**Associated British Foods - Additional disclosures**

1. **Our suppliers are contractually bound by our Supplier Code of Conduct**

Whenever any Associated British Foods business enters into a relationship with a supplier, the Supplier Code of Conduct is always included in our contractual terms.

In some instances, our relationship with a supplier pre-dates the creation of the Supplier Code of Conduct meaning they may not have a formal contract in place but they are certainly expected to abide by it. It is clear on our website that it is the terms on which we do business.

1. **We conduct age verification checks**

In compliance with the relevant International Labour Organization (ILO) standards, whenever any of our businesses hires a new employee, we undertake age verification. If an applicant is below the legal working age, we would not employ them.

1. **We fully respect the rights of workers in our owned operations**

Our commitment to respect human rights is founded on a strong ethos of workplace safety and employee wellbeing, and is supported by our commitment to ensure compliance with The Universal Declaration of Human Rights.

We respect the following internationally recognised labour rights:

1. Employment is freely chosen (meaning it is not forced or resulting from debt bondage)
2. Freedom of association and the right to collective bargaining are respected
3. Working conditions are safe and hygienic
4. Child labour shall not be used
5. Living wages are paid
6. Working hours are not excessive
7. No discrimination is practised
8. Regular employment is provided
9. No harsh or inhumane treatment is allowed

In addition, Associated British Foods does not tolerate threats, intimidation, physical or legal attacks against human rights defenders, including those exercising their rights to freedom of expression, association, peaceful assembly and protest against the business or its operations.

We value our ongoing engagement and collaboration with a broad range of interested and concerned stakeholder groups. We are active in our collaborative approach, seeking to remain sensitive to the risk of breaching human rights resulting from our products, services and operations. As a matter of good practice, we risk-assess the impact that our operations may have on the protection and respect of human rights. We ensure a greater focus on operations under the jurisdiction of governments that have a lesser commitment to the protection of human rights.

1. **We take a proactive approach to managing risk and remedying issues**

Effective risk management is central to the Board’s role in providing strategic oversight and stewardship of the group. We require all of our businesses to implement appropriate levels of risk management to ensure compliance with relevant legislation, our overriding business principles and group policies relating to them. We have embedded a process for identifying risks and put in place activities to mitigate them.

We have processes in place to discuss and address ethical sourcing and human rights issues at Board level and the Board regularly reviews these.

We audit high-priority suppliers against the Supplier Code of Conduct to confirm the working conditions and labour standards of the factories that supply our products (see 2016 CR Report, page 14).

If there are any cases where our suppliers are found not to be meeting the standards laid out in our Supplier Code of Conduct, we work with them, offering training and support to help them improve. We would only terminate commercial relationships with suppliers if no improvements are made over an agreed time frame or if there was no commitment to make them. If we uncovered incidents of modern slavery or any other serious human rights violation, we would seek to verify, investigate and remedy these immediately.

As explained in our Modern Slavery statement, all relevant staff receive training on the Supplier Code of Conduct.

1. **We seek to engage any stakeholder negatively affected by our products or business’ operations**

Our intention has always been to do the right thing for our people and the wider community. We nurture ethical business practices through the actions we undertake every day and, if we observe something is not right, we act quickly to correct it.

We engage with a wide range of NGOs and campaigning organisations and, when our attention is drawn to an affected stakeholder group, we always seek to engage them directly to understand and remedy their concerns.

We also undertake multi-stakeholder engagement. For instance, we choose to work with local NGOs and government organisations as well as organisations like the ETI to manage complex supply chain challenges.

In 2016, our stakeholder engagement process was audited by EY as part of an assessment against the The AA1000AS (2008) assurance principles of Inclusivity, Materiality and Responsiveness.

EY reviewed our approach through interviews with employees with responsibility for managing engagement activities at Group and selected site locations. EY concluded that they were “not aware of any matters that would lead us to conclude that Associated British Foods has not applied the responsiveness principle in considering the matters to be reported.”

1. **Primark’s response to the Rana Plaza tragedy**

On April 24th 2013, the Rana Plaza building in Savar, near Dhaka, in Bangladesh collapsed. The building had several factories which manufactured garments for around 28 brands. One of these factories was supplying Primark.

Immediately after the collapse of the building we set up helpdesks near the factory site so that we could identify victims and assess the immediate needs of workers and their families.

We gave emergency food parcels to over 1265 households for five weeks in partnership with a local NGO. Each package contained enough dry food for a family of four for one week, and included rice, dal, potatoes, biscuits, tea, oil, sugar, and salt.

At the time, we also committed to providing long-term compensation. In total Primark has paid $14m in aid and in both short and long-term compensation to the victims and their families of Primark supplier, New Wave Bottoms.

In 2015, we launched the Pashe Achi project. The project aims to improve the capabilities and self-confidence of the most vulnerable recipients so that they are able to retain access to, and control of, their financial compensation in order to support their well-being.

We have also been part of the industry's response to begin steps to make garment manufacturing in Bangladesh safer in future. Primark has a dedicated team of experts based in Dhaka to work with the factories on safety, providing in-depth training for factory management and workers to ensure safety requirements are met.

In addition, it has put in place the following management systems to prevent a recurrence of such a tragedy:

1. Primark is a signatory to "The Accord on Fire and Building Safety in Bangladesh" an agreement between almost 200 brands, companies, international and local trade unions and NGOs working towards sustainable improvements to working conditions in the Bangladesh Garment Industry.
2. All factories that supply Primark with product in Bangladesh are included in our structural safety programme. Our structural surveys are conducted to the highest international standards by an expert team of engineers.
3. Primark or its approved external auditors inspect every factory. Primark does not own the factories that make its products and the factories that make Primark's clothes produce for other retailers too. To make sure these factories meet our standards, every single factory is audited against Primark’s Code of Conduct by Primark-approved external auditors, or our own internal team.
4. In January 2016, Primark announced a new partnership with the Department for International Development (DFID) to improve working conditions for garment workers in developing markets. Together, Primark and DFID will concentrate on achieving transformative change across three key areas, one of which is disaster response. Primark and DFID will share lessons from response to the Rana Plaza disaster, including Primark’s work with local partners in Bangladesh to provide short-term and long-term support to the victims and their families.
5. **Primark’s response to the SOMO / ICN Report**

Primark has an extensive programme in Jeyavishnu Mill, working with local partners including ASK, Verite’s partner in India.

The programme has included an assessment of the facility and management systems against the Primark Fair Hiring Fair Labour Toolkits, developed with Verite; visits to the community where the workers were recruited from to meet with their families and understand the context and methods of recruitment; and extensive worker discussions, using participatory methods conducted by a local NGO to understand issues that affected the rights holders and their priorities.

Based upon these findings, a list of priority areas for capacity building, remediation, and technical support has been agreed on with management, and is being implemented with ASK*.*

1. **Illovo’s work to protect land rights**

In March 2015, Illovo announced the launch of its Group Guidelines on Land and Land Rights, which takes a zero tolerance approach to land-grabs and land rights abuses. Since then, it has developed a three-year road map which is guiding its interventions around land-related matters.

The first step on the road map was to establish a Land Policy Roundtable committee consisting of key Illovo personnel and external experts, NGOs and development organisations. The committee meets regularly to promote transparency and share knowledge.

The next priority was to understand what land conflicts apply to Illovo’s own land or that of its growers. It will be undertaking self-assessments on land matters at each of its operations with the assistance of external experts and input from relevant stakeholders.

The assessments seek to identify current and potential problems that require further investigation or verification by an independent third party, as well as identifying potential interventions to resolve these issues. As part of this, Illovo engages in dialogue with affected stakeholders and works with them to ensure a satisfactory outcome for all parties.

When acquiring new land, Illovo undertakes a thorough due diligence process which includes identifying legitimate tenure rights holders.

Illovo has partnered with Landesa, an international NGO specialising in land rights, to secure funding from the Department for International Development (DFID) to support this work and build the capacity of local civil society organisations in the sugar cane estates. This will enable Illovo to implement the road map in a much more comprehensive and inclusive manner, ultimately improving the outcomes.

Illovo has committed to develop a grievance and dispute resolution procedure for stakeholders, including local communities and outgrowers, to allow individuals to raise areas of concern or grievances related to land anonymously and in their own language.

The Company provides its staff with training so that consideration of land issues continues to form part of its operational procedures and are fully understood. This is underpinned by the introduction of ethical cane guidelines which support the implementation of land and other human rights policies. In addition, Illovo is actively engaging with international forums, civil society, industry forums and other organisations on land-related matters in the areas in which it operates.

1. **Twinings’ response to child labour allegations at the Doomur Dullung tea estate in India**

Twinings is very aware of the human rights challenges in tea-growing regions in India and is working with the Ethical Tea Partnership to make positive improvements to the lives of those who produce tea.

When Twinings became aware of the allegations of child labour and workers using pesticides without protective equipment at the Doomur Dullung tea estate in India, it worked with the Ethical Tea Partnership to remedy the issue.