

Welcome from our Chief Executive, Simon Roberts



As a responsible retailer, we have a commitment to the people who make, grow and distribute our products, to ensure they are not exploited in any way or exposed to unsafe or unfair working conditions anywhere in our business or supply chain.

At a time when modern slavery tragically continues to affect millions of people across the world, it has never been more important to ensure that we are relentless in our focus to prevent, detect and remedu it.

We recognise our responsibility to face into this global problem and the need for collaboration across the industry. This year we have strengthened our collaboration and action with a particular focus on the UK agriculture sector, the garments sector in Asia, and the agriculture sector in East Africa. This includes working with others across the fresh produce industry to mitigate risks to workers coming through the UK Seasonal Worker Scheme and joining international brands and a global trade union on efforts to improve wages in garment factories.

The risks of forced labour and worker exploitation are not restricted to any one geography. Targeted action will be needed in supply chains across the world, and we must make sure our own practices as a business do not exacerbate any risks.

Building on our knowledge of risks in the supply chain, we developed best practice standards and guidance for our warehousing and logistics labour suppliers on the responsible use of agency labour.

These standards, together with the ethical assurance programme launched to assess suppliers against them, greatly strengthen our human rights due diligence and the protection of agency workers in our supply chain.

We can only live up to our purpose to make good food joyful, accessible and affordable for everyone, every day if the people in our business and supply chains are treated with dignity and respect. It's more important than ever that we work in partnership with other retailers, suppliers, governments, investors, and civil society to realise this ambition.

This is our eighth statement on modern slavery, in line with Section 54 of the UK Modern Slavery Act 2015. It details the steps we have taken during the financial year ending 2nd March 2024 to prevent modern slavery and human trafficking in our own operations and supply chains.

This statement was approved by J Sainsbury plc Board of Directors in July 2024.



Simon Roberts

Chief Executive Officer J Sainsbury's plc July 2024

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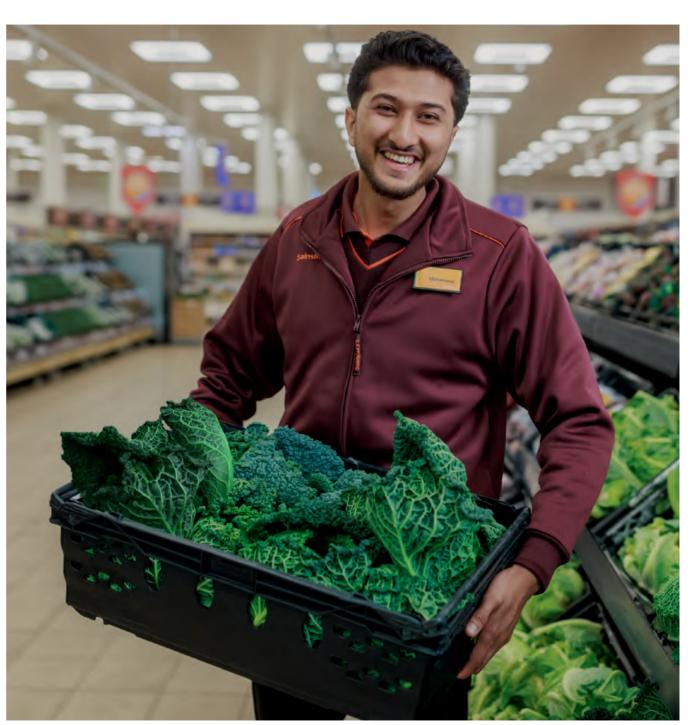
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Key activities and updates in 2023/24

This statement focuses on our activities to address modern slavery. Updates with regards to our broader work on human rights are shared through our Plan for Better report and our webpage dedicated to championing human rights.

Key activities include:

- **Issuing our Responsible Use of Labour Providers Manual** that sets out clear standards and guidance on the use of agency labour in all our warehousing and logistics supply chains, and launching a progressive audit programme against these standards to further enhance our human rights due diligence.
- Continuing our worker voice surveys across our general merchandise and food supply
 chains to ensure our strategy is informed by worker feedback and experiences at work.
- Reviewing initial research outcomes and recommendations from the University
 of Nottingham's Human Rights Lab for improvements to our human rights strategy.
- Contributing to the Seasonal Worker Scheme Taskforce through workstreams that aim to improve worker access to information and grievance mechanisms and improve worker finances.
- Enhancing our whistleblowing management by centralising the reporting of concerns
 coming from our business and supplier sites and improving our governance in reporting back
 to group level.
- Joining eight other UK retailers brought together by the Sustainable Trading Initiative (IDH), we committed to a living wage for workers in our banana supply chains by 2027.
 We are proud that over the last year, we took action to address living wages now, three years ahead of the industry commitment.



We make good food joyful, accessible and affordable for everyone, every day.

At Sainsbury's, we take our responsibility to respect and protect human rights seriously. We are committed to championing human rights across our value chain to ensure that the people who produce our products are not being exploited or exposed to unsafe working conditions and to ensure that our transition to Net Zero is fair for the communities we source from.

This statement covers our approach to prevent modern slavery¹.

For Sainsbury's Bank Modern Slavery Statement:



Definitions for the purpose of this statement

Business / J Sainsbury plc

Our business, which includes food, general merchandise and goods and services not for resale.

Food

Sainsbury's own-brand food and groceries.

General merchandise

Sainsbury's, Argos and Habitat own-brand general merchandise and Tu clothing.

GNFR

Goods and services not for resale, which includes sectors such as energy, marketing, logistics and infrastructure.

Direct suppliers / Tier 1 suppliers

The final point of production, where there is manufacturing, processing, producing or service provision i.e. the final point at which labour was applied.

Our company at a glance

£36,337m

Group sales (inc.VAT)

148,498

597

834

213

4

26

20

Our supply chain at a glance

60+

Countries where we source own-brand products

1,100+

suppliers of own-brand products for food and general merchandise supply chains operating over **1,900+** sites

1,700+

Suppliers over **25+** Countries in GNFR supply chains managed by our procurement division

95%+

of GNFR spend is with suppliers based in the UK

80%

of food supplier sites are based in UK, Spain, France, Italy, Netherlands, China, and Germany

77%

of general merchandise supplier sites are based in China, India, and Bangladesh

997,000+

workers in first tier of food and general merchandise supply chain, of which:

6% are agency workers,

19% are migrant workers

47% are women

Our brands

Connected services



Sainsbury's Bank



















Single Infrastructure



¹This statement sets out the steps taken by Sainsbury's Supermarkets Ltd, Sainsbury's PropCo A Limited, Sainsbury's PropCo B Limited, JS Information Systems Limited, Sainsbury's Tyne Property Holdings Limited, Sainsbury's Thistle Scottish Limited Partnership, Argos Limited, Nectar 360 Limited and Nectar 360 Services LLP, all of which fall within the scope of section 54(2) of the Modern Slavery Act 2015.

An overview of the governance structure

The Corporate Responsibility and Sustainability (CR&S) Committee oversees the sustainability of our business. The Committee's principal role is to review our sustainability strategy - Plan for Better - ensuring it is aligned with the Company's purpose, strategy, culture, vision, and values. The committee has oversight of our policies relating to modern slavery and monitors engagement with stakeholders on sustainability and corporate responsibility, including customers, suppliers, the community, colleagues, shareholders and government.

The CR&S Committee is chaired by Non-Executive Director, Keith Weed. Overall responsibility for modern slavery sits with our board of directors.

Our Chief People Officer is responsible for our human rights policy and the directors of each business division are accountable for implementing our policies and standards throughout our business and supply chains. The Group Head of Human Rights leads our human rights strategy and is responsible for monitoring progress.

While all colleagues have a role to play in addressing modern slavery, it is our technical and ethical trade teams, together with our human rights team, that are accountable for issues relating to modern slavery. These teams engage with and are supported by key departments across the business to carry out this work. Examples include our Agency Labour team in Supply Chain & Logistics and our Procurement teams. All four of our general merchandise sourcing offices in Asia have dedicated ethical trade teams, who are responsible for everyday management of ethical issues.

J Sainsbury's plc Board	Oversight of the sustainability strategy.
	Chairman: Martin Scicluna, Chair
Corporate Responsibility and Sustainability Committee	Reviews the sustainability strategy and monitors the business's engagement with stakeholders on sustainability and corporate responsibility matters.
	Chair: Keith Weed, Non-Executive Director
Operating Board	Defines the business-wide strategy, adapting to new regulatory requirements and trends. Reviews cross-value progress and signs off major investments.
	Chair: Simon Roberts, Chief Executive Officer
Plan for Better Steering Committee ³	Leads operational execution of our sustainability strategy, Plan for Better, by overseeing activity and ensuring delivery of performance.4
	Chair: Mark Given, Chief Marketing Officer
	Reviews supplier ethical performance against requirements and discusses escalated issues.
Food Technical Governance	Chair (food): Debbie Barnes, Director of Central Technical Operations
General Merchandise Technical and Ethical Governance	Chair (general merchandise): Lisa Hollidge, Director of Commercial Operations and Development

Reviews remuneration targets aligned to the sustainability strategy.

Chair: Jo Harlow, Non-Executive Director

Remuneration Committee²

Reviews risks and confidence in disclosures aligned to our sustainability strategy.

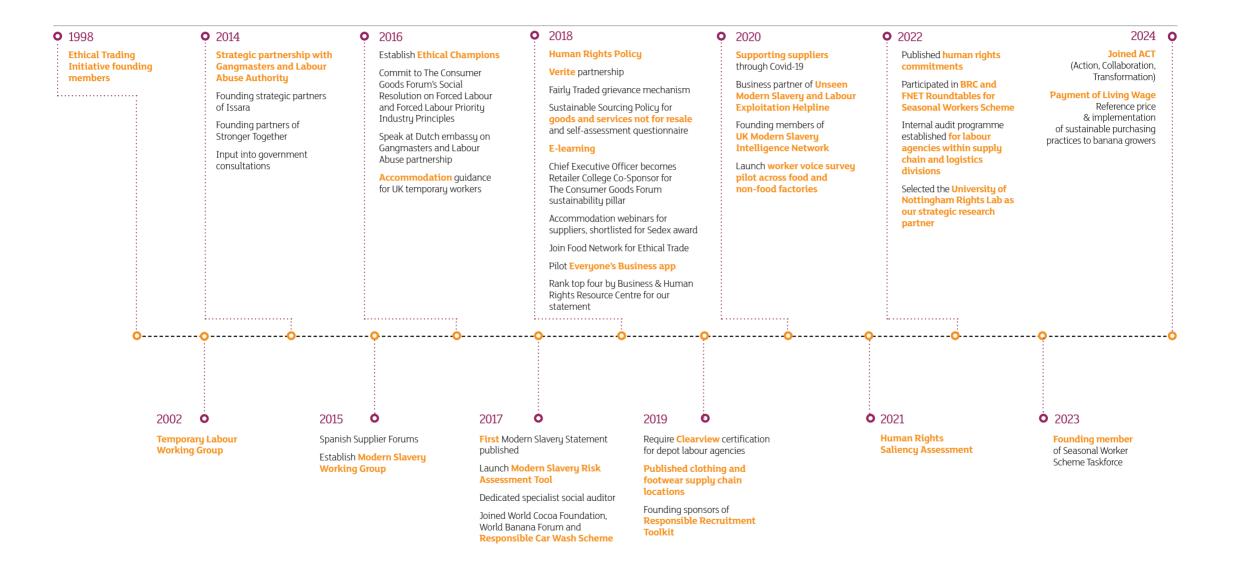
Chair: Adrian Hennah, Non-Executive Director

Audit Committee

² Remit of Committee in relation to the sustainability strategy. For full details on the Committees please read our <u>Corporate Governance webpage</u> | ³ Steering Committee met five times this year. Membership consists of Directors from across the business, with additional Director representation from Finance and Audit periodically attending the Committee to review Corporate Risk Updates | ⁴ Previous working group structure was reviewed and replaced with workstream-specific forums, to support more efficient ways of working.

Our journey so far

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Policies

We do not tolerate any form of human rights abuse within our company or supply chains. We have well-developed policies and processes to avoid causing or contributing to adverse Human rights infringements, including any form of modern slavery. We are committed to addressing such impacts if they occur.

Policy development, embedding and monitoring

Our policies are reviewed regularly to ensure they remain relevant and encompass good practice as it evolves. The need for new policies is identified through gap analyses conducted against our priority risk areas and key raw materials (those that represent significant volumes or value to the business). Policies are developed and updated in line with relevant international standards and local law and in consultation with internal ethical, technical, and legal teams and with external partners, as required. All policies receive formal signoff through our governance processes.

Policies are communicated to Sainsbury's colleagues through our intranet, colleague handbook and line managers. New suppliers must accept our policies through our onboarding processes and current suppliers are alerted to new or updated policies through our supplier specification platforms. Direct suppliers must communicate Sainsbury's policies and positions to their own supply chain partners.

Our supplier manuals and handbooks translate Sainsbury's policy position and standards into specific supplier requirements across our business divisions. Compliance to our supplier requirements is monitored through a combination of third-party ethical compliance, Sainsbury's supplier audit program, self-assessments, and site visits. We manage policy communication to new suppliers to ensure there is a streamlined process across technical, buying, and ethical sourcing teams. Policy and Compliance Leads in food and general merchandise divisions formalise this process.

We manage policy compliance through contractual terms and conditions and require

suppliers to have their own codes of conduct and ethical trade management systems to manage risks. You can find all of our publicly available policies here, including our Group Ethical Sourcing Policy, our Human Rights Policy and our key raw material policies such as Cotton, Precious Metals & Minerals and Forest Products.

Responsible Use of Labour Providers Manual

Launched in May 2023, our Responsible Use of Labour Providers Manual sets out clear ethical standards and guidance on the use of agency labour in all our warehousing and logistics supply chains. The standards cover requirements from a legislative standpoint, with detailed guidance on areas of higher risk. They also cover Sainsbury's minimum requirements, which aim to address areas of risk that are not covered by UK law, as well as best practice in line with the Ethical Trading Initiative (ETI) Base Code, and Sainsbury's human rights and ethical trade policies. This includes standards relating to forced labour indicators such as recruitment fees. illegal deductions, and excessive working hours.

Prison Labour and Home Work Policies

Two new human rights policies were published in February 2024 that set out Sainsbury's position and approach in these important areas. The policies will help us to gain greater visibility of where home work and prison labour might occur. They also outline supplier responsibilities that would need to be met in order for Sainsbury's to consider accepting any cases of home working or prison labour in its supply chain. Our Policy on Prison Labour is aligned with the ILO Forced Labour Convention (No.29), Clause 1 of the ETI Base Code and ITUC guidance on forced labour. <a href="Our Policy on Policy on

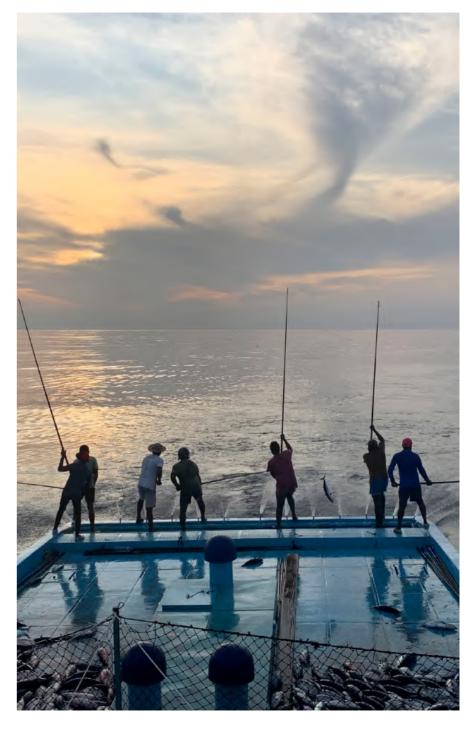
Home Work is aligned with the ILO under their Convention no. 177 on Home Work, the ETI Model Home Worker Policy and the ETI Base Code.

Key raw materials policies

Specific commodity policies address areas of the highest social and environmental risk within our key raw materials supply chains. These include cotton, precious metals and minerals, and man-made cellulosic fibres. We review and update these policies in consultation with internal teams and with input from external consultants. In 2023, we developed three new key raw materials policies (Leather, Cocoa, Coffee) and updated Our Cotton Policy. See our 'Risk assessment and management' section for more information about our work in cocoa, coffee and cotton.

Internal guidance on forced begging

Forced begging is a less talked about aspect of modern slavery. It is where criminal gangs can force victims to beg for money on the streets through the use of threats, abuse and control – and then take the money from them. Following the identification of the risk of forced begging in and around our stores, we updated internal guidance for store managers to include information about this issue. The guidance outlines the signs of forced begging and the process to follow should a suspected case be identified. Through these updated processes, Sainsbury's can address any concerns that may arise in relation to the risk of forced begging in and around our stores.



Due diligence

We conduct due diligence to identify and address modern slavery risks caused by, or connected to, our business. These processes are integrated across food, general merchandise and goods and services not for resale business divisions.

Supplier compliance and monitoring in food and general merchandise

We use risk scores from Sedex's risk assessment tool Radar, compliance data, industry expertise, media and non-governmental organisation (NGO) reporting, and commercial information to highlight where there is highest risk of modern slavery in our supply chain. Across our divisions we take a cross-functional approach to supplier compliance by integrating ethical requirements and monitoring into technical business processes. Supplier compliance and monitoring is focussed on own-brand suppliers, as this is where we have greatest responsibility and impact.

Any new direct supplier site goes through a robust onboarding process that includes an ethical compliance check by the Technical Team and Onboarding Audit by Sainsburys Central audit team in food and Ethical Trade teams in general merchandise. Food and general merchandise supplier sites are allocated a risk rating based on risk indices from Radar and audit history. These elements determine the frequency of ethical audits in food and site visits in general merchandise.

SMETA (Sedex Members Ethical Trade Audit) audits continue to be carried out annually on all direct general merchandise supplier sites. The audit must be an unannounced or semi-announced third-party audit conducted by an approved independent ethical audit company. This year, we trialled an approach with a small number of sites for exclusive campaigns, where we used the Sedex Self-Assessment Questionnaire to determine whether the ethical audit would be required annually.

For food supplier sites, SMETA audit frequency is determined by risk ratings. High-risk sites are

audited every year and low-risk sites have a minimum audit frequency of four years. We have also implemented a grading of SMETA audit findings to improve focus on supplier performance and allow us to direct our efforts to where it matters most. Approved auditors must be certified by APSCA – the Association of Professional Social Compliance Auditors.

Our technical teams monitor audit delivery and performance and support our suppliers to resolve any issues found onsite. Suppliers are required to immediately resolve Business Critical and Critical non-compliances raised through the ethical audits. Serious or persistent issues are escalated within the business and ethical teams lead on investigating and working with suppliers to develop remedial action plans. In rare and severe cases where there is no improvement, or willingness to improve, we responsibly exit from the supplier in line with Groceries Supply Code of Practice regulations.

Supplier compliance is communicated to our technical teams every two weeks in general merchandise and every period in food.

Technical governance meetings review supplier compliance against ethical and technical requirements and discuss escalations.

This year we launched our new food safety audit programme including core ethical questions for all sites on the responsible management of labour providers and the availability of grievance mechanisms on site. Every direct site will be audited on a risk assessed frequency, at least every three years.

We also relaunched our ethical governance and Key Performance Indicators in Food, and centralised management of compliance. To support us with this work, we have onboarded a Sedex Ethical Trade Coordinator.

Due diligence within our goods and services not for resale (GNFR) supply chains

We recognise that goods and services provided to our business and supply chains and that are not sold in our stores may also pose human rights risks, including modern slavery. We carry out due diligence across our division to ensure we understand and tackle these risks.

Every procurement sourcing project starts with a risk assessment to identify areas of high human rights and modern slavery risk, and we tailor our approach accordingly.

Our supplier assurance process for GNFR suppliers includes the rollout, verification, and assessment of an enhanced supplier self-assessment questionnaire (SAQ). Suppliers answer the SAQ that covers key topics, including labour laws and compliance with the UK Modern Slavery Act. Almost all of our GNFR suppliers have been invited to complete the questionnaire, covering around 99%+ of yearly spend. We had a target to achieve spend coverage of £2 billion by the end of FY23/24, and we achieved this goal. The next stage is to increase the amount of spend and number of suppliers covered, and we are using a risk-based approach to prioritise suppliers.

Risks identified through supplier responses to the SAQ are investigated by the Human Rights Team, GNFR senior management and key buyers, who engage with suppliers to understand and manage the risk.

If there is overlap with our Goods For Resale supply chains, for example, in the supply of colleague uniforms, our GNFR suppliers are expected to meet the same compliance standards and ethical requirements as suppliers of our Tu clothing range.

Our human rights due diligence has been enhanced this year through the development of robust and comprehensive standards and guidance to be incorporated into our supplier contracts with labour providers and third-party logistics providers and our supplier manual

These standards provide clear requirements on the use of agency labour in all our warehousing and logistics supply chains. Following the development of these standards, we designed and implemented an internal audit programme to assess compliance against them. A new dedicated ethical trade manager joined our team to develop and lead this programme.

11 compliance audits and visits were conducted to labour providers in our supply chain and logistics network through this new programme, accounting for around 75% of agency labour spend across our business operations. We found many examples of good practice, including up-to-date worker handbooks with a modern slavery awareness section, which informs workers on how to spot the signs, as well as grievance and whistleblowing policies detailing how suspected cases can be reported.

However, we also identified areas for improvement, including the need to strengthen systems to detect modern slavery at the supplier level, welfare checks conducted with vulnerable worker groups such as migrant workers, and access to independent whistleblowing hotlines for workers to raise concerns and issues. We are working closely with our labour providers to ensure the effective and timely remediation of these issues and implementation of preventative action to address modern slavery.

We will continue to carry out new audit cycles and review the scope of the programme using a risk-based approach to ensure we are addressing modern slavery risks across our operations. To further strengthen our human rights due diligence in this area, we plan to complement our audit approach with worker voice and engagement initiatives across our logistics network.

Alongside this internal audit programme, we have also worked with our strategic third-party logistics providers to support them with the development of their own audit programmes to conduct due diligence and mitigate risks across our value chain, especially in tier 2. As part of this support we conducted training and collaborative visits.

Traceability and transparency

Traceability and transparency are key levers to help address human rights issues and we are committed to achieving greater visibility across our supply chains. Publishing our tier 1 own-brand supplier lists enables us to promote transparency and collaboration.

We are working to improve visibility of our supply chains beyond tier 1. For each of our key raw materials, we are looking at ways to drive traceability. For example, we mapped our top 10 leather suppliers to tier 3, who make up 97% of our volume, and in timber we have visibility all the way to origin for all own brand products that contain timber, across food and general merchandise, excluding packaging. We have commitments to have 100% of our own-brand and owned-brand coffee and cocoa products traceable to origin by 2025 and are working on further traceability projects for all our remaining key raw materials.

In general merchandise, we are accelerating our commitments towards gaining transparency in the supply chain and have begun working strategically with our key suppliers on a pilot tier 2 programme. Through this programme, we have mapped our garments supply chain to tier 2 in Bangladesh and Türkiye. In GNFR, we have mapped all agency labour providers in warehouse and logistics to tier 2.

We recognise the need for further traceability and transparency beyond tier 1 suppliers and to identify forced labour risks where we have indirect supplier relationships and less visibility of conditions for workers, growers, and communities. In the coming year, we will continue the important work that is already underway in this area and look forward to sharing updates on our progress in our next statement.

Audit highlights

915

60

1,516

general merchandise

total audit

J Sainsbury plc | Modern Slavery Statement 2023/24 Introduction **Collaboration Overview** Our approach Looking forward

Collaboration

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Collaboration with industry and expert organisations is a key part of our approach to addressing modern slavery risks and abuses.

We continue our engagement with industry groups and multistakeholder initiatives to ensure a coordinated approach to tackling allegations of human rights abuses, provide spaces for sharing intelligence and learning and to drive improvements across the industry. A list of key partnerships can be found in the Collaboration Overview section of this report.

When we receive an allegation linked to our supply chain, tripartite structures such as the ETI allow us to convene with other retailers, non-governmental organisations and trade unions to agree an approach on investigation and remediation. These forums also provide a valuable platform to understand and address serious geopolitical events that occur within a sourcing country.

Food Network for Ethical Trade:

As a member of the Food Network for Ethical Trade (FNET), we benefit from fortnightly group calls where members and external experts share best practice on issues such as managing human rights risks, developing resources to tackle recruitment fees, improving worker representation and human rights due diligence good practice. There is also support on specific food sector issues, including workers' rights in warehousing and logistics, seasonal worker risks and remediation processes. We are part of several working groups including one focused on human rights risks associated with climate

Supplier Ethical Data Exchange (SEDEX):

We have taken part in and continue to be involved in multiple Sedex working groups and research calls to support development and drive improvement of industry standards. These include the SMETA Technical Advisory Group and Sedex Service Provider Working Group.

International Accord:

This year we re-signed the International Accord and the Bangladesh Accord and became signatories to the new Pakistan Accord. This is to support assessment and remediation activities in the ready-made garment sector.

Spanish Ethical Trade Forums (Foros Comercio Ético):

We support the Spanish Ethical Trade Forums who organise independently facilitated local forums for our suppliers in Spain to address discrimination against migrant agricultural labourers and investigate the provision of labour in first and second-tier suppliers.

This year we provided sponsorship to support the development of the Ethical Trade Forums Circular Labour Migration Platform programme. This project will include the creation of a platform that will connect temporary workers with different businesses requiring labour for specific harvest seasons and the development of the Just Good Work App with key information for workers relating to the region where they are working or seeking to work.

Action, Collaboration, Transformation (ACT):

This year we became a signatory of Action, Collaboration, Transformation (ACT). ACT is a global agreement between brands, retailers and trade unions that aims to make improvements and achieve living wages for workers in the garment, textiles and footwear industries through collective bargaining at industry level, freedom of association and responsible purchasing practices. We are excited to join this partnership and to take steps to improve wages in the garment sector.

Fairtrade partnership:

Through sales of Fairtrade products, Sainsbury's generates the most Fairtrade Premium of retailers in the UK. We have recently reinvigorated our long-standing partnership with the Fairtrade Foundation to address salient human rights and environmental risks in our priority supply chains, in consultation with workers and growers.

The Fresh Produce Consortium:

In January 2024, we joined the Fresh Produce Consortium (FPC) - the UK's fresh produce trade association. We engage with the FPC on the revision of temporary accommodation guidance. This is to ensure that workers employed in this industry live not only in a safe environment, but in one which is acceptable in terms of comfort and security. We also took part in our first FPC Sustainability meeting.

Human Rights Impact Assessment in UK Poultry

In 2023, we commissioned a Human Rights Impact Assessment (HRIA) of UK poultry sourced from our sole supplier of chicken products for our 'By Sainsbury's' own-brand range. The HRIA helped us to hear the views of stakeholders across this supply chain and to understand their exposure to risks, root causes and possible solutions.

The assessment of our supplier's practices outlined that there was an understanding of the key issues and that there were already a range of workstreams in place to prevent and mitigate the human rights impacts that the assessment identified. Engagement with stakeholders highlighted the challenges but also demonstrated innovation in attempts at mitigating and preventing the potential negative impacts of these challenges on operations and those working in the sector.

Identified potential risk areas include:

- Indicators of forced labour associated with chicken catchers. Though no specific cases of forced labour were identified, the assessment highlighted the heightened risks of exploitation among catching teams due to the less formalised systems for employment.
- The supply of soy that feeds the birds and the risk of forced labour and child labour associated with the sourcing of soy.

Although the overall findings outlined the low likelihood of forced labour occurring at anu of the supplier sites for our own-brand chicken products, we will in the coming year work on the recommended action plan to enhance human rights due diligence of chicken catchers and in soy supply chains.

Responsible Purchasing Practices

We are committed to establishing long-term, open, and fair relationships with our suppliers and making sure that they have the support and capacity to safeguard workers and local communities. This includes recognition that the impact that purchasing practices can have in shaping workers' conditions and pay, and

the importance of accounting for production and labour costs, providing fair payment terms, accurate volume forecasting and adequate lead times.

This year, we once again invited our general merchandise suppliers to complete a Better Buying survey and 136 suppliers responded. These anonymous surveys tell us what impact our purchasing practices have on their financial, environmental, and social sustainability. The Better Buying score highlights priority areas we need to address in our purchasing practices.

Sainsbury's colleagues in Clothing Buying and Sourcing teams have also joined ETI's Responsible Purchasing Practices training with the goal of better understanding how to protect human rights through purchasing practices. This programme covers the Common Framework for Responsible Purchasing Practices and will help Sainsbury's to identify which practices could be applied internally.

Partnership with the Rights Lab

This year marks the first of a three-year partnership with the University of Nottingham's Rights Lab – to research our salient and evolving human rights risks and interpret how these risks will affect our business in the future and understand how Sainsbury's can respond.

As part of this year's partnership activities, the Rights Lab established a methodology for Sainsbury's to understand risk that will help prioritise research activity and inform recommendations for action over the course of the partnership. To bring their expertise and insights into board discussions, Professor Dame Sara Thornton, previous UK Independent Anti-Slavery Commissioner and current Rights Lab Professor, attended a Plc Board meeting to discuss evolving human rights and modern slavery risks.

The Rights Lab developed two reports this year. The first was a baseline research report for Sainsbury's including:

A global context for human rights, democracy, and the environment, relevant to Sainsbury's business;

- A baseline for our salient and evolving risks, analysing global trends in these areas and running deep dive analyses on urgent areas for focus;
- Research into emerging issues and country/sector risk hotspots as they related to Sainsbury's identified salient /evolving human rights risks;
- Recommendations for action and future work based on the risk analyses, discussions with the Sainsbury's team to date and Rights Lab expertise in designing human rights risk management programmes.

Relating to forced labour specifically, the report assesses forced labour risk across UK food supply and determines higher risks for tea in India, Kenya, and China, and a diversity of risks in banana supply and in the two-tiered structure of coffee supply (raw beans and roasted coffee).

The second focused on Child Labour and Stranded Communities (protecting workers from negative impacts of climate change). This involved analysis of risk-related data for key product supply chains in selected countries; a review of international, regional, and domestic regulations and frameworks relating to child labour, safe work, trafficking and modern slavery; and a corporate response evaluation.

The Rights Lab is also doing ongoing work to develop a high-risk country rapid assessment tool. This draws on the Rights Lab Modern Slavery Country Risk Atlas and interconnected issues relating to modern slavery including conflict and humanitarian crises so these factors can be considered in decision-making and due diligence with suppliers.

In next year's statement, we look forward to sharing the actions that Sainsbury's has taken in response to the Rights Lab's recommendations and findings and continuing to update on progress delivered through the partnership.

Stakeholder engagement

Engaging with workers to hear their experiences through worker voice surveys

Worker voice surveys can help us to spot indicators of modern slavery, such as involuntary overtime, and to identify ways in which we can improve worker wellbeing. They will also help to identify where and how we need to take further action to support workers and suppliers.

Through our partnership with Ulula, we use worker voice surveys to get a better understanding of workers' experiences in our general merchandise supply chains. This year, we continued our surveys in India and extended the programme to factories in Sri Lanka, Türkiye and Vietnam.

In our food business, in collaboration with other retailers and working with &Wider, we surveyed workers in the South African fruit sector. Additionally, we rolled out worker surveys to selected berries and cherries suppliers in the UK as well as tomato growers in Italy, in partnership with a supplier.

Once surveys have been completed, we process the information and discuss results and key findings with our suppliers. To address issues raised, we share guidance and support the development of supplier action plans. These surveys ensure that our strategy is informed by worker feedback and experiences at work.

In the coming year, we will continue our worker voice surveys with &Wider in Italy with tomato growers. In general merchandise, we will survey workers in partnership with Ulula in Türkiye, Egypt, Cambodia, and Sri Lanka.

Grievance mechanisms

Sainsbury's supports the UK's Modern Slavery & Exploitation Helpline which is a free, independent and confidential service, operated by Unseen, available 24/7.

Our partnership and membership of Unseen's Business Portal gives us access to sanitised

intelligence on modern slavery and exploitation reports linked to either our own operations or supply chain in the UK (where this is appropriate). We also receive anonymised information about other appropriate cases reported through the helpline related to our sector. This is invaluable in helping us build up a picture of risk so we can work to address modern slavery risks across our business and supply chain.

In our own business:

Sainsbury's colleagues can raise grievances in line with our Fair Treatment policy and processes. Colleagues can raise concerns about modern slavery or wrongdoing through Rightline, our confidential whistleblowing channel. Quarterly reporting on whistleblowing complaints is shared with the Company Secretary, the Chief People Officer, and the Director of Internal Audit. A summary is also shared with the Audit Committee. All cases are investigated and resolution measures put in place.

Following the results of an internal audit, this year we enhanced our whistleblowing management by centralising the reporting of concerns coming from supplier sites and improving our governance in reporting back to group level.

In our supply chains:

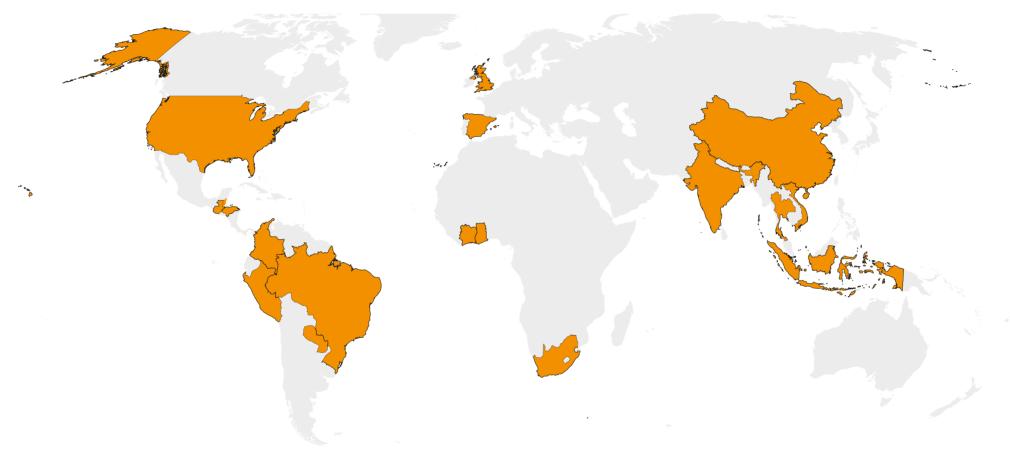
Grievance mechanisms are a critical factor in helping us improve conditions for workers in our supply chain and they play a key role in the detection, prevention and remediation of modern slavery. Our policy on ethical sourcing sets out our expectation for suppliers to have established processes and procedures for workers to be able to raise concerns and for those concerns to be addressed. We also expect our suppliers to enable freedom of association and ensure workers can voice important issues through their representatives. Our UK suppliers that do not have a whistleblowing line can use Sainsbury's RightLine mechanism and make details of this channel available to workers.

As outlined in last year's statement, we also promote access to grievance mechanisms for workers in our supply chains through support for and partnership with external organisations. Examples of these include signing up to the ETI Grievance Mechanisms in Agriculture Working Group, our collaboration with the Issara Institute to tackle forced labour and human trafficking in Thailand and South East Asia and our work the International Pole and Line Foundation and World Wise Foods and other keu partners on an initiative in the Maldives to develop and promote a platform for migrant workers to raise grievances. More information on these partnerships can be found in the 'risk assessment and management' section.



Risk assessment and management

We have identified forced labour as one of our salient human rights risks. Our human rights saliency assessment included analysis of our key raw materials (those that represent significant volumes or value to the business) against forced labour risks, using risk scores from Sedex's risk assessment tool Radar, compliance data, industry expertise and commercial relationships. This ensures we focus our efforts on areas of highest risk and where we have leverage and can drive positive change.



Key sourcing countries with forced or child labour risks

Seafood	Cotton	Fresh Produce	Coffee	Sugarcane	Cocoa
China	Brazil	South Africa	Brazil	Belize	Ghana
Indonesia	China	Spain	Colombia	Paraguay	Ivory Coast
Thailand	India	United Kingdom	Guatemala		
United Kingdom			Honduras		
Vietnam			Vietnam		

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Risk assessment and management (continued)

As part of our forced labour strategy, we are working to seek out and address all instances of forced labour bu:

- Progressively increasing detection of indicators of forced labour.
- Conducting and facilitating training on good practices for suppliers and colleagues.
- Collaborating and advocating with industry partners on innovative approaches and projects.
- Supporting remediation efforts on identified cases of forced labour.
- Reporting publicly on identified cases of forced labour and action taken.

As a result, we will be better prepared to prevent forced labour and have the ability to support victims when it does occur. Our suppliers will be supported to improve and rewarded for doing the right thing to protect workers.

The following pages are examples of risk areas and how we are taking action to address these risks.

State-imposed forced labour

We stand against all forms of modern slavery, including forced labour. In some cases, forced labour can be state-imposed. This means that the government requires compulsory labour by citizens, or by prisoners.

State-imposed forced labour (SIFL) can be indiscriminately applied, or discrimination can be a leading force in determining who is forced to provide labour by the state. In either case, this is a breach of fundamental human rights.

To enhance our current due diligence processes, we are taking forward additional actions to:

- Identify which countries have stateimposed forced labour programmes, which sectors are affected, and how these overlap with our sourcing and supply chains.
- Determine a risk assessment to identify focus areas.
- Agree what due diligence (if any) can be applied to source ethicallu.

This is in the early stages of implementation and will be closely connected to our highrisk country approach and forced labour and discrimination strategies.

Seafood:

We recognise that forced labour and human trafficking in the fisheries sector is a significant concern, examples of which were recently evidenced in the <u>Outlaw Ocean Project</u>. Fishers, many of them migrant workers, can be vulnerable to being deceived and coerced by brokers and recruitment agencies and forced to work on board vessels under the threat of force or by means of debt bondage. Working hours are often long, and the work is intense, hazardous, and difficult. As such, strengthening our understanding of our seafood supply chains is a high priority for Sainsbury's and we are working to ensure we have visibility down to vessel level.

We participate in the Seafood Ethics Action Alliance which provides a platform for us to come together with other businesses to work on human rights and labour standards in the seafood sector by improving human rights due diligence, advocating to governments for improved regulation and enforcement and by supporting projects in the supply chain that seek to improve working standards.

In partnership with World Wise Foods and The International Pole and Line Foundation, we continue to support the development of a national grievance mechanism in the Maldives, as well as resources that inform migrant workers of their rights whilst employed in the Maldivian tuna industry.

This year we achieved the goal of selling only 100% Marine Stewardship Council (MSC) certified pole and line caught for our canned tuna across our own label.

On certification more broadly, we are working with our suppliers to ensure that all the fish we sell is independently certified as sustainable and responsible. As well as the MSC certified fish mentioned above, we have committed to sourcing 100% Aquaculture Stewardship Council (ASC) certified farmed seafood and our fresh Scottish salmon range is alreadu 100%

independently certified by ASC. ASC standards set strict requirements for responsible seafood farming that not only encourages producers to farm with care for fish and the environment, but also for the people on and around the farm.

We continue our partnership with the Issara Institute to tackle forced labour and human trafficking in Thailand. Issara's worker voice channels are available to workers in primary processing facilities and businesses in our food supply chains in Thailand, and Issara also engages with workers in-person at participating factories, at accommodation facilities, and in the community. Issara works to ensure communication is safe, accessible and inclusive for all workers, regardless of the languages they speak. Workers can exchange information and raise grievances via a free 24/7 multilingual phone hotline, Issara's Golden Dreams smartphone app, Issara-led in-person outreach activities, closed Facebook chats, and Line, Viber, and WhatsApp messaging.

Cotton:

Cotton is critically important to our business as it is used across general merchandise and non-food grocery and is the most widely used fibre in our Tu clothing range.

We recognise the multiple environmental and human rights challenges in sourcing cotton, with ongoing forced and child labour allegations in cotton growing regions such as Turkmenistan and Xinjiang province in China.

This year we updated our cotton policy that includes our statement of intent that 100% of our cotton will be sourced to an independent sustainability standard by 2025. Our policy has a few product exemptions that we will work towards closing in the future. Our policy states that suppliers must source cotton through one of our accepted independent programmes, which include Better Cotton and Fairtrade, and that they must not knowingly use any cotton fibre sourced from Turkmenistan or Xinjiang. We expect all reasonable efforts be made to identify fibre origin and the route of cotton through the supply chain and we collect this information through our supplier reporting platform. This includes a declaration on

whether cotton is sourced from Turkmenistan or Xinjiang.

Better Cotton's Principles and Criteria covers decent work as defined by the ILO and producers must ensure that there is no forced or compulsory labour, including bonded or trafficked labour in accordance with these principles. If either is discovered where Better Cotton is produced, it is considered an incidence of non-conformity with the Better Cotton Standard and is dealt with immediately. Better Cotton does not operate in regions where there is high risk of state-imposed forced labour, including Turkmenistan or Xinjiang. From March 2023 to March 2024, Better Cotton Farmers benefited from more than USD \$2 million additional profit thanks to our sourcing of Better Cotton⁵.

End-to-end traceability of cotton is often not possible as it is sourced through the mass balance system. We endorse efforts to gain greater traceability of cotton sourcing and seek to engage with industry initiatives to drive standards and adopt more sustainable practices.

Fresh produce:

Agricultural production of fresh fruits and vegetables often relies on seasonal migrant labour. Migrant workers can be vulnerable to forced labour through debt bondage through payment of high recruitment fees and poor living and working conditions.

There are concerns of unethical recruitment and employment practices in the UK fresh produce industry linked to the Seasonal Worker Scheme (SWS). This scheme enables businesses in the horticulture and poultry sectors to use approved operators to find workers, who are granted a visa of up to six-months to work in the UK. Identified risks include deceptive recruitment practices, lack of knowledge of UK standards and laws, and high travel costs — all of which can put workers coming through the scheme at increased risks of debt bondage.



⁵ These claims do not use certified data and are only intended to give an approximate representation of the impact made due to our sourcing of Better Cotton.

Risk assessment and management (continued)

Sainsbury's continues to co-fund and participate in the SWS Taskforce to find industry solutions to safeguard workers coming into the UK through the scheme. Sainsbury's contributes through workstreams that aim to improve worker access to information and grievance mechanisms and improve worker finances. In particular, we have supported the continued development of the content for the Just Good Work app and its roll out across the scheme (see below). We also contributed to the independent progress review of the SWS Taskforce and supported the Nottingham University Rights Lab research project looking into grievance mechanisms available to workers with the SWS visa (which is being done in collaboration with the Taskforce).

Outputs from the Taskforce include:

- Continued development and updates to the Just Good Work app which aims to help protect workers from hidden exploitation risks during recruitment and on farm. Between January 2023 and December 2023, there were 33,946 users, including 29,026 new downloads, and 33% of scheme workers were using the app.
- Mapping of existing grievance routes available to workers.
- Development and delivery of five regional grower roadshows and three webinars

 which included a Grower Toolkit and training to support growers to reduce risks and enhance the recruitment and on-farm experience of seasonal workers.
- Work to refine common policy asks for active engagement with relevant government departments.

Outside of the UK, we are continuing our participation in the ETI Grievance Mechanisms in Agriculture Working Group which seeks to increase the ability of migrant workers to access appropriate grievance mechanisms within targeted supply chains in Spain and Italy. Recognising the growing risks of heat stress in the workplace, next year we will partner with La Isla Network, a leading expert in heat stress to prevent and mitigate worker heat stress on farms in Spain.

Sainsbury's will continue to fund and participate in workstreams and projects to prevent, mitigate and remediate negative human rights impacts in the coming season.

Coffee:

Coffee producers' incomes are highly susceptible to fluctuations in global market prices, making them vulnerable to poverty when prices are low.

Coffee harvesting is labour intensive and maintaining the quality of the bean during processing is time sensitive. Producers need to bring workers in quickly, often on a temporary and casual basis. Both migrant and local workers are vulnerable to forced labour, as migrant workers can be trafficked or recruited through labour brokers who charge high fees and local workers can be subjected to illegal pay deductions.

Almost all our own-brand roast and ground coffee is Fairtrade certified, with the exception of one product which is Rainforest Alliance certified.

Fairtrade views forced labour, and any form of exploitation and abuse, as totally unacceptable. Fairtrade Standards encompass strong entry requirements based on ILO conventions on forced labour as well as the UN protocol to prevent trafficking. Fairtrade recognise that standards alone are not enough to address forced labour and support producers to develop preventative measures in areas of high risk and provide free training to farmers and workers on human rights topics.

In 2023, we invested £650,956 back into the coffee supply chain through the Fairtrade Premium⁶, which is invested into business and community projects that are chosen by farmers and workers.

In 2009, we set up the APECAFEQ sun-dried community coffee project in Quinchia, Riseralda in Colombia to enhance the positive impact of our trade. We pay USD \$0.02 per pound in weight in addition to the Fairtrade Premium, which has enabled further investment in community programmes and productivity

This year we developed our policy on coffee in which we outline our intent:

- To source 100% of our own-brand and owned-brand coffee products⁷ to an independent sustainability standard by 2025 (Rainforest Alliance Sustainable Agriculture Standard or Fairtrade Standard for Coffee)
- That 100% of our own-brand and ownedbrand coffee products will be traceable to origin by 2025.

Through certification and traceability data, we can monitor progress towards our Plan for Better commitments. This insight into traceability data will also enable us to work more closely with the producers and better understand the challenges they face.

Sugarcane:

Sugarcane is the main source of sugar globally. Sugarcane production provides an important source of employment and income but has been linked to forced labour, land grabbing and workplace health and safety risks. Sugarcane supply chains are often complex and involve many actors, making it difficult to get full traceability and transparency of human rights risks.

24% of our own-brand sugar is Fairtrade certified. Fairtrade works to improve access to markets for smallholder producers and supports farmers and farming communities through the Fairtrade Premium. In 2023, we invested £260,898 back into the sugarcane supply chain through the Fairtrade Premium⁸, to be invested into business and community projects that are chosen by farmers and workers.

Cocoa:

Cocoa is one of our main raw materials that goes into a variety of products. Cocoa farms and farmers face challenges in achieving a decent livelihood and are high risk for forced labour, worst forms of child labour, unsanitary housing, poor working conditions and long working hours.



Many of our cocoa products are Rainforest Alliance certified. The Rainforest Alliance uses an 'assess-and-address' approach to tackling forced labour, which focuses on prevention, engagement, continuous improvement and incentivising farmers to tackle forced labour. Cocoa farmers receive an extra USD \$70 per metric tonne of cocoa through the Sustainability Differential and get further support through the Sustainability Investment, in which farmers draw up investment plans for continuous improvement. As outlined in our new Cocoa Policy, by the end of 2024, we plan to source 100% of our own-brand and owned-brand products⁹ to an independent

sustainability standard (Rainforest Alliance Sustainable Agriculture Standard, Fairtrade Standard for Cocoa or Barry Callebaut's Cocoa Horizons Standard). We also plan for 100% of our own-brand and owned-brand products to be traceable to origin by end 2024.

As with some of our other key raw materials, certification and traceability data will enable us to track progress against our commitment to ensure that the people who make or grow our products are not being exploited or exposed to unsafe working conditions.

⁶ Amount invested back into the supply chain through the Fairtrade Premium in the 2023 calendar year. | 7 Roast & ground whole beans, instant, pods & coffee bags.

⁸ Amount invested back into the supply chain through the Fairtrade Premium in the 2023 calendar year. | 9 All Sainsbury's own-brand products containing any type of cocoa based ingredient (including cocoa powder, cocoa liquor, cocoa mass, cocoa butter, cocoa beans, cocoa nibs).

Allegations and management

We are made aware of allegations through several channels that are available to stakeholders across our business and supply chains. Modern slavery or forced labour allegations and whistleblowing cases are monitored through an internal tracker, which is managed by Ethical Trade and Human Rights Managers. Issues are escalated immediately to heads of department. This year, we were alerted to complaints relating to forced labour indicators through grievance mechanisms or whistleblowing channels.

Allegations reported to us are investigated and remediation support given where required. We take a collaborative approach and engage with stakeholder and industry forums where possible to ensure that coordinated action is taken that is in the best interests of potential victims. The below table outlines actions taken and status of the investigation.

Risk	Channel	Country	Action	Status
Forced labour	Media	China	Investigation with suppliers and review of sourcing and supply chain due diligence.	Ongoing
Recruitment fees / discrimination	Retailer	Malaysia	Independent investigation and supplier corrective action plan.	Ongoing
Forced labour / violence and harassment	Internal Visit	Bangladesh	Training for mid-level and senior level factory management on grievance mechanisms and workplace violence and harassment.	No further action required
Abuse of vulnerability	SMETA	Turkey	Independent investigation and supplier training on effective communication and reporting of grievances.	No further action required
Abuse of vulnerability / restriction of movement	Retailer	China	Independent investigation and collaborative action ongoing with other retailers.	Ongoing
Recruitment fees / Labour exploitation	Supplier	United Kingdom	Allegation substantiated by supplier investigation. Case escalated to the police and Gangmasters and Labour Abuse Authority (GLAA).	No further action required
Wages / Responsible recruitment	Retailer	United Kingdom	Supplier investigation and corrective action plan completed, which included reimbursing workers.	No further action required
Child Labour	Supplier	Turkey	Independent investigation. Ongoing ETI remediation programme and action plan.	Ongoing
Forced overtime	Unseen	United Kingdom	Supplier investigation and corrective action plan, which included a review and update to contracts and collective bargaining agreements.	No further action required
Theft / deception	Agency	United Kingdom	Allegation substantiated by supplier investigation. Corrective action plan implemented including reimbursement of workers.	No further action required
Discrimination	SWS taskforce	United Kingdom	Supplier investigation completed and improvement areas identified. The corrective action plan is managed by the direct supplier.	No further action required
Harsh Treatment	Unseen	United Kingdom	Supplier investigation and actioning of the grievance and disciplinary process. The claimant did not want to take further action.	No further action required
Terms of employment / wages	Unseen/media	United Kingdom	Investigated by the GLAA and supplier. Collaborative action taken with the supplier and other retailers to implement a corrective action plan.	No further action required
Wages	Whistleblower	United Kingdom	Allegation substantiated by supplier investigation. Corrective action plan implemented including reimbursement of worker.	No further action required
Deception	Unseen	United Kingdom	GLAA and supplier investigation found that allegations were not substantiated. The supplier improved their communication on payment terms.	No further action required
Withholding of wages / excessive overtime	RightLine	United Kingdom	An investigation with the supplier found that allegations were not substantiated.	No further action required
Modern Slavery	Whistleblower	United Kingdom	Police investigation found that allegations were not substantiated.	No further action required
Human trafficking / labour exploitation	Unseen	United Kingdom	GLAA and supplier investigation found that allegations were not substantiated. The supplier developed a corrective action plan with learnings from the allegation.	No further action required
Sexual Harassment	ETI	United Kingdom	Independent investigation substantiated allegations. A supplier action plan is ongoing.	Ongoing
Recruitment fees	Retailer	Indonesia	Independent investigation and collaborative action with other retailers are ongoing.	Ongoing

Training on modern slavery

We continue to provide modern slavery training for our colleagues and suppliers. Our online training is tailored to each audience and brings to life how modern slavery risks are rising globally and how it impacts our business and supply chains. The course is designed to help our colleagues and suppliers spot the signs of modern slavery, including the 11 indicators of forced labour, and how to report any concerns. This year we reviewed and updated this training to make sure it remained accurate and relevant. We will continue to assess the training needs of key teams and suppliers.

Giving colleagues the tools to understand and detect modern slavery

Our modern slavery training is compulsory for all store managers, depot managers, and key colleagues working with our suppliers across technical, commercial and supply chain functions. A mapping exercise identifies colleagues who could bring them closest to modern slavery risks within our supply chain, thereby having the most opportunity to identify and act on signs of modern slavery. The training is available through our online learning platform so all colleagues can have the opportunity to complete it.

Our Ethical Trade Managers train our food and general merchandise Technical teams on our ethical standards, policies, and processes to support monitoring of supplier compliance and detection and resolution of issues.

Commercial and Technical colleagues in general merchandise have access to the Everyone's Business app, delivered by Carnstone. This is a web-based solution to use during site visits. Everyone's Business gives guidance and information on responsible sourcing principles and local context and helps colleagues learn how to spot potential issues at suppliers' sites. This year, specialised training on the Everyone's Business app was delivered to Commercial and Technical colleagues as part of our training improvement plan.

We developed and delivered two new human rights focused training sessions to Procurement colleagues in GNFR this year. The first outlined key information about ethical sourcing, our ethical standards and how to identify, monitor and manage human rights risks. The second focused on human rights investigations, equipping the team with the knowledge required to confidently complete investigations of allegations in the supply chain.

We developed and released e-learning materials on forced labour as part of our communication to colleagues about our salient risks and new human rights commitments. This included a user-friendly factsheet that outlines what is meant by the term "forced labour", why it is important to address it and how we are taking action as a business.

Upskilling our suppliers on modern slavery detection, reporting and responsible recruitment

We offer modern slavery training tailored to our suppliers that is designed to build knowledge on what modern slavery is, how to spot the signs and how to report any concerns. The training is available to our food suppliers through our supplier training platform and was extended to GNFR suppliers.

We continue to partner with Stronger Together to deliver free specialist training on modern slavery and responsible recruitment to Sainsbury's agricultural suppliers in Spain and South Africa, as well as to our UK suppliers through the Stronger Together UK Consumer Goods Programme.

To mark Anti-Slavery Day 2023, we communicated with our logistics partners to share with them important actions that Sainsburys' believes can significantly contribute to the fight against modern slavery within logistics and warehousing. We outlined details relating to three key actions: raise awareness amongst colleagues on site and at head office; provide and communicate a whistleblowing hotline to all agency colleagues and ensure this is visibly displayed across our depots; and book a place on a modern slavery training that we provide for our suppliers. We were encouraged to receive feedback that this messaging prompted action amongst several of our suppliers.

Highlights

2,305

colleagues completed Sainsbury's Modern Slavery training

8

colleagues have attended modern-day slavery focussed training offered by Stronger Together



Key performance indicators

The indicators below enable us to monitor instances of forced labour and measure progress against our commitment to protect workers.

Activity	Status		
	2022/23 FY	2023/24 FY	
Modern Day Slavery E-Learning courses completed by key colleagues	4,609	2,305	
Unique business entities in our supply chain that completed Stronger Together Modern Slavery Training ¹⁰			
UK	243	184	
South Africa	67	53	
Spain	20	12	
Number of Responsible Recruitment Toolkit trainings completed by our suppliers	139	47	
Critical non-compliances identified through third-party ethical audits linked to indicators of forced labour ¹¹	N/A	329	



Workforce Disclosure Initiative (WDI)

The Workforce Disclosure Initiative mobilises investors to push for better jobs.

They score companies annually on workforce disclosure.

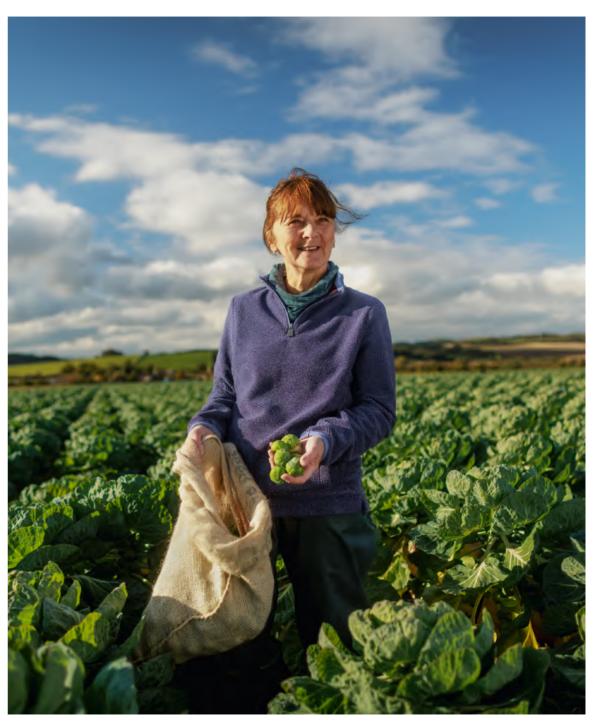
Highlights

92%

disclosure score

Above

the UK average disclosure score of 71%



¹⁰ 2023/24 status is the number of trainings carried out between January 2023 and December 2023.

¹¹ Suppliers are required to have an agreed corrective action plan to resolve non-compliances against the ETI Base Code and local law within a set timeline.

Actions are monitored by our ethical and technical teams. This year, we have broadened disclosure of non-compliance to include Critical and Business Critical issues linked to forced labour.

Looking forward

This coming year we will make progress against our commitment to seek out and address all instances of forced labour.

Collaboration

We will focus on progressing our efforts to tackle forced labour risks in our business and supply chains through the key collaborations and partnerships we have invested in this year. These include:

- Our participation in the Seasonal Worker Scheme Taskforce to find industry solutions to safeguard workers coming into the UK through the Scheme.
- Our three-year partnership with the Rights Lab to research our evolving human rights risks and understand how Sainsbury's can respond.
- Our engagement with the Fresh Produce
 Consortium to ensure that workers employed in the UK's fresh produce industry live in safe and adequate accommodation.
- Our partnerships with Action, Collaboration, Transformation (ACT) to take steps to achieve living wages in the garment sector.

Transparency and traceability

We recognise traceability and transparency as key levers to help address human rights issues and are committed to achieving greater visibility across our supply chains. For example, this year we conducted a pilot programme in Bangladesh and Türkiye where we collected data and visited tier 2 suppliers in our clothing supply chain and in the coming year, we will continue this activity in clothing to create greater visibility across our supply chain. We look forward to sharing updates on this and other projects and plans to improve our transparency and traceability in our next statement.

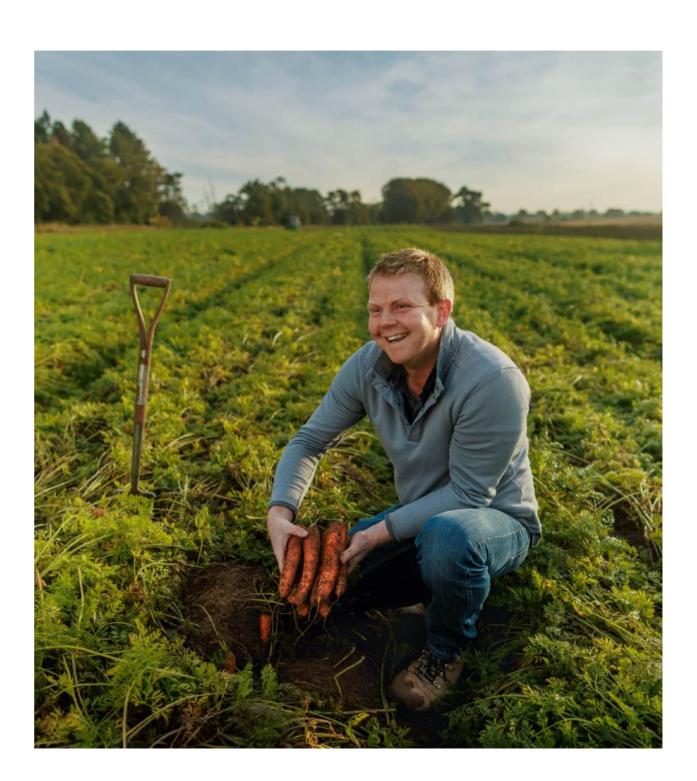
Worker engagement

We will launch a new policy relating to grievances and remediation that will outline our expectations on suppliers to establish grievance mechanisms to make sure that concerns from workers or wider communities are dealt with appropriately and to prevent issues from reoccurring. We worked with an external expert to develop this and will embed the supplier requirements in the new version of our Responsible Sourcing Manual. We plan to pilot this policy in priority supply chains.

We will also continue our worker voice surveys to ensure our strategy is informed by worker feedback. In our food business, we have planned worker voice surveys with &Wider in Italy with tomato growers and in general merchandise, we will survey workers in partnership with Ulula in Türkiye, Egypt, Cambodia and Sri Lanka.

Due diligence

Following the launch of our responsible use of labour providers manual for warehousing and logistics suppliers, and the successful internal audit programme to assess compliance against them, we plan to continue with new cycles of these audits using a risk-based approach for supplier selection. This will serve to further enhance our human rights due diligence in GNFR supply chains.





&Wider

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&Wider uses worker engagement technologies to hear directly from workers about their experiences and working conditions, which will enable us to understand and support improvements in our supply chain.



Action, Collaboration, Transformation (ACT)

is a global agreement between brands, retailers and trade unions that aims to make improvements and achieve living wages for workers in the garment, textiles and footwear industries.



Association of Labour Providers (ALP)

is a not-for-profit trade organisation that promotes responsible recruitment and sustainable practices of labour providers.



Better Buying

Better Buying enables us to gain information from our suppliers about our purchasing practices and support us in fostering trusted and respected partnerships that are critical to building resilient supply chains.



Better Cotton

Better Cotton exists to make global cotton production better for the people who produce it, better for the environment it grows in and better for the sector's future by developing Better Cotton as a sustainable mainstream commodity. Through Better Cotton and its partners, farmers receive training on how to use water efficiently, care for the health of the soil and natural habitats, reduce use of the most harmful chemicals and apply decent work principles.



RD

British Retail Consortium Ethical Labour Working Group. The working group facilitates sharing of best practice with UK retailers on tackling modern slavery, the responsible use of labour providers and other topics related to the human rights of workers in our supply chains.



Consumer Goods Forum

We are members of The Consumer Goods Forum (CGF), Human Rights Coalition, and Forest Positive Coalition. The Human Rights Coalition strives to make human rights due diligence the industry norm in companies own operations and supply chains, connecting the people and planet agendas. Forest Positive Coalition drives collective action to remove deforestation, forest conversion and degradation from commodity supply chains. Through our policies and practices, we help advance this mission and support the CGF's Priority Industry Principles Against Forced Labour.



ETI

We are founding members of the Ethical Trading Initiative (ETI), working closely with other companies, nongovernmental organisations, and trade unions to develop innovative and collective responses to worker exploitation and forced labour. We participate in several ETI working groups focusing on priority supply chains where there are opportunities to improve working conditions through collaboration.



FNET

Being members of the Food Network for Ethical Trade enables us to work alongside 67 (57 suppliers and 10 UK retailers) suppliers and retailers to use our collective leverage to bring about positive change in global food supply chain working conditions by providing guidance, resources, training and opportunities for collaboration.

We participate in the Climate Change and Human Rights Working Group, Raw Materials and Services Working Group, and the Responsible Recruitment Working Group.



Fresh Produce Consortium

The Fresh Produce Consortium (FPC) is the UK's fresh produce trade association. We engage with the FPC on the revision of temporary accommodation guidance.



Sustainable Trade Initiative (IDH)

IDH convenes, co-creates, and cofinances inclusive and sustainable market-driven solutions that create value for people and planet. We participate in their work on living wages in banana supply chains.



International Accord

The Accord is an independent, legally binding agreement between brands and trade unions to work towards a safe and healthy textile and garment industry. Its purpose is to enable a safe working environment through independent inspections and remediation, training programs and a complaints mechanism for workers. The agreement recognises the rights of workers to organise, refuse unsafe work and raise health and safety concerns. Sainsbury's has been a member since it launched in 2013 as the Bangladesh Accord. We are currently signatories to the Bangladesh and Pakistan Accords.



Issara Institute

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Issara Institute is an independent. not-for-profit organisation that works to transform the lives of millions of workers across Southeast Asia through worker voice, partnership and innovation. Sainsbury's has been a member of the Issara Strategic Partners Program since its inception in 2014.



MSIN

A non-profit collaboration in the UK food and agriculture sector. MSIN was formally launched at a conference in June 2022. Information generated by the network is used to detect, prevent and disrupt modern slavery and labour exploitation activity in the industry, protecting workers and improving outcomes for those directly impacted.



SEA Alliance

We participate in the Seafood Ethics Action Alliance which provides a platform for businesses to work together on human rights and labour standards in the seafood sector bu improving human rights due diligence, advocating to governments for improved regulation and enforcement. and by supporting projects in the supply chain that are seeking to improve working standards.



The Seasonal Workers Scheme Taskforce is made up of industry trade bodies, retailers, growers, recruiters and non-profits. The Taskforce's mission is to work collaborativelu to develop and implement tangible actions to help safeguard and ensure access to workers' rights in the UK Seasonal Worker Scheme (SWS) and wider UK horticulture. Sainsbury's participates in workstreams that aim to improve worker access to information and grievance mechanisms and improving worker finances.



Sedex

We actively engage with the Supplier Ethical Data Exchange (Sedex) to develop industry tools and we use their platform to risk assess our suppliers, manage their social audits and noncompliances



Spanish Ethical Trade Forums

We support the Spanish Supplier Ethical Trade Forums (Foros Comercio Ético). They organise independentlu facilitated local forums for our suppliers in Spain to address discrimination against migrant agricultural labourers and investigate the provision of labour in first and second-tier suppliers.





Stronger Together / RRT

2023 marked 10 years of Sainsburys sponsorship of Stronger Together UK Consumer Goods programme Stronger Together is an impact driven not-for-profit working to a vision of a world where all workers are recruited responsibly and have fair work free from exploitation. In this sector-specific programme Sainsburys suppliers, labour providers, and service providers are supported in taking action to mitigate modern slavery. In 2022, Responsible Recruitment Toolkit (RRT) became part of Stronger Together, RRT is an online capacity building tool to support Sainsburys suppliers to understand, achieve and demonstrate responsible recruitment



Ulula

Ulula deploys technology-based worker voice surveys that enable us to hear directly from workers about their working conditions. We use the results to understand worker wellbeing and see where we can support improvements in our supply chain.



University of Nottingham Rights Lab

In earlu 2023, we selected the University of Nottingham Rights Lab to be our strategic human rights research partner. We will partner with the Rights Lab over a period of three years to fund research into our evolving human rights risks, interpret how these risks will affect our business in the future. and understand how Sainsbury's can respond. This partnership will place us at the forefront of thinking on our human rights risks and unlock practical and impactful business decisions to create benefits to people throughout our business and supply chains.



Unseen

Sainsbury's supports the UK's Modern Slavery & Exploitation Helpline which is a free, independent and confidential service, operated by Unseen, available 24/7. Our partnership and membership of Unseen's Business Portal gives us access to sanitised intelligence on modern slavery and exploitation reports linked to either our own operations or supply chain in the UK (where this is appropriate). This is invaluable in helping us build up a picture of risk so we can work to keep modern slavery out of our business and our supply chain.



World Cocoa Foundation (WCF)

Sainsbury's is a member of the World Cocoa Foundation (WCF), an international membership organisation representing the global cocoa supply chain. Its members include farmer cooperatives, cocoa processors, cocoa traders, chocolate manufacturers. supply chain companies and other companies worldwide. WCF's vision is to be a catalyst for a thriving and equitable cocoa sector, playing a leading role throughout the cocoa sector in partnership with producing country governments, specifically in improving farmer income, helping to end deforestation and promoting reforestation, and combatting child labour.

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Cover photo and page 12



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