisfactory can any orders be placed.



Tea workers on a tea estate in Kenya

Governance and policies

The chief executives and senior leaders of each business are accountable for managing risks related to human and labour rights in their businesses' supply chains.

The Group Supplier Code of Conduct underpins any relevant policies that our businesses may choose to follow. Twinings Ovaltine and Primark have also developed their own human rights policies, and our sugar businesses in Africa have their own Code of Conduct and Business Ethics policy.

Grievance mechanisms and remedy

Our businesses seek to use the leverage they have with their suppliers to cease, prevent or mitigate the risk of negative human rights impacts on workers in their supply chains. Some of our businesses have or are developing grievance mechanisms to give workers a voice on the issues they face in the workplace. Primark has multiple approaches to achieving effective grievance mechanisms. As a result, in Bangladesh, India, Turkey and Pakistan, workers' grievances are routed to specific grievance mechanisms run by local implementation partners such as NGOs or unions. For example, the Amader Kotha Helpline in Bangladesh provides workers in garment factories with a confidential and accessible means to raise concerns. Where issues are raised through grievance mechanisms linked to our businesses they will endeavour to follow up and investigate accordingly with the interests of those affected front of mind.

Stakeholder consultation and transparency

Different stakeholders including NGOs, trade unions, governments, other businesses (subject to relevant competition and anti-trust laws) and industry bodies provide inputs into the approach adopted by some of our businesses on human rights due diligence. They work with these organisations due to their expert knowledge and we acknowledge the value that their contribution brings.

Transparency about who and where our businesses source from is essential to our understanding of human rights risks and, where necessary, enables collaboration to resolve issues both locally and across our industry.

Twinnings and Primark both publish sourcing maps to help their customers understand their supply chains better.

Supporting communities

Alongside our work to respect human and labour rights, some of our businesses aim to positively contribute to the communities in which they operate. For instance, our sugar businesses in Africa recognise that their sugar estates are a key part of the communities where they operate. This is reflected in their activities to support those communities, such as providing clinics, schools and local services to support their workforce, and in some cases their communities and surrounding neighbours. This year, our sugar businesses in Africa invested in several community support projects across their operational areas. These initiatives focused on providing access to potable water, offering natural disaster relief, improving healthcare, advancing education, and developing infrastructure.



People in our supply chains and surrounding communities - Retail



Primark has a long-term commitment to promote decent work in its supply chains.



A trainee operator in the Sudokkho programme at a Primark supplier factory in Dhaka, Bangladesh

Human and labour rights in our supply chains

Primark's [Supply Chain Human Rights Policy](#) outlines its commitment to human rights due diligence in its supply chain, the foundation of which is built on its [Supplier Code of Conduct](#), which sets the ethical standards the business expects of its suppliers.

The Primark Supplier Code of Conduct covers its supply chain including goods for sale and services such as service providers, logistics and transportation. Compliance with the Primark Supplier Code of Conduct is a key condition of doing business with Primark. Primark expects all suppliers to comply with the Code, which includes requirements on labour rights such as health and safety, freedom of association, discrimination and

child and forced labour. It is based on the Core Conventions and the Fundamental Principles and Rights at Work of the International Labour Organization, in addition to the Ethical Trading Initiative's Base Code.

The business takes a risk-based, worker-centric approach to human rights due diligence that makes use of multiple channels of information to set priorities and manage risk. This includes desk-based research, audits, direct engagement with workers and their representatives, as well as engagement in local and international forums. Primark greatly values engagement with a global network of local and international stakeholders, unions, governments and civil society organisations, whose support and feedback are essential to its progress.

Primark's Ethical Trade and Environmental Sustainability team has over 130 people in its 10 key sourcing markets. The team works across all aspects of human rights due diligence, from strategy and risk assessment to supporting suppliers and their factories in implementing its Supplier Code of Conduct.

Primark's social audit and monitoring programme is one of the key elements of how human rights due diligence is implemented in its product supply chains. Through this programme, Primark conducted over 2,000 social audits over the last year. These audits are carried out by Primark's own employees based in sourcing countries, in addition to carefully selected third parties. Primark carries the full cost of these audits, which includes rigorous checks for human rights issues based on first-hand assessment of the working environment, reviews of relevant documentation and confidential worker interviews. At the end of each audit, supplier factories are issued with a time bound corrective action plan that outlines any areas for improvement. Primark uses these audits in the approval process for all new tier one factories. Any potential new factories are audited and only if the outcome of the audit is satisfactory can any orders be placed.

Primark also implements additional due diligence activities where necessary. One example is its Structural Integrity Programme which was established in 2013 in Bangladesh to assess the safety of all supplier factory buildings against international standards. If areas are found to require improvement, it works with the suppliers and their factories, in collaboration with a team of structural and civil engineers from international engineering firms, to provide technical support and guidance. The Structural Integrity Programme has been expanded to Pakistan and Cambodia, with ad hoc support for other sourcing countries as required.

Primark believes it is important that organisations, workers and their representatives can raise grievances and alert the business to potential breaches of standards. Primark is committed to making effective and accessible grievance mechanisms available to all its colleagues and people in its supply chains. This includes:

- having grievance mechanisms which allow for anonymous reporting;
- expecting all Primark-approved factories to have effective grievance mechanisms available to their workers;
- working with third parties, including Non-Governmental Organisations (NGOs), to support the implementation of industry-wide grievance mechanisms in our sourcing countries and support existing ones. An example is the Amader Kotha Helpline in Bangladesh, an external and independent grievance mechanism to provide workers with a confidential and accessible means to raise concerns and access remedy; and
- developing a separate, widely available, Primark-funded grievance mechanism that will be accessible to all workers and relevant stakeholders in its supply chain, called Tell Us.

Primark also receives grievances through other channels, including the customer services section of its website, confidential worker interviews during social audits and workers having direct contact with Primark colleagues and its partner organisations. When issues or grievances are raised, Primark takes steps to

investigate thoroughly while protecting the confidentiality of those raising the complaint, and anyone else who might be affected. Primark does not tolerate any retaliation against those who have raised a grievance and any affected stakeholders.

More detail about Primark's approach to human rights due diligence can be found in its Modern Slavery Statement, Supply Chain Human Rights Policy and Sustainability and Ethics Report.

Solutions and projects for systemic issues in factories

Where inherent risks and more systemic issues are identified, Primark works with suppliers and their factories, as well as partners and other brands, to address these through longer-term solutions and projects. The first of these projects began over a decade ago, and the portfolio of work continues to grow. Local teams play a key role in working closely with the supply chain and external experts to identify issues, find solutions and share learnings with others. Over the years, Primark has identified several thematic areas to support factory workers in its supply chain, some of which are included in the Primark Cares strategy and are aligned with the activities undertaken as part of Primark's supply chain Human Rights Due Diligence. These include:

- creating financial resilience;
- promoting equal opportunities for women; and
- improving health and wellbeing.

There are currently 36 external partners working across 21 projects to support workers in the garment industry in seven sourcing countries.

For example, Primark recognises the specific challenges faced by vulnerable workers, including migrant workers, and has developed dedicated programmes to support these workers in India which is a key sourcing location for the business. One example is the My Life programme in India, which helps vulnerable migrant workers understand their rights, with a strong focus on women. Primark launched the programme in 2017, partnering with the international NGO Women Win. The programme has been running for over five years and has been adapted to fit local needs, including language requirements. An independent [evaluation by 60 Decibels](#), an end-to-end impact measurement business, confirmed the positive impact of My Life on workers, especially migrant workers, who are some of the most vulnerable. Migrant workers often face challenges due to language barriers, cultural differences and limited access to resources. By equipping them with essential life skills, the initiative is helping to mitigate the risk of abuse and exploitation, helping them to overcome these challenges and build more resilient futures.

Building on these successes, Primark is continuing to engage with stakeholders to expand the programme beyond factories.

Primark acting on living wages

Primark's approach to pursuing a living wage for workers in its supply chain is focused on industry collaboration through its membership of ACT (Action, Collaboration, Transformation): transparency on wage data and continuous improvement of purchasing practices. Primark's social audit programme also monitors supplier factories' compliance with legal wage requirements.

By embedding responsible purchasing practices¹, Primark recognises that this will support better conditions to enable suppliers and their factories to pursue a living wage. For example, by identifying and ringfencing the labour cost of a product, Primark will aim to protect wages from price negotiations.

The business has set up a working group, comprising some of its key suppliers and its in-house country teams, to develop a tool to identify labour costs. Primark has also provided training to 320 suppliers and 455 buying and merchandising colleagues on this costing method. Primark continues to train and upskill its product teams on the importance of implementing responsible purchasing practices.

As reported last year, Primark began planning a pilot on wage data collection using the Fair Labor Association (FLA) WageTool to measure the gap between actual wages and living wages. Following consultations within the business and with the FLA, suppliers and factories in Cambodia, Bangladesh, India and Turkey were selected to ensure a broad and diverse pilot, considering workforce size, gender split and length of time working with Primark. 32 factories are now taking part in the data collection pilot. Information from the pilot will be used to compare actual wages paid against the Living Wage benchmark of the Global Living Wage Coalition.

Transparency and traceability

Supply chain traceability is complex and Primark continues to develop its approach. For the past six years, it has published a Global Sourcing Map, covering tier one factories that make its products², including worker numbers and gender at each site.

Primark's partnership with TrusTrace, which started in 2022, enables Primark to gather data from across its product supply chain, from raw materials through to finished product. This programme is run by a dedicated Transparency and Traceability team operating within Primark's Sourcing team. In 2023/24, Primark reached 100 suppliers and increased the number of raw materials mapped to the four main materials Primark uses: cotton, polyester, man-made cellulosic fibres (such as viscose) and nylon. Primark continues to train suppliers on its traceability expectations.

Traceability is also embedded into the operations of the Primark Cotton Project.

1. ACT brands have committed to improving their purchasing practices globally in five areas where the biggest impact on wages and working conditions was identified. Read more here: <https://actonlivingwages.com/what-we-do/act-and-purchasing-practices/>.

2. Tier one factories manufacturing finished goods. Tier two factories provide materials and services to tier one factories.

Measuring impact: supporting vulnerable workers in India



Factory workers undergoing training as part of My Life

Primark has developed processes to better understand and measure the outcomes and impact of its initiatives on worker welfare. In recent years, it has developed a measurement and evaluation framework, in line with both global best practices and guidance from [The Shift Project](#), a leading independent non-profit organisation with expertise in the UN Guiding Principles on Business and Human Rights.

This approach has been used to measure the impact of My Life programme implemented in India. This initiative has been designed to address the risks that vulnerable people face, particularly domestic migrant workers and women in factories in Primark's finished goods supply chain. For example, many of these workers have a poor understanding of their rights or what factories should provide, for instance employment documents in a language that they can read and understand. Running since 2017, the My Life initiative equips workers with essential life skills in three key areas: communication skills, knowledge of worker rights and workplace health practices. The training is delivered in an active, participatory and engaging format known as the 'play-based approach' and has been adapted to fit local needs, including language requirements.

An independent assessment of the My Life programme impact was conducted by independent social impact organisation 60 Decibels who surveyed 525 workers. The findings revealed that the programme has positively impacted workers' perceptions across the key areas of communications and rights and responsibilities. For example, 95% of respondents stated that their communications skills had either 'very much improved' or 'slightly improved'. When disaggregating the results from an even sampling by migrant workers and non-migrant workers, the results show bigger improvements for migrant workers. For example, 70% of migrant workers reported their communications skills had 'very much improved' compared to 50% of non-migrant workers. This trend is replicated across various criteria, underscoring the initiative's success in addressing the needs of the most vulnerable workers.

Case study - Primark

Prioritising mental health with the Moner Kotha project



Factory workers undergoing training on mental health in the workplace

Primark continues to support a programme to improve mental health awareness in five supplier factories in Bangladesh. In partnership with the British Asian Trust and Sajida Foundation, the Moner Kotha ('mind talk' in Bengali) programme has been increasing awareness of mental health issues, building resilience, and providing support for workers in the supply chain through training, capacity building and the provision of mental health information in the workplace.

In the past year Primark continued to roll out refresher training for para-counsellors who are workers or other factory staff who are trained to provide mental health support to their peers and connect more serious cases to mental health professionals. This refresher training focuses on building their skills in delivering counselling in a factory. Primark's partner the Sajida Foundation, which facilitated these sessions, conducted around 350 counselling sessions. The programme has delivered the first round of mental health and wellbeing awareness sessions to 2,500 women.

Sudokkho – Upskilling workers, empowering women in Bangladesh



Factory worker undergoing training as part of the Sudokkho programme

Primark's Sudokkho programme in Bangladesh was developed to enhance in-house technical training capabilities within supplier factories. The programme continues to expand its reach, with new factories joining and existing ones increasing their involvement.

The technical training that Sudokkho delivers has several layers. The foundational level trains factory workers through a dedicated initiative in the factory, where trainees acquire new required skills. The initiative develops and trains assessors who support overseeing the technical standards of trainees on the training line before they enter the main production line. Finally, the Sudokkho technical training includes training existing skilled operators, with a specific focus on women, into supervisors. Its delivery partner, Rajesh Bheda Consulting (RBC) has been collecting data to evaluate the extent to which factories can maintain Sudokkho training without ongoing support and to measure the programme's long-term effectiveness. This includes evaluating factors such as the presence of a dedicated training line, skilled supervisors and trainers who can train others. Encouragingly, several factories have successfully transitioned to self-sufficiency. Since the project began, one factory in a remote area expanded two additional production lines with the help of Sudokkho by upskilling helpers to operators, without increasing their workforce size.



People in our supply chains and surrounding communities - Grocery



Our Grocery businesses recognise that they have a responsibility to respect human rights and understand that their actions can impact human rights across the value chain.



A tea worker walking through a tea estate in India

Human and labour rights in our supply chains

Our Grocery businesses aim to respect internationally recognised human and labour rights and seek to cease, prevent or mitigate adverse impacts in their supply chains and operations in line with the standards contained in the Group Supplier Code of Conduct.

Grocery Group

Grocery Group businesses are prioritising their efforts to monitor human and labour rights risks by focusing on specific higher inherent risk areas of their value chains. These selected categories include raw materials, packaging, finished goods and services (including security, cleaning workwear, temporary labour and logistics providers). The Sedex (Supplier Ethical data Exchange) online database is used to assess and monitor these risks for in-scope tier one and key tier two supplier sites.

Grocery Group has continued to develop a central data management team to monitor supplier engagement with the Sedex platform and collate accurate data. This data is distributed monthly to procurement and responsibility teams, providing information on non-conformances identified during audits, allowing the businesses to engage with their suppliers to resolve issues effectively and in a timely manner. Data is also used to inform sourcing decisions.

Suppliers of raw materials and other key commodities are required to complete a self-assessment questionnaire and upload the results of all ethical audits conducted onto the Sedex platform. Any issues identified are escalated to the Grocery Group Corporate Responsibility Leads as well as technical and procurement contacts within the relevant businesses. The businesses then follow internal escalation and remediation processes, which result in engagement with suppliers where necessary to resolve issues raised. All identified issues are continuously monitored and evaluated for improvement. The completion rate of the self-assessment questionnaire increased in 2023/24 from 60% to 90% of all suppliers registered on the Sedex online database.

Last year, Grocery Group engaged an independent third party ethical consultant to assess its policies and management procedures against the OECD and FAO's 'Five Steps Guidelines for Due Diligence in Agricultural Supply Chains' [link]. As a result of this assessment, the businesses are making improvements to strengthen responsible sourcing and environmental practices. As part of these improvements, Grocery Group is rolling out a new grievance hotline, beginning with key suppliers in India.

Twinings Ovaltine

Twinings Ovaltine has put in place controls and processes to assess and mitigate human and labour rights risks within its supply chain. The division is committed to conducting business with integrity, respecting universal human rights and labour rights principles through its Code of Conduct and Human Rights Policy. These commitments apply to all aspects of its supply chains, including raw materials, packaging and indirect procurement, as well as its own operations.

Twinings Ovaltine continues to develop its due diligence process including audit procedures and training to support the implementation of its Code of Conduct and Human Rights Policy. These include its Factory Monitoring and Improvement Programme (FMIP), the Twinings Community Needs Assessment (TCNA), and Modern Slavery Awareness training programme.

The FMIP includes a risk assessment of tier one suppliers, which takes into account labour rights risk and the importance of the supplier to the business. Based on this assessment, high-risk suppliers (defined as those with significant potential for human rights and labour issues) are audited by an independent third party at least every three years, and some more regularly based on the audit's findings and remediation requirements. Low and medium-risk sites undergo ad hoc semi-announced spot check audits, where suppliers are given a two-week window for an audit to be conducted. More than 100 audits of tier one suppliers are conducted each year, including those commissioned by the suppliers themselves on the instigation of Twinings Ovaltine, which are carried out by third party auditors. Where audits identify non-compliances, suppliers are required to take action to resolve the issues within a specified time frame. The programme covers selected tier one suppliers including third party partners and joint ventures producing finished products (such as co-manufacturers, co-packers, licensing partners, packing houses, packaging suppliers and raw material suppliers). It also includes site service providers (such as construction and solar panel providers), branded promotional items, warehousing and own production sites. Twinings Ovaltine is also a member of the Sedex online database and where appropriate uses the platform to inform its supply chain assessment process for tier one sites.

In March 2022 the business launched modern slavery training for tier one supplier factories operating in high-risk countries, with a focus on suppliers known to be employing migrant workers. The e-learning course is developed by Twinings and suppliers are able to complete the course once they have registered. Following issues identified in Twinings' Kenyan tea supply chain, this year Twinings developed a Gender Based Violence and Harassment (GBVH) Policy, to help tea gardens effectively prevent and address GBVH, reduce its risks, and ultimately protect women workers.

Twinings requires the tea gardens it sources from to sign up to this policy, in addition to Twinings' Code of Conduct. Once they have signed, the supplier must submit a self-assessment report of their compliance against the policy and the output from this assessment is verified by a third party or by the Twinings Social Impact team. Where there are non-compliances with the policy, tea producers are given guidance on how to address these, including through a newly developed toolkit of best practices and tailored training. Tea gardens are also expected to formalise their approach on GBVH prevention and ensure continued effort to eliminate it. All gardens in Kenya are in the process of aligning to this policy, which will then be rolled out in other key sourcing countries, starting with Sri Lanka and India.

George Weston Foods

In recent years, George Weston Foods has taken significant steps to improve the visibility and ethical performance of its supply chains by registering its own businesses and suppliers on the Sedex online database.

George Weston Foods will be utilising the central data management team established by Grocery Group to oversee supplier engagement with the Sedex platform. Also for George Weston Foods, this team supports the businesses to identify any non-conformance issues within its supply chain. Going forward, George Weston Foods will require all suppliers of raw materials and other key commodities to complete a self-assessment questionnaire and upload it onto the Sedex platform. This process is designed to help George Weston Foods identify potential human rights risks in its supply chains.

ACH

ACH's direct and indirect supply chain is predominantly in the US and Canada. ACH has controls and processes in place to assess and address human rights-related risks, such as the risk of child and forced labour.

Case study - Jordans Dorset Ryvita

Helping migrant workers and their families in Turkey



A worker on a farm in Turkey, where several of our Grocery businesses have been engaging to improve social and environmental practices

Grocery Group businesses Jordans Dorset Ryvita, AB World Foods, Allied Bakeries and Speedibake are actively engaged in trying to improve the working conditions of migrant workers in Turkey's agricultural sector. In partnership with the Fair Labor Association (FLA), they are assessing the needs of workers, farmers, and labour intermediaries in the vine fruit and hazelnut sectors.

To drive change, these businesses have implemented a framework to evaluate supplier performance against key indicators such as child labour and wages. This approach, combined with increased on-site engagement, has led to tangible improvements.

In July 2024, a delegation from the Grocery Group visited Turkey to gain a better understanding of vine fruit production and strengthen industry collaboration. During this visit, they met with key stakeholders, including government officials and industry representatives. As a result of the visit there are ongoing discussions on standardising farmer documentation, developing a roadmap for improvement, sharing best practices and engaging with labour contractors and government entities.

This approach, combined with increased on-site engagement, has led to the development and implementation of child labour remediation procedures by some suppliers and improvements in worker-related record keeping by some farmers.

Case study - Westmill

Westmill partners with AB Mauri to support turmeric farmers in India



Turmeric farmers in India

Westmill has partnered with AB Mauri, another ABF company, to launch a series of social and environmental initiatives for turmeric farmers in Basargi, Maharashtra, India. The project, which began in May 2024, aims to improve the livelihoods of 40 registered farmers and benefit the entire village community through various activities.

Key objectives include increasing farmer yields by 10%, boosting the annual income of women in farming communities by 40,000 rupees, and improving access to medical care and health and safety resources for farmers. To kickstart the project, farmers were provided with high-quality seeds for 30% of their crops, aiming to improve yields, alongside training in agricultural practices. Additionally, the project plans to distribute menstrual products to the women in the community.

Looking ahead, the project plans to host bi-annual medical camps for the entire village, supply personal protective equipment (PPE) to farmers, and construct a public toilet facility. These initiatives aim to foster long-term social and economic growth while improving the overall wellbeing of the Basargi community.

Case study - Twinings

Supporting communities through the Twinings Community Needs Assessment (TCNA)



A tea picker in India

Twinings is dedicated to understanding and where possible addressing the needs of the communities from which it sources its tea and herbs. To help achieve this, in 2016 the business developed the Twinings Community Needs Assessment (TCNA).

The TCNA focuses on hearing directly from workers, farmers and community members through focus group discussions, interviews, surveys and observations. This approach allows Twinings to gain a first-hand understanding of the challenges and aspirations of these communities and identify any areas for improvement.

The TCNA covers 10 areas related to human rights and worker welfare, including labour rights, housing, water sanitation, health, gender equality, livelihoods, farming practices, land rights and natural resources. This holistic approach allows Twinings to identify specific issues and develop targeted interventions that help to address the needs of each community.

Case study - Ovaltine

Rolling out ongoing support for vulnerable migrant workers in Thailand



Communication training for Ovaltine suppliers in Thailand delivered by Issara

In Thailand, Ovaltine has partnered with the Issara Institute to implement an Inclusive Labour Monitoring (ILM) programme in three supplier factories that employ a significant number of more vulnerable migrant workers. The programme aims to empower workers by giving them a platform to voice their concerns through a multilingual hotline, a smartphone app and direct worker interviews carried out by Issara. This initiative not only facilitates the reporting of grievances related to recruitment and workplace conditions but also ensures that these issues are addressed and remediated by suppliers.

Through this collaboration, Ovaltine is supporting its suppliers in Thailand on a journey to enhance responsible recruitment practices and help improve the overall working conditions for all workers involved in the programme.

People in our supply chains and surrounding communities - Sugar



As a group of diverse agriculture and manufacturing businesses working across four continents, ABF Sugar faces complex challenges.



Sugar cane growers at Illovo Sugar South Africa's 2024 growers' day in Sezela, South Africa

Human and labour rights in our supply chains

The global sugarcane industry is particularly vulnerable to human rights related risks due to its reliance on labour-intensive and seasonal activities such as weeding, planting, cane cutting, and harvesting.

ABF Sugar recognises that its long-term success relies on upholding the respect and dignity of its workforce, supply chain workers and other stakeholders. The division aims to ensure that 'Decent Work' conditions are respected across its operations. These conditions are defined by the [International Labour Organization](#), and include paying fair wages, providing safe working conditions and promoting dignity and equality.

The Group Supplier Code of Conduct sets out the values and standards which ABF Sugar's businesses require in their operations and supply chains. Additionally, our sugar businesses in Africa have implemented their own Code of Conduct and Business Ethics. All policies and codes are reviewed and communicated with the approval of ABF Sugar Executive Committee. It is the responsibility of each ABF Sugar business to comply with these policies and codes.

Driven by upcoming regulation requiring companies to implement more detailed due diligence processes, ABF Sugar has started a new review of its businesses' supply chain and operations-related activities. This assessment, guided by the risk-based approach set out in the UN Guiding Principles on Business and Human Rights (UNGPs) and Organisation for Economic Cooperation and Development Guidelines for Multinational Enterprises on Responsible Business Conduct (OECD Guidelines), has revealed opportunities for improvement.

As a first step, ABF Sugar is working at a divisional level to support its businesses to address these findings, including by developing a Human Rights Policy and Due Diligence Framework.

The Human Rights Policy will outline 'Decent Work' principles across its operations and supply chain while the Human Rights Due Diligence Framework guides the processes to identify, prevent, mitigate, and manage human rights risks and impacts. This Framework is aligned with the OECD Guidelines.

Additionally, to better assess the inherent risks in its businesses' supply chain, ABF Sugar has refined its country risk assessment approach in 2023/24, using a number of external tools. The updated methodology serves a dual purpose: to trial an early warning process for its businesses, identifying in which countries potential risks, including those related to human rights, are more likely to occur; and to enable the businesses to make more informed purchasing decisions by evaluating and prioritising countries based on their risk profiles.

Training is a key part of its approach to mitigate human and labour rights-related risks, with businesses required to train their staff and grower partners on issues such as child labour, forced labour and safety. This includes online training for all head office staff at ABF Sugar and each of the businesses every three years, training for all new starters, and in-person training.

In the UK, British Sugar introduced a Responsible Procurement Policy that outlines how the business should engage with suppliers and manage environmental and social risks in its operations and among its suppliers. This Policy covers key priorities such as decarbonisation, more sustainable agriculture practices and respect for human rights.

Supporting communities

ABF Sugar's businesses continue to invest in their relationships with communities and key stakeholders. For instance, our sugar businesses in Africa recognise that their sugar estates are a key part of the communities where they operate, and this is reflected in their activities to support those communities, for example by helping with the provision of clinics, schools or local services to support their workforce, and in some cases their communities and surrounding neighbours.

In 2023/24, our sugar businesses in Africa invested in several community support projects across their operational areas. These initiatives focused on providing access to potable water, offering natural disaster relief, improving healthcare, advancing education and developing infrastructure.

Emergency relief

In Africa, ABF Sugar suffered the effects of extreme weather events again in 2023/24. Persistent heavy rainfall across the Central Region of Malawi in early March 2024 triggered flooding in many areas, affecting one of our African sugar estates in Dwangwa, Malawi. The situation affected thousands of livelihoods in the district and caused considerable damage to company farms, machinery and equipment. Illovo Sugar Malawi supported the Government of Malawi by leading the rescue efforts in the area and providing shelter for displaced communities in schools on the estate.

Illovo Sugar Malawi provided fuel for boats that were rescuing people trapped by the floods, and distributed maize flour, blankets, buckets, sanitary pads and small tents to flood victims who were accommodated on the estate. Working together with the Ministry of Health, Illovo Sugar Malawi Dwangwa hospital was designated as a temporary referral medical facility for all medical emergencies that isolated Government Health Centres were not able to manage.

Case study - Kilombero Sugar Company Limited

Targeting secure and more sustainable sugar cane supply in Tanzania



The K4 sugar factory and warehouse under construction at Kilombero in Tanzania

In 2021, ABF Sugar's business, Kilombero Sugar Company Limited (KSCL), in which Illovo Sugar Africa holds 75% of the shareholding and the Government of the United Republic of Tanzania holds 25%, announced a sugar manufacturing expansion project in Tanzania, in response to the growing regional demand for sugar.

Landesa, an international NGO, and local partners PELUM Tanzania, are implementing a Community-Smart Consultation and Consent project to strengthen land rights and inclusive, collaborative natural resource governance within the Kilombero Valley in Tanzania. KSCL as a corporate partner to the project provides technical input to village land use plans and in turn is empowered to implement and apply the business's Guidelines on Land and Land Rights, especially the commitments to free, prior, and informed consent and gender equity.

The project also seeks to promote community development rather than simply increase production. By working closely with local communities and village leaders, the initiative aims to enhance capacity in land and natural resource management. So far the project has reached 876 villagers and distributed educational materials, including a villagers' land rights handbook. Additionally, the project has issued 2,372 Community Certificates of Rights Occupation (CCROs), with 36% allocated to women, and conducted participatory village land use planning for 13,228 hectares.

In addition, the project is implementing advanced irrigation systems and best agricultural practices, including sophisticated soil and leaf analysis, efficient harvesting techniques, and improved pest and disease control.

Case study - Zambia Sugar

Tackling Zambia's devastating cholera outbreak



Donation of goods from Zambia Sugar to assist the fight against a cholera outbreak in the Mazabuka district, Zambia

Zambia experienced a severe nationwide cholera outbreak between October 2023 and April 2024, with close to 23,000 cases and over 700 deaths reported. The Government of Zambia subsequently declared the cholera outbreak a public health emergency.

In response to the outbreak, Zambia Sugar supported the public health response by rehabilitating a 40-bed cholera treatment facility near one of its estates and providing medical and water treatment supplies to the local government medical facilities. Zambia Sugar's medical services teams supported local communities by educating them about cholera and conducting health awareness talks.

Case study - Zambia Sugar

Malaria response in Zambia



The Nakambala Urban Clinic, a health facility in Mazabuka, Zambia, that was refurbished with funding by Zambia Sugar in 2023

Zambia Sugar has been proactively addressing the challenge of malaria by implementing comprehensive new control measures. Collaborating with local health authorities and NGOs, the company deployed interventions including biological control measures and malaria surveillance.

Surveillance approaches range from malaria testing and treatment, delivered through community health workers and health facilities, to active surveillance in the community, targeting groups such as migrant workers and farm workers.

People in our supply chains and surrounding communities - Ingredients



Our Ingredients businesses understand the importance of working conditions and labour standards within their supply chains and are committed to operating as responsible neighbours to their surrounding communities.



AB Mauri programme for unemployed people with bakery skills, Chile

Human and labour rights in our supply chains

Our Ingredients businesses adhere to the Group Supplier Code of Conduct, which also serves as the standard for managing human rights issues within their supply chains. Each business determines the most effective application of this Code for their specific raw material supply chains.

AB Mauri

Some AB Mauri businesses use desk-based screening to identify product categories and origins deemed to be at high risk of human rights issues, and supplier self-assessment questionnaires to assess working practices of higher risk suppliers. In 2025, a number of businesses will be rolling out the Sedex (Supplier Ethical Data Exchange) online database platform to support this work.

ABFI

ABFI uses desk-based screening processes to identify potential risks associated with human rights in its supply chains based on product origins. Where potential risks are identified, ABFI engages with relevant suppliers as appropriate to investigate further. Where necessary, ABFI proactively works with supply chain partners to provide training and education to create awareness of social accountability practices and standards. Some ABFI businesses use the Sedex online database for supply chain mapping and risk management.

In September 2023, ABFI launched an online training module for senior leadership members, as well as other relevant employees in different teams across the businesses, to help them understand the risks of modern slavery within the industry. The objective of this training was to equip its employees with knowledge and tools they can use to identify and address any relevant issues that may arise.

Supporting communities

AB Mauri and ABFI pursue opportunities to add value to communities beyond their business operations. Areas of focus across the global network include donating food and promoting education and inclusion.

AB Mauri

AB Mauri is actively engaged with local communities through various initiatives. In Colombia, the business partnered with a local foundation to launch several projects aimed at supporting young people, including those living with disabilities, in a deprived area near its site. This year, the business donated a recreational area for children and introduced a bakery skills training programme to equip young people with valuable skills and opportunities.

The AB Mauri business in Brazil collaborated with its distribution partners and a local NGO to distribute products made from cashew nuts grown by the NGO's members in an underdeveloped region of the country. Additionally, AB Mauri employees helped gather 1,000 food baskets for donation to families in the region. This project not only strengthened collaboration with distribution partners but also boosted employee engagement.

ABFI

Since 2022 ABFI business PGP International has collaborated with Yolo Food Bank, a US charity, to help prepare and pack food, providing meals to those in need.

This year, AB Enzymes invited students and children from the local community into its Darmstadt laboratory in Germany to explore enzyme production and promote careers in science, technology, engineering, and mathematics (STEM) disciplines, particularly aiming to improve gender diversity. The initiative encourages students to make career choices based on their interests, inclinations and strengths, rather than being influenced by gender stereotypes.

Case study - ABFI

Celebrating impact at the ABFI Recognition Awards



PGP International employee supporting a local food bank in Woodland, CA, United States

ABFI actively encourages its businesses to support their communities through initiatives like the ABFI Recognition Awards, which celebrate outstanding contributions to safety and environmental activities. Award recipients are rewarded with funds to donate to a charity of their choice within their respective communities.

Some recent examples of recipients across ABFI businesses include:

- PGPI continued its partnership with local NGOs by donating to EmpowerYolo, Young & Established, Cast for Kids and Evansville Rescue Mission.
- ABITEC chose VFW (Post 1621) and the local rotary club reflecting employee involvement and the connection many employees have to military service through relatives who are war veterans.
- Ohly selected West CAP, a community action agency that helps support low-income families in rural Wisconsin, a region in which many employees are community members of.

AB Mauri annual award celebrates Mauri Maya's earthquake response



AB Mauri Maya employees participating in the humanitarian effort to aid survivors and support affected communities in response earthquake in Türkiye in February 2023

Since 2022, AB Mauri has celebrated the community support efforts of its businesses through an annual award, chosen by a vote across its global site network each December. In December 2023, the award was won by its Turkish business Mauri Maya for its contribution in supporting communities affected by Turkey's devastating earthquake in February that year.

Mauri Maya and its employees mobilised to collect essential supplies like food, clothing and hygiene items and launched a fundraising campaign to gather more support. Mauri Maya also worked to ensure local bakeries and partners had the resources they needed to continue serving their communities, providing essentials like water and yeast that facilitated the production and distribution of free bread to communities. Extended payment terms were also granted to impacted businesses, easing financial burdens and supporting business continuity.

Through these comprehensive efforts, Mauri Maya as a business and as a team not only supported those directly affected by the earthquake but also demonstrated a strong sense of social responsibility and solidarity with the impacted communities.

People in our supply chains and surrounding communities - Agriculture



AB Agri recognises the risk of human rights impacts in its businesses' global supply chains and takes its responsibility to respect human rights seriously.



ABN delivery at our feed mill in Enstone, UK

Human and labour rights in our supply chains

AB Agri's businesses source around 3,000 raw materials from over 1,400 suppliers, including bulk commodity suppliers and ingredient manufacturers. AB Agri's businesses take steps to introduce due diligence programmes and procedures targeting salient issues within these supply chains. AB Agri remains committed to providing information and training on issues relating to human rights for new employees as part of its induction process.

AB Agri values supply chain diversity and in particular seeks to support small and mid-sized suppliers in upholding its standards. If the business needs to implement new standards or data collection requirements, it aims to work in partnership with its suppliers and engage them as early as possible.

AB Agri's Responsible Sourcing Policy and its internal Responsible Sourcing Standards apply to all its businesses. The Policy outlines areas of focus, including deforestation and conversion of natural ecosystems, human and labour rights, and efficient and more sustainable resource use.

It also explains the roles and responsibilities of the businesses and their employees. The Responsible Sourcing Standards, based on the Group Supplier Code of Conduct and the Ethical Trading Initiative Base Code, describe the sourcing approach and processes required for different sourcing categories.

AB Agri has started to implement the requirements for its raw material sourcing category, and in the longer term, it has committed that all procurement categories will meet defined responsible sourcing standards by 2030. Human and labour rights risks for certain raw materials are identified and monitored using the Verisk Maplecroft global risk analysis tool and the Sedex (Supplier Ethical Data Exchange) online database.

AB Agri also works collaboratively with its suppliers to understand the country of origin of the feed materials purchased as the first stage of risk evaluation. This is now over 95% complete for all raw material suppliers.

Once it has completed the initial Verisk Maplecroft evaluation, AB Agri supports its suppliers in mitigating their risks and complying with its Responsible Sourcing Standards. This process involves completing an online Sedex assessment, which is reviewed by the ethical compliance team and may result in an on-site audit. Throughout this process, the focus is on supporting suppliers to achieve the standards in place and only seeking an alternative supplier if efforts to use its leverage to address relevant issues have failed.

As part of this process, AB Agri has assigned an ethical risk level to all its raw material suppliers, ranging from Level 1 to Level 3. Level 1 is for suppliers with higher potential risks, with a high or no Verisk Maplecroft risk rating and no risk mitigation in place. Level 3 is for suppliers with a low-risk rating in the Verisk Maplecroft evaluation or if the supplier is rated as medium or high risk on Verisk Maplecroft, but AB Agri has started to work with its suppliers on its risk mitigation process.

The aim is to achieve the highest ethical rating (Level 3) for all raw materials suppliers by 2025. While the number of suppliers has grown, progress is steady. At the end of this financial year, the percentage of suppliers in Level 3 had risen to 58%, a 26% increase over last year. The percentage of higher risk suppliers (Level 1) dropped from 54% to 5%. The vast proportion of this reduction was achieved after the AB Agri team in China introduced a further set of evaluation criteria to enable a more detailed assessment of their high-risk suppliers, as well as removing any suppliers that were no longer part of their supply chain.

AB Agri has expanded its focus beyond raw materials to include third-party manufacturing and contracted labour. Over the past year, AB Agri conducted a review of contracted labour used across its manufacturing sites globally, identifying potential risk. It has also assessed all its third-party manufacturers using a set of critical factors to evaluate risk levels. As a result of these evaluations, AB Agri has identified areas requiring

risk mitigation actions and plans to audit five third-party manufacturers and assess one contracted labour provider.

Regarding its own operations, all AB Agri manufacturing sites have completed an annual Sedex self-assessment. In 2022, it implemented a three-year rolling internal audit plan to conduct SMETA audits on all its manufacturing sites globally. Seven of these audits were conducted in 2024, with further sites to be scheduled in 2025.