

## BOOKER GROUP LIMITED ("Booker")

### MODERN SLAVERY STATEMENT 2022/23

This statement is made pursuant to the UK Modern Slavery Act 2015 (the "Act") and relates to the financial year ending 26<sup>th</sup> February 2023. As required under the Act, it sets out the steps taken by Booker to prevent modern slavery and human trafficking in our own operations and supply chains.

#### Introduction

At Booker we are committed to ensuring that modern slavery is not taking place in our own operations and own label supply chains. We are dedicated to acting ethically and with integrity in all of our business relationships and to implementing and enforcing effective systems and controls to eliminate the risk of modern slavery occurring.

#### Our Business and Structure

Booker is the UK's leading food wholesaler, with approximately 14'500 employees. The Booker Group was acquired by Tesco PLC in 2018 and comprises:-

**Booker Wholesale/Makro** – Our cash and carry businesses have served over the last twelve months:-

- **Catering customers** (serving 371,665) and **Small Businesses** (serving 356,097). Our catering customers include restaurants, fast food outlets, licensed premises and cost centre caterers. These can vary from independent single site locations to larger multiple site locations;
- **Group Customers and National Chains**. All customers can draw upon the Booker, Makro, Booker Retail Partners and Booker Direct infrastructures;
- **Independent retailers** (serving 78,444). Our largest retail customers tend to be our Premier, Londis, Budgens and Family Shopper symbol group members which are all independent retailers operating local convenience shops stocking branded and Booker own branded products; Premier (4341 retailers), Budgens (428 retailers), Londis (2595 retailers) and Family Shopper (170 retailers). We also serve our retail club members (e.g. independent retailers who are members of the Booker promotional club which focuses on securing consumer offers), unaffiliated independents and national retail accounts.

**Booker Direct** – Booker Direct serves national retail chains from our distribution centres, with customers including large retailers, UK cinema chains and the prison service in England and Wales. Our Best Food Logistics division provides warehousing and distribution services to several major casual dining and quick service restaurant chains.

**Ritter Courivaud** – Ritter Courivaud is a speciality foods supplier to the UK's leading restaurants and hotels.

Booker acknowledges that it sits within an industry well known to be at risk of modern slavery (e.g. food production, processing, distribution etc.) and as such Booker strives to continually improve in its efforts to mitigate against the risks of modern slavery in its operations and supply chains.

#### Supply Chains

In terms of our product ranges, a large proportion of the Booker supply chain is UK based. However, we also have a considerable global network of suppliers which support our vast and diverse product range offerings. In terms of our own-label ranges, global suppliers are predominately manufacturers and are subject to Sedex audits if identified as high risk (as detailed below under the header 'Identifying Risk & Preventing Modern Slavery in Our Supply Chain').

#### Company Policies

At the heart of our approach to human rights are a number of important internationally recognised declarations, standards and codes. These include:

The UN Universal Declaration of Human Rights  
 The International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work.  
 The UN Guiding Principles on Business and Human Rights.  
 The UN Global Compact.  
 The Base Code of the Ethical Trading Initiative (ETI).

Our modern slavery strategy is supported by several key policies:

- **Code of Business Conduct;** Our Code of Business Conduct details our approach to human rights and ethical trading. It communicates our commitment to ensuring that colleagues, customers and our supply chain are treated with fairness, respect and dignity. The code includes details of our values 'Respect, Dignity and Fair Treatment', which enforces Booker's zero tolerance approach to unacceptable behaviour, including all forms of modern slavery, in any area of our business.
- Our approach to 'Human Rights & Ethical Trading' is also detailed within the Code and reinforces the need to respect human rights and operate ethical trading practices.

The policies communicate that rights must be respected, and breaches remedied. The code recognises that we need to ensure that our own business practices do not become the cause of labour standard issues. Developing long term relationships with suppliers which we know and trust gives them the confidence to invest in improvements so we can achieve more together. To strengthen compliance, colleagues receive refresher training on the policy each year. In further support of this, colleagues are encouraged to choose suppliers based on their values as well as other factors such as price and quality, in order to build strong relationships.

- **Whistleblowing Policy** – This is currently incorporated within our Code of Business Conduct. However, we are in the process of implementing a separate and broader Whistleblowing Policy for quicker and easier reference for colleagues.
- **Dignity at Work Policy** - This policy further reinforces how we expect colleagues, customers, suppliers and third parties who work with Booker to be treated; in an environment that is safe, free from victimisation, harassment and bullying, which includes freedom from all forms of modern slavery. The Protector help line is detailed for the reporting of any concerns. Any reported concerns will be fully investigated by managers within HR, Legal, Security or Health & Safety (as appropriate) for complaints of an internal nature. Each of these managers have all received our modern slavery training to ensure that they are well equipped to handle any concerns appropriately and sensitively. This is further supplemented by our activities to ensure a culture of diversity and inclusivity within the business.
- **Ethical Trading Policy** - This is available to all own-label suppliers and is based on the [Ethical Trading Initiative Base Code \('ETI base code'\)](#) (a code which incorporates the most relevant conventions of the International Labour Organisation with respect to internationally recognised good labour practices, including a requirement that employment is freely chosen). Under the policy, all own-label suppliers and sites are required to comply with the base code, in addition to their own national requirements, to give their workers the best level of protection. The policy also details our audit requirements for own-label suppliers where a risk assessment triggers the need for an independent ethical audit, which is further detailed in this statement below.

## **Identifying Risk and Preventing Modern Slavery in Our Supply Chain**

As part of our efforts to ensure modern slavery does not occur in our supply chains, we continue to review the risk of modern slavery. This process seeks to recognise that certain locations and industry types are more prone to poor labour practices. Where own-label suppliers are identified as high-risk we seek further assurances that they are mitigating the risk of modern slavery. One example of how we achieve this is through our ethical audit programme. Sites identified as high risk (as determined by the [Food Network for Ethical Trade \(FNET\)](#)) are required to have an annual SMETA audit. SMETA audits are based on the ETI base code, include worker interviews and are conducted against best practice international labour standards.

In addition, we have also moved four own-label retail brands to a Group shared retail brand, and as part of this 100% of these suppliers of own-label brands have registered with Sedex; a platform for suppliers and retailers to share ethical data and audit records. This gives us full visibility of their ethical audit performance.

To complement this programme, we report on ethical compliance KPI's, measuring the number of high-risk own-label suppliers which have undergone risk assessment and audit. The objective is to primary risk assess all own label suppliers and to audit 100% of sites identified as high risk. This has been achieved within the last 12 months. In addition, we now also report internally against a KPI to measure all own label suppliers which have undergone our Supplier Assurance Program (detailed below).

As a further new measure to increase our responsible sourcing of products, we have also worked with all existing own-brand suppliers of tea, coffee, cocoa & bananas to become certified to relevant sustainable farming and human rights standards such as [Fairtrade](#), [Rain Forest Alliance](#) and [UTZ](#). These standards seek to ensure responsible sourcing which protects human rights.

In addition to our ethical audit programme, we also seek to:

- Treat suppliers fairly, including ensuring that we avoid making demands of suppliers which may lead them to violate human rights. An example includes ensuring that we make timely payment to suppliers and place realistic expectations on them for the delivery of orders; and
- Encourage and protect whistle blowers by providing a free anonymous and confidential 24-hour help line. In 2022-23 we had 103 calls to the Protector line, none of which were identified as potential indicators of modern slavery.

Where audit results identify issues, or where issues are otherwise reported or identified, we take appropriate reasonable action which may include (depending on the nature and severity of any issues):

- working with the supplier to resolve the issues for workers and to ensure that appropriate measures are put in place for workers to avoid a recurrence,
- suspending or terminating trading with existing suppliers, where we believe that sustained improvement cannot be achieved,
- the non-appointment of exited suppliers.

### **Xinjiang Province**

In terms of own label products, following credible reports, media coverage and UK government guidance relating to systemic human rights abuses including modern slavery against the Uighur population living in Xinjiang province of China, we previously conducted an in-depth assessment of our procurement supply chains to identify any supply in the region. We do not source from the region and continue to monitor this in our supply chains.

### **Supplier Assurance Programme**

To ensure our approach to due diligence continues to evolve, we are seeking to introduce enhanced requirements for new suppliers. We are working towards the objective that all new suppliers will be required to complete a self-assessment, including detail on their own due diligence to identify and prevent modern slavery. This will, in turn, enable the business to take a wider view of the supplier as a prospective business partner. In the last six months we have rolled out the new due diligence measures to new suppliers providing goods for resale ('GFR'). These measures include a modern slavery specific assessment and additional background and reputational checks. The aim is to roll these measures out, initially, to all new suppliers followed by suppliers of goods not for resale ('GNFR'). Once both procedures are in place, the aim is to expand the measures to existing GFR and GNFR suppliers. More details in relation to the Modern Slavery aspect are detailed under the header 'Risk Assessment' below.

## **Identifying Risk and Preventing Modern Slavery in our Own Operations**

We take a number of steps to mitigate the risk of modern slavery occurring in our own operations:

### **Employees - Right to Work Checks**

Right to work checks are completed for all staff working for Booker in accordance with legislation, and Booker will only employ individuals who are legally able to work in the UK. Only agencies on our preferred supplier list are used to select staff whether on a temporary, fixed term or permanent basis. Such agencies are required to carry out appropriate back-ground checks.

### **Employees – Working Environment Survey**

We are now in the third year of running our 'Every Voice Matters' survey; an annual survey to provide colleagues with the opportunity to provide feedback on a number of business-related areas such as career development, employment benefits, company culture and their treatment within the business. Based on the feedback, the intention is to continually improve any areas identified as necessary in order to continually strengthen a positive environment for colleagues. We are proud to have improved this year in certain areas, including colleagues confidence in 'speaking up' around any concerns.

### **Training**

To increase understanding of the risks of modern slavery in our supply chains and own operations, we have delivered training to approximately 1,750 staff in roles identified as having responsibility in this area or having potentially greater exposure to the risks of modern slavery (e.g. Managers of Operations & Logistics Teams) or roles of related responsibility (e.g. Managers of Security & Health & Safety roles).

The training details the different forms of slavery, how to spot the signs and what to do where there are suspected cases. The interactive module is aimed at testing colleagues understanding and is reviewed on an annual basis.

As we move forward, the aim is to increase colleagues awareness and education on this topic to continue to broaden and strengthen the business' understanding of the risks of human rights abuses.

## **Risk Assessment**

In terms of risk assessment in the supply chain, we have prioritised key business areas in the UK based on an analysis of evolving risk in the sector, working contract types, the level of skill involved in the work, wages, and our visibility of the service provider. The majority of our staff employed within our cash and carry branches are employed on permanent contracts. The greatest risks of modern slavery exist for workers not in permanent employment, or employed through labour agencies, of whom we have less visibility and often work in roles for shorter periods of time.

We previously identified the following areas in our business as higher risk operations:

- Goods Not for Resale in high-risk countries (as determined by FNET)
- Goods and Services Not for Resale in the UK to include three main areas of focus:
  - Workers in the construction industry who build and fit out our properties, including branches, distribution centres and back-office buildings;
  - Labour providers (namely agencies); and
  - Catering, cleaning, security stocktaking and merchandising suppliers.

We have now carried out due diligence on a significant number of these suppliers. This due diligence includes the return of a completed modern slavery questionnaire which is used as a tool to understand our suppliers' measures for combatting slavery and the supplier's agreement to comply with a Modern Slavery policy which requires adherence with human rights obligations.

## **Modern Slavery & Exploitation Helpline**

To help increase awareness of modern slavery and ensure colleagues understand where to seek help, we have, included posters on our trading floor, in addition to our distribution centres, which promote the 24/7 independent and confidential Modern Slavery & Exploitation Helpline, operated by the anti-slavery charity Unseen. The helpline's trained advisors support victims of modern slavery as well as offer a way for businesses and the public to raise suspicions and concerns, complementing our own Protector line. Real-time translation is available in over 180 languages.

## **Identifying and Addressing Modern Slavery Allegations**

We take any breach of our policies or allegations of labour abuse extremely seriously and encourage colleagues to speak up. We provide an independent 'Protector Line' for the confidential disclosure of any modern slavery incidents, or suspected incidents, breaches of policies, anything unlawful or suspected cases of the deliberate concealment of information relating to these things. Any concerns reported will be investigated fully by HR, Legal, Security or Health & Safety (as appropriate) for complaints of an internal nature. To help increase awareness of reporting avenues for incidents and/or suspected incidents, the aim is to make the Protector line available to suppliers, as well as colleagues as part of the implementation of the wider policy.

## **Progress Against Last Year's Commitments**

<b>Aim</b>	<b>Outcome</b>
<ul style="list-style-type: none"> <li>• Carry out the modern slavery due diligence on the suppliers within the four categories of suppliers identified as high risk.</li> </ul>	The existing suppliers have been categorised and the vast majority have now undergone the due diligence. New Goods for Resale suppliers now also receive the due diligence as part of the additional supplier due diligence program (detailed below).
<ul style="list-style-type: none"> <li>• Provide increased modern slavery training for individuals identified within the business as having greater exposure to the risk of modern slavery.</li> </ul>	We have now undertaken a further review of the training audience to ensure appropriate individuals receive the training.
<ul style="list-style-type: none"> <li>• Implement the additional Supplier due diligence for new suppliers.</li> </ul>	This has now been implemented for suppliers of Goods for Resale. We aim to have this procedure implemented for suppliers of Goods and Services Not for Resale.

<ul style="list-style-type: none"><li>Expand the promotion of the Modern Slavery &amp; Exploitation Helpline to include roll out in the trading teams.</li></ul>	This has now been completed and posters advertising the line are visible on the trading floor.

**Plans for 2023/24**

- Training – To produce an improved and more in-depth training module to help increase employee's awareness and understanding of the risks.
- Complete the implementation of a revised and broader Whistleblowing policy.
- Due diligence – to continue the risk assessment and due diligence of existing higher-risk suppliers.

This statement has been approved by the Board of Directors.



**Andrew Yaxley**  
**Chief Executive**  
**Booker Group Limited**  
**Date:**

**Booker Limited**  
**Booker Direct Limited**  
**Makro Self Service Wholesalers Limited**  
**Ritter Courivaud Limited**  
**Booker Retail Partners (GB) Limited**