

**Associated
British Foods**
plc

MODERN SLAVERY STATEMENT

AUSTRALIA AND NEW ZEALAND

INTRODUCTION

Associated British Foods is a diversified international food, ingredients and retail group with sales of £13.9bn, 133,425 employees and operations in 53 countries across Europe, southern Africa, the Americas, Asia and Australia. In Australia and New Zealand, we operate in three business segments: Grocery, Agriculture and Ingredient.

This modern slavery statement is a joint statement covering Associated British Foods plc's Australian and New Zealand group of companies¹ with the relevant reporting entities being AB Mauri ROW Holdings Pty Ltd (ABN 12 115 524 886), AB Food & Beverages Australia Pty Ltd (ABN 93 100 637 849) and Food Investments Pty Limited (ABN 85 008 426 177) and their subsidiaries.

This statement was prepared in consultation with each of the relevant reporting entities with a steering committee formed from employees of the reporting entities and key subsidiaries. Working groups comprising relevant subject matter experts were also formed within the relevant reporting entities and key subsidiaries with their due diligence findings and any modern slavery issues being discussed during steering committee meetings.¹

Associated British Foods' diversity means that our operations are widespread, and our supply chains are far-reaching and complex. In spite of this, we are wholly committed to respecting

human rights across our own operations, supply chains and products.

Modern slavery is a global issue that requires global action. It can occur in many different forms, including, but not limited to, forced labour, child labour and human trafficking. As an international business, we have a role to play in eliminating these practices as well as respecting human rights across our operations and supply chains. We value our ongoing engagement and collaboration with a broad range of interested and concerned stakeholder groups to tackle some of these issues.

Furthermore, we recognise that the UN Guiding Principles on Business and Human Rights (UNGPs) require businesses to address actual and potential adverse human rights impacts, prioritising that are most severe or where a delayed response would make them irremediable.

In addition to this statement, several businesses within the group have also produced statements that provide further detail of steps taken to eliminate modern slavery. These are available [online](#).

¹ This includes but is not limited to AB Food & Beverages Australia Pty Ltd, AB Mauri ROW Holdings Pty Ltd, AB World Foods Pty Ltd, Food Investments Pty Limited, George Weston Foods Limited, George Weston Foods (NZ) Limited, The Jordans and Ryvita Company Australia Pty Ltd and Yumi's Quality Foods Pty Ltd. For a full list of Associated British Foods plc's Australian and New Zealand subsidiary undertakings, please see pages 190 and 193 of our [2020 annual report and accounts](#).

ORGANISATIONAL STRUCTURE – AUSTRALIA AND NEW ZEALAND

Associated British Foods is a publicly listed company headquartered in London, with various subsidiary companies based in Australia and New Zealand. In Australia and New Zealand there are three key Australian parent companies which control Associated British Foods' operations, namely AB Food & Beverages Australia Pty Ltd, AB Mauri ROW Holdings Pty Ltd and Food Investments Pty Limited.

We operate in three business segments in Australia and New Zealand: Grocery, Agriculture and Ingredients. In 2020, we had over 7,000 employees in Australia and New Zealand and our sales in Australia and New Zealand for the 2019-2020 financial year were approximately AUD\$3,551m.

Our operations in Australia and New Zealand include:

- AB Food & Beverages Australia Pty Ltd (Twinings & Co), which manufactures and distributes a range of teas, coffees, malt drinks and hot chocolates under various brands including Twinings, Ovaltine and Jarrah;
- AB World Foods Pty Ltd, which markets and distributes a range of international sauces, pastes, pappadums, meal kits and chutneys under the brands Patak's and Blue Dragon;

- George Weston Foods Limited and George Weston Foods (NZ) Limited (together GWF), one of Australia and New Zealand's leading food manufacturers employing over 6,000 people across 40 sites. GWF's product range is diverse and includes leading brands such as Tip Top, Bûrgen, Sunblest, Abbots Bakery, Golden, Don, KR Castlemaine and Yumi's as well as MAURI (flour, milled products and animal feed) and Jasol (cleaning and hygiene solutions); and

- the Jordans and Ryvita Company Australia Pty Ltd (Jordans Dorset Ryvita) markets and distributes a range of cereals, crisp breads and crackers under the brands Jordans, Dorset and Ryvita.

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SUPPLY CHAINS

Associated British Foods has operations in 53 countries and operates in three business segments in Australia and New Zealand: Grocery, Agriculture and Ingredients. As a result of our diverse operations, our supply chains are global and complex, sourcing ingredients, packaging, finished goods, transport and services from all corners of the globe.

For example:

- GWF has over 4,000 supplier vendors and service providers with a significant proportion of these being Australian or New Zealand based. Outside of Australia and New Zealand, GWF sources goods and services from Asia, Europe, Africa, North America and South America. For example, DON KR Castlemaine imports pork from the United States of America, Canada and Denmark;
- Twinings does not own any plantations and never has done. Instead, Twinings buy tea from producers around the world and currently source tea from 160 carefully selected tea gardens, based on quality and ethical standards. Twinings herbal and fruit tea is sourced from over 100 different plants grown in more than 30 countries around the world. The tea is then packaged in our sites in the United Kingdom and Poland; and

- As a world food business, AB World Foods has a global and complex supply chain, purchasing ingredients, materials and finished goods both directly from manufacturers and indirectly through approved agents.

This complex supply chain allows us to provide a range of products and services to corporations and individuals ranging from animal feed to Indian curry pastes to yeast.

However, the diversity of the goods and services and geographic locations can potentially expose Associated British Foods to certain risks.

POLICY

Our comprehensive groupwide Supplier Code of Conduct sets out the values and standards we expect of our suppliers, representatives and other people with whom we deal.

It is based on the eight core conventions (which cover collective bargaining, forced labour, child labour and discrimination) of the International Labour Organization (ILO) and the Ethical Trade Initiative (ETI) Base Code. We engaged with NGOs in the creation of this code and periodically update it to ensure its relevance. It clearly outlines our intolerance of forced labour:



“Employment is freely chosen: There is no forced or compulsory labour in any form, including bonded, trafficked, or prison labour. Workers are not required to lodge ‘deposits’ or their identity papers with their employer and are free to leave their employer after reasonable notice.”

Our suppliers are expected to abide by this Code. The full Code can be [read here](#).

In addition to our groupwide Code, a number of individual businesses have created tailored approaches to tackling modern slavery that go beyond this Code. For example:

- Twinings & Co has published a revised [Supplier Code of Conduct](#) which contains a clause obliging suppliers to cover the cost of recruitment fees and expenses. Eradicating recruitment fees is crucial for tackling modern slavery;
- Twinings & Co has also published a [Human Rights Policy](#) which is informed by the International Bill of Human Rights, the UN Convention on the Rights of the Child, the UN Convention on the Elimination of All Forms of Discrimination against Women, the UN Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families, the ILO’s Declaration on Fundamental Principles and Rights at Work, the OECD Guidelines for Multinational Enterprises, as well as the Children’s Rights and Business Principles, and the UN Women’s

Empowerment Principles; and

- GWF has published a [Responsible Sourcing Code of Conduct](#) which includes a requirement that suppliers and their suppliers develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable him or her to attend and remain in quality education until no longer a child.

We encourage an open culture in all our dealings between employees and people with whom we come into contact.

Honest communication is essential if malpractice and wrongdoing are to be dealt with effectively. Our Whistleblowing Policy sets out guidelines for individuals who wish to raise issues in confidence; these could include forced labour concerns.

We provide an external advisory service for all staff, including casual or agency staff, and make every effort to protect the confidentiality of those who raise concerns.

Our Whistleblowing Policy can be found [online here](#).

TRAINING AND AWARENESS RAISING

We have recently introduced a new online training module designed to raise awareness of modern slavery.

The course seeks to educate our people about modern slavery and forced labour, providing real-life examples and highlighting the importance of managing known risks.

The course also outlines how those operating in our supply chain help to keep it free from modern slavery and human trafficking.

It is intended that the training module be made available to employees whose role involves recruitment or procurement and

operations management as well as the executive leadership team.

In addition to the online training module, the technical and procurement teams for AB World Foods' two manufacturing sites have completed bespoke training relating to ethical compliance and risk assessment.

DUE DILIGENCE

Our businesses have undertaken, or are currently undertaking, a risk assessment process to understand which supply chains may be at higher risk of modern slavery. This may be due to the country of origin, the product or industry characteristics (such as seasonal cycles) or workforce characteristics (such as migrant workers).

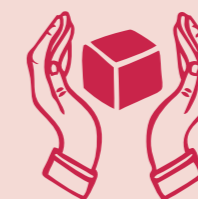
Our businesses are continuing to develop action plans for supply chains that may be at higher risk of forced labour.

In 2018 Twinings produced a sourcing map that details where products are sourced.

GWF has in place a Supplier Approval Program with the aim of ensuring those within our supply chain comply with GWF's policies and the Code of Conduct.

The Supplier Approval Program may include:

- Pre-approval checks where suppliers are expected to provide copies of policies, insurances, compliance certificates and additional information about the business and capabilities; and
- Suppliers completing due diligence questionnaires which include questions as to ethical trading and modern slavery.



Audits by GWF of its suppliers may in some circumstances only occur every three years. As a result, GWF has introduced a Modern Slavery Questionnaire to be completed by suppliers in between audits. In 2020, Jasol, a division of GWF, requested that all suppliers complete the Modern Slavery Questionnaire. Following analysis of the results, if a supplier is determined to be a high-risk supplier without sufficient controls in place, a physical audit of the supplier's site will occur. GWF has also commenced incorporating the Modern Slavery Questionnaire as part of its Request for Tender or Request for Proposal processes.

Our current risk assessment for some of our businesses is supplemented with access to the Supplier Ethical Data Exchange (Sedex) and Maplecroft's risk assessment tool and Thomson Reuters World-Check, which gives us an insight into some of our supply chains and suppliers with the highest risk. The risk of modern slavery is not confined to our supply chains, so we also scrutinise our own hiring practices. For example, this year Jordans Dorset Ryvita amended its Human Resources system to incorporate a message prompt if new starter information matches the details of another employee.

Jordans Dorset Ryvita's key suppliers who provide its manufacturing materials are reviewed using Sedex with the review consisting of 3 stages of risk assessment plus remediation and reporting. The risk assessment includes:

- a high level risk and materiality assessment to identify where inherent risk lies in relation to the Jordans Dorset and Ryvita brands;
- supply chain mapping; and
- an ethical audit if required.

The risk assessments are conducted using a range of qualitative and quantitative data sources including but not exclusive to: Sedex, Verisk, Maplecroft, BRC and 4 pillar SMETA audit data.

Temporary workers are at particular risk, and we have made special provisions to assess the main agencies that provide us with temporary staff. As part of this, we check whether they are members of relevant professional bodies. Our temporary labour agencies are also expected to comply with our [Supplier Code of Conduct](#).

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IDENTIFYING GAPS AND TACKLING KEY RISKS

Associated British Foods recognises the UNGPs, which state that business enterprises should respect human rights. We therefore seek to avoid infringing on the human rights of others and aim to address adverse human rights impacts when we encounter them.

Our efforts to eliminate modern slavery from our operations and supply chain are guided by four values:

• Acting With Integrity –

We are committed to tackling the issue of modern slavery and know that a continuous effort is needed if we are to play our part in eradicating it from our business and supply chain. This Modern Slavery Statement is intended as an honest account of the efforts we are making to address and mitigate this risk to our business and our supply chain.

• Respecting Everyone's Dignity –

We believe every worker deserves to be treated with dignity and respect. People are at the very heart of our business and whether they work directly for us, or within our supply chain, we take care to treat people well.

• Progressing Through Collaboration –

We know that, even with a diverse business, we cannot solve or effectively tackle the issue of modern slavery alone. We know that the best solutions will be generated by working in partnership with suppliers and NGOs and by participating in other multi-stakeholder initiatives.

• Pursuing With Rigour –

We must take great care to thoroughly identify the potential and actual risks of modern slavery connected to our business if we are to play an effective role in tackling the issue. With this in mind, we intentionally work to pursue the projects with the greatest positive impact and reach.

As a result of our due diligence, some of the key risks we have identified include:

- allegations by the media and NGOs of forced labour in Xinjiang, China. Some of GWF's suppliers source ingredients from the region. It is intended that for any such supplier additional due diligence checklists will be implemented and further modern slavery commitments will be required as a preventative measure;
- temporary labourers are at heightened risk of forced labour. As outlined previously, we have made special provisions to assess the main agencies that provide us with temporary staff, including checking whether they are members of relevant professional bodies;
- GWF has a strong audit process in place for bank accounts and charges at present, however it currently does not include a process to verify employee addresses and bank accounts to establish any duplication to identify any possible crossover in records. GWF intends to embed this process into a periodic audit review; and
- procurement of ingredients and packaging from China, India, Turkey and Thailand which are classed as high risk for modern slavery.

Some examples from specific businesses include the following:

- Twinings has specific partnerships in place in various regions (UNICEF in Assam, CARE International in Sri Lanka) which help it to identify and remediate potential issues as part of specific programmes. More information on [current partnerships and programmes](#) can be found online; and
- Jordans Dorset Ryvita is part of a public-private partnership seeking to eradicate child labour from the hazelnut supply chain and is working in collaboration with the ILO, the Turkish Government and a number of confectionary companies. It has also recently joined a second cross-industry partnership in Turkey, administered through the Fair Labour Association, which looks at mapping and addressing labour risks in the vine fruit supply chain.

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IMPROVEMENT

We believe that real change can only come through collaboration with our suppliers and wider stakeholder groups.

We assess high-priority suppliers using either approved external auditors or our own internal team. We audit against our Supplier Code of Conduct, which provides insight into the working conditions and labour standards of the factories that supply our products. If there are any cases where our suppliers are found not to be meeting the expectations and standards laid out in our Supplier Code of Conduct, we work with them, offering training and support, to help them improve. We only terminate commercial relationships with suppliers if no improvements are made over an agreed timeframe or there is no commitment to make them. If we uncover situations of modern slavery or any other serious violations, we seek to verify and investigate immediately.

In addition, a number of our businesses collaborate with other buyers using Sedex and AIM-PROGRESS to share audits and reduce audit fatigue for suppliers. These networks provide an opportunity to collaborate with other businesses on human rights issues. For example, AIM-PROGRESS' Human Rights Work Stream facilitates shared learning on topics such as risk assessments, supplier training and grievance mechanisms. However, it is important to strike the right balance between reducing the administrative burden and tackling root causes.

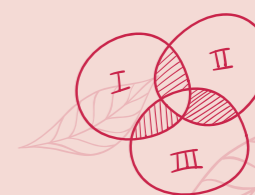
MEASURING PROGRESS

Across the business, we are working to develop the right measurements for both our supply chain and the people we directly employ.

We know that how we measure progress is dictated by the type of progress and change we are seeking to generate.

The following items are currently tracked in some of our businesses:

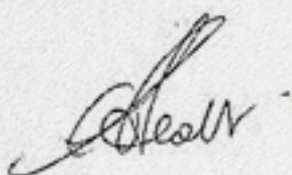
- Internal staff training and awareness of forced and trafficked labour issues;
- Actions taken as part of collaborative initiatives to address modern slavery;
- Our policies relating to forced and trafficked labour;
- Supplier Code of Conduct non-compliance relating to employment being freely chosen;
- Responses to the Modern Slavery Questionnaire by suppliers;
- Registered grievances in our supply chain relating to any form of forced labour; and
- Investigative and remedial actions taken in response to any perceived instance of forced labour in our supply chain.



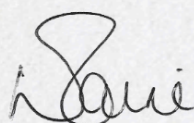
This Modern Slavery Statement is made on behalf of the Australian and New Zealand entities of Associated British Foods plc for the financial year ending 31 August 2020.

This Modern Slavery Statement was approved by the Board of Directors of the parent companies of Associated British Foods plc' Australian operations, in particular:

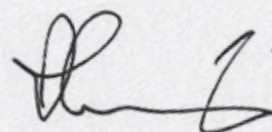
- AB Food & Beverages Australia Pty Ltd on 25 February 2021;
- AB Mauri ROW Holdings Pty Ltd on 19 February 2021; and
- Food Investments Pty Limited on 19 February 2021.



Craig Scott
Director and Managing Director
AB Food & Beverages Australia
Pty Ltd



Lorna Raine
Director
AB Mauri ROW Holdings
Pty Ltd



Stuart Grainger
Director
Food Investments Pty Ltd
