

Modern Slavery Statement: One Stop Stores

2023/24

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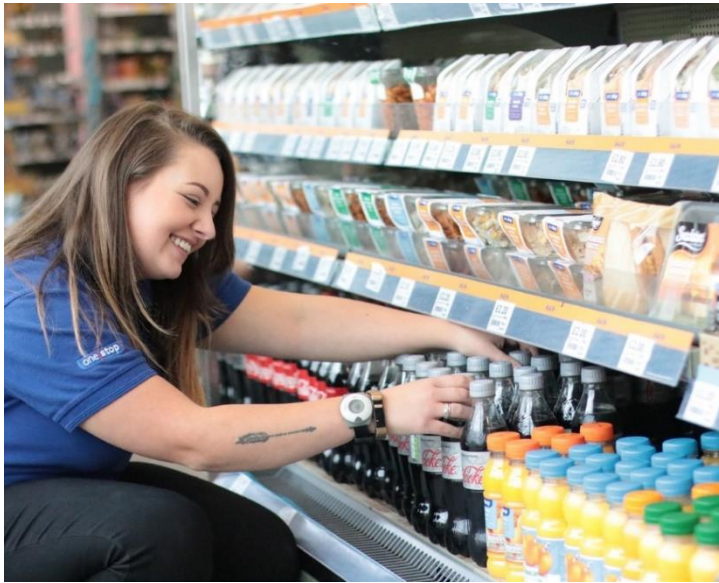
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Background

The UK Modern Slavery Act 2015 (the 'Act') requires businesses to state the actions they have taken during the financial year to ensure modern slavery is not taking place in their operations and supply chains. This statement refers to the financial year ending 29th February 2024 and sets out the steps taken by our business to prevent modern slavery and human trafficking in our own operations and supply chains.



Introduction from Our Managing Director



Modern slavery has no place either within our business or supply chain and we take a zero-tolerance approach towards it. We're fully committed to playing our part in eradicating modern slavery and as a business with complex supply chains, we recognise the important role we play.

Our statement sets out the steps we've taken at One Stop and wider Group level to manage the risks of modern slavery. It outlines how we diligently check both our own internal operations and supply

chains, ensuring robust processes are in place to minimise issues in this area.

We always aim to share the full story on our progress and areas for development, and firmly support the need for transparency and collaboration to fully eliminate the risks in this area. As we have continued to develop our human rights work, we have gained greater insight into risks and trends relating to modern slavery, which has enabled us to strengthen our approach. At Group level, we continue to work together with our suppliers and other retailers, participating in schemes such as the Food Network for Ethical Trade (FNET) which has highlighted the growing risks posed within UK seasonal labour and emerging issues brought to light through changing international recruitment trends. In the next 12 months we will continue to strengthen our approach and ensure our strategy is responsive to changing risks. This work will include continuing to implement the Group Human Rights Blueprint within One Stop.

In the year ahead we will continue to develop our approach to managing the risk of modern slavery within our business and supply chains and ensure our strategy continues to respond to changing risks as we aim to eradicate modern slavery.

Our Key Achievements in 2023/24

Within our full year 2023/24 we have:

- Created simplified and tailored Modern Slavery training for Store Managers and Franchise stores. We launched the updated Modern Slavery Training for Store and Shift Managers.
- Carried out Modern Slavery refresher training for other priority colleagues (including our Area Managers, Business Development Managers, and relevant colleagues from our Distribution, People and Online teams).
- Continued to work with our food delivery partners to ensure compliance with our Human Rights due diligence requirement.

- Continued to carry out agency worker interviews at our Distribution Centres.
- Continued to monitor compliance with our Human Rights requirements as stated in our Procurement Policy, ensuring effective mitigation of risks within our own operations. We cooperated with our third-party suppliers to ensure any critical non-conformances are addressed.
- Continued to work in collaboration with Tesco, to share insights on emerging risks and best practices.
- Initiated implementation of the Group Human Rights Blueprint.

At Group level we have:

- Been recognised for our leadership in tackling modern slavery in Know The Chain and Churches, Charities and Local Authorities (CCLA) Modern Slavery Benchmarks.
- Developed enhanced Responsible Recruitment training in partnership with consultancy Impact, which we have delivered face-to-face to suppliers in Thailand.
- Worked with poultry suppliers in Thailand to ensure they are aligned in covering all recruitment fees and costs as defined by the International Labour Organisation (ILO), including passport costs.
- Supported suppliers in Thailand and Malaysia to reimburse workers or pay for over USD 3.6million in recruitment fees and costs.
- Continued funding and participation in the Seasonal Worker Scheme (SWS) Taskforce and engaged suppliers to promote the Just Good Work App.
- Continued to support the development and growth of the Modern Slavery Intelligence Network (MSIN).
- Began development of a Human Rights Blueprint to establish standard policies and practices for human rights risks across key business units in the Tesco Group.

This statement was approved by the board of One Stop Stores Limited.

Stephanie Wood, Managing Director

8 July 2024

Our business and supply chains.

One Stop Stores Limited is a retail convenience business with over 730 company operated neighbourhood stores and over 320 franchise stores across England, Wales, and Scotland.

Open 7 days a week, One Stop aims to meet the needs of all its local customers. We offer a range of food, beverages, non-food groceries and general merchandise. Many stores provide additional services including free cash machines, Post Office, Evri Parcelshop, Pay Point, Lottery (for bill payments and mobile top-up), as well as vending solutions such as Costa Coffee, F'real Milkshakes and Tango Ice Blast.

We have partnerships with Deliveroo, Just Eat and Uber Eats and 639 of our core stores and 169 of our Franchise stores now offer online delivery services. Our food delivery partners' riders are self-employed contractors or agency workers. Our partners' Modern Slavery Statements set out their approach to managing modern slavery risk. We have been working closely with our food delivery partners and will continue to cooperate with them to assess and mitigate modern slavery risks.

One Stop has over 10,250 employees and has been a subsidiary of Tesco since 2003. It operates as a separate business from a Store Support Centre in Brownhills, Walsall, and services its stores with ambient products from 3 distribution centres in Brownhills, Nursling (Hampshire) and Wakefield. We work with Greencore and Booker Retail Partners to deliver fresh food to One Stop stores.

There are over 400 suppliers across fresh, frozen and ambient ranges. Over the last nine years we have been aligning our supplier base with the wider Tesco Group. All our own-label products continue to be sourced from the same suppliers as Tesco UK stores.

At the heart of everything our colleagues do is our core purpose - serving our customers, communities, and planet a little better every day. This means we always keep customers at the heart of what we do, while also reflecting our responsibilities to the communities we serve, source from, and to society more broadly.

This purpose is underpinned by our values:

- Our customers are at the heart of everything we do.
- We treat people how they want to be treated.
- We work together as one team.
- We make things easier.

We want everyone who works for or with One Stop to have their human rights respected and we know our customers, colleagues and suppliers want the same. We

believe that our trade with people across the countries we source from should have a positive impact, creating jobs and opportunities for people all over the world.

Tesco's human rights strategy, which includes addressing modern slavery, delivers against our value to treat people how they want to be treated. As part of this, One Stop and Tesco have committed to:

- Respecting international human rights standards throughout our supply chains.
- Focus on the most serious risks to supply chain collaborating transparently with NGOs, unions, and others to identify and address these risks.

We have numerous direct and indirect suppliers who grow, make, and move raw materials and finished products across global supply chains. These suppliers range from large agriculture businesses to smallholders and manufacturing companies. We also work with other partners who help run our distribution centres, keep our stores clean, and much more.

Our human rights agenda covers both our own business operations and supply chains. Through One Stop and wider Group efforts we work to identify actual or potential risks of modern slavery and help ensure remediation where cases are identified.



Our approach to human rights.

Our approach to human rights is based on several important internationally recognised declarations, standards and codes. These are the foundations for how we work across the Tesco Group, and include:

- The UN Universal Declaration of Human Rights.
- The International Labour Organization (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 human rights approach, including tackling modern slavery, is supported by our Code of Business Conduct and the [Group Human Rights Policy](#) which set out our obligations to customers, colleagues and communities in our own operations and supply chains.

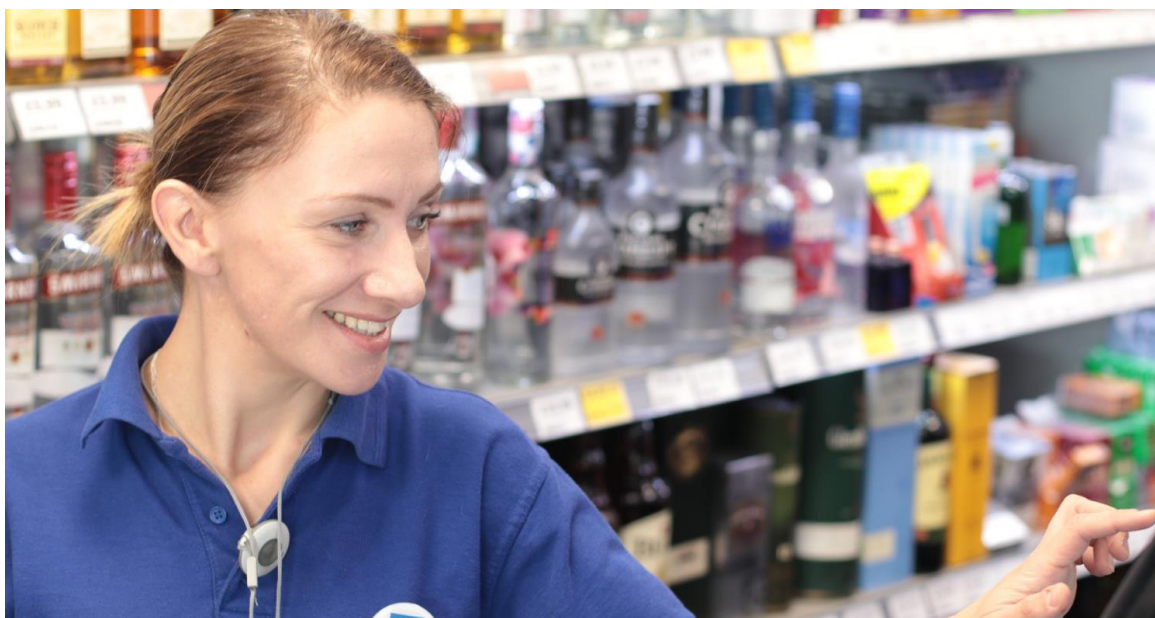
We take any allegation of a breach of our policies extremely seriously. One Stop provides independent and confidential 'Protector Lines' to our colleagues. [Protector Line](#), which is also used by the wider Tesco Group, enables our colleagues and our own label suppliers and their workers around the world to raise concerns.

Governance

Overall governance and progress monitoring of Tesco's human rights work, for all markets and subsidiaries including One Stop's own label supply chains, sits with the Board's Corporate Responsibility Committee, which meets four times during the year. Read more about the work of Tesco's Corporate Responsibility Committee in the [PLC Annual Report and Financial Statements 2024](#).

"Responsible Sourcing" is highlighted as a principal risk within Tesco's business wide risk assessment and is reported within the PLC Annual Report. Exploitation of workers and human rights breaches remain the key drivers of this risk. Responsible sourcing is also a key sub-risk within One Stop's principal risk on Political, Regulatory and Compliance matters. We update on current and future risks, progress and performance, and breaches of our policies, to the Group Risk and Compliance Committee chaired by the Group CEO, and the One Stop Risk and Compliance Committee, on at least an annual basis.

One Stop also has an internal modern slavery working group that meets bi-annually, at a minimum, to monitor progress against our modern slavery strategy. The group consists of colleagues within People, Franchise, Procurement, Online, Retail and Distribution. The Group Human Rights Director is accountable for Tesco's human rights strategy and chairs an equivalent modern slavery working group within Tesco. The Tesco working group is made up of colleagues from Human Rights and Group Security, meeting bi-annually at a minimum to monitor progress against the Group modern slavery strategy and review actions on alleged breaches.



Due diligence.

Tesco follow a risk-based approach to due diligence in line with the UN Guiding Principles on Business and Human Rights, and in consultation with internal and external stakeholders. This process covers all One Stop own label products.

Our due diligence framework has five stages:



Potential modern slavery risks within our own operations and supply chains are assessed by considering the country of origin where products, raw materials, or services are sourced from. Other factors considered include the type of labour being used, whether skilled, semi-skilled or unskilled, and whether seasonal, permanent, agency or migrant labour.

We use the Food Network for Ethical Trade (FNET) risk ratings to inform this, combined with internal understanding of labour rights and modern slavery risks in key sourcing sectors. Tesco gather intelligence about emerging risks through Tesco's in-country human rights specialists and strong relationships with local groups, NGOs and organisations such as the ETI, FNET and the Consumer Goods Forum. Campaigners, whistle-blowers, human rights defenders, and activists can also play an important role in identifying where some of the biggest risks lie.

Tesco's 28 dedicated human rights specialists, based across 11 key sourcing countries are well-placed to gather on-the-ground intelligence through direct engagement with suppliers and other relevant stakeholders.

We continuously review priority areas within our own operations to identify emerging risks. For example, after launching partnerships with companies like Just Eat, Deliveroo and Uber Eats, we included our work with online delivery partners as a high priority area re. human rights due diligence. We are committed to ongoing due diligence across our distribution network including assurance visits, conducted by independent experts, with a focus on direct worker engagement and interviews. Since 2022/23 we substantially reduced the use of agencies in our Distribution Centres and aim to employ permanent colleagues wherever possible, further reducing modern slavery risk in this area.

Where on-the-ground capacity is not available, Tesco work with a range of experienced partners, including consultants and NGOs, who are supported by the Tesco commercial buying and quality teams. In 2024, Tesco plan to expand this team to increase regional specialist resource in priority countries. The information gathered is used to continually reassess and respond to the potential and actual risks in Tesco's supply chains including those shared with One Stop. The Group human rights strategy was developed in 2018 through consultation with 25 key stakeholders, including suppliers, academics, NGOs, trade unions and internal stakeholders. It outlines human rights focus areas which address the most salient human rights risks in the Group's

supply chain. The strategy is continuously reviewed, and the approach updated as needed.

The strategy's four focus areas reflect the most salient risk areas within our supply chains and are aligned with stakeholder priorities.

Human Rights Strategy



Prohibited and restricted sourcing regions

The Group policy for Prohibited and Restricted Sourcing regions includes guidance for colleagues and suppliers on sourcing from countries or regions that are conflict-affected, occupied, or disputed, as well as areas that are characterised by widespread human rights abuses and violations of national or international law. In these situations, the Tesco Human Rights, Technical and Commercial colleagues (from both Tesco and the supplier) are required to perform case-by-case reviews that approve sourcing, deferring to UK government guidance where available. As all suppliers of One Stop own label products are also Tesco suppliers, One Stop benefits from the assurance work carried out at Group level. The policy for Prohibited and Restricted Sourcing regions is also shared with the One Stop Risk and Compliance and Procurement teams in relation to sourcing of products not for resale.

Human Rights Audits

For the supply chains of Tesco UK stores, all primary supplier sites (known as 'tier 1' sites) in high-risk countries are required to have an independent human rights audit from a Tesco approved auditor before they start supplying Tesco, and then on an annual basis. All One Stop own-label products are sourced from the same suppliers as Tesco UK. Thus, they are also covered by Tesco's Human Rights audits programme. For more detail on this refer to the section Due Diligence (Human Rights Audits) in [Tesco's Modern Slavery Statement](#). A similar approach is used for high-risk supplier categories into our own operations (see section Tackling Modern Slavery - our business operations).

Investigating modern slavery allegations

While we have limited experience with potential instances of modern slavery within our own operations, we have an investigation process which would be triggered in such cases. Our Risk and Compliance Manager, along with our People and Security teams, would be One Stop's key points of contact in case of suspected instances of modern

slavery. We would work closely with Tesco and benefit from their established internal incident management and escalation process and expertise in the field of modern slavery. Within group, allegations are investigated by Human Rights and Group Safety, Security and Resilience (GSSR) colleagues with a range of expertise and experience, including former law enforcement officers and investigators. For more information on the Tesco investigation process, refer to the section Due Diligence (Investigating modern slavery allegations) in [Tesco's Modern Slavery Statement](#). Since 2024 we have been working closely with Tesco to implement the Group Human Rights Blueprint, which also covers the process to investigate human rights allegations (including those relating to modern slavery). We plan to continue this work into 2024/25.

In the past 12 months, we did not identify any confirmed or alleged cases of modern slavery within our own operations. Tesco have identified 21 allegations containing some indicators of either labour abuse or modern slavery within supply chains. Nine of these relate to suppliers that also work with One Stop. All nine allegations were either confirmed or partially substantiated and four of them related to the UK Seasonal Worker Scheme. For more detail on Tesco's response to the Seasonal Worker Scheme refer to the section Tackling Modern Slavery Risks - Supply Chains in [Tesco's Modern Slavery Statement](#).

Grievance Mechanisms

We know that effective grievance mechanisms are key to identifying human rights allegations. As part of Tesco's broader human rights strategy, in line with the UN Guiding Principles, we continue to ensure access to grievance mechanisms within our supply chains and own operations.

Colleagues have a range of feedback and grievance mechanisms available to them, including through their dedicated People Partner, our Whistleblowing policy, and our confidential Protector Lines. We also carry out ad hoc agency worker interviews in our distribution centres.

All One Stop own-label products are sourced from the same suppliers as Tesco UK. When it comes to our suppliers, we benefit from the wider group's grievance mechanisms. Detailed information on the Tesco grievance mechanism can be found in the section Due Diligence (Grievance Mechanisms) in [Tesco's Modern Slavery Statement](#).

Tackling Modern Slavery Risks.

Our Modern Slavery risks lie in two broad areas - risks associated with our supply chains and risks linked to our own operations.

All One Stop own-label products are sourced from the same suppliers as Tesco UK. One Stop benefits from the wider group's Modern Slavery risk assessment process when it comes to our shared supply chains. For detailed information on this see the section 'Tackling Modern Slavery Risks - Our Supply Chains' in [Tesco's Modern Slavery Statement](#).

Our risk assessment in relation to our own operations benefits from alignment with Tesco's process and advice from Tesco's specialist Human Rights team (e.g., regarding modern slavery risk factors). In addition, risk assessment is based on internal knowledge of our operations by our own senior management. Risk areas are discussed and refreshed during meetings of the One Stop Modern Slavery Working Group. For more detail on the key risk criteria in our own operations, see the following section (Tackling Modern Slavery - Our Business Operations).



Tackling Modern Slavery – our business operations .

Business purchasing practices can directly affect human rights. Our procurement policy prioritises key business areas in the UK based on our analysis of evolving risk in the sector, worker contract types, the level of skill involved in the work, wages, and our visibility of the service provider. Most of our colleagues are employed on permanent contracts. The greatest risks of modern slavery exist for workers not in permanent employment, or distribution workers employed through labour agencies, who we have less direct visibility of and often work in roles for shorter periods of time.

Our focus areas in our business operations are:

- Franchise stores.
- Agency workers in our distribution centres.
- Workers providing retail labour services, such as security and cleaning, for our offices and stores.
- Workers in the construction industry who maintain and fit-out our stores.
- Goods Not for Resale manufactured in high-risk countries.
- Couriers working for third-party delivery partners.

In addition to our due diligence, identified high risk suppliers are required by our policy to undertake robust mitigating steps, such as:

- Independent ethical audits, which include a review of the supplier's management systems to ensure they are adhering to the ETI Base Code, worker interviews and analysis of how worker recruitment is managed.
- Attend tailored modern slavery training hosted by Stronger Together. This is a UK based multi-stakeholder initiative aiming to reduce modern slavery through guidance and training.
- Registration for the **Responsible Recruitment Toolkit**.

In 2023 Tesco started developing and implementing a Human Rights Blueprint to align human rights standards and due diligence practices across Tesco business units, including One Stop. In 2023/24 we initiated cooperation with Tesco re. implementation of the Human Rights blueprint. This process is still ongoing and will result in additional due diligence requirements for some supplier categories (e.g., suppliers who are asked to have ethical audits will also be required to complete the **Self-Assessment Questionnaire** within Sedex). We plan to continue this work in 2024/25.

One Stop Own Stores

Most of our store colleagues are employed on permanent contracts. For all direct employees of One Stop, we ensure colleagues have a bank account in their own name into which we will pay their salary. We complete right to work checks and investigate any duplicate bank details. Our store and shift managers are required to complete

Modern Slavery training. A tailored user-friendly training video was launched for these colleagues in 2023/24.

Franchise Stores

For our franchisees, our contracts include a requirement for them to obtain and check right to work documents for all colleagues as well as making a commitment to adhere to the modern slavery legislation (the Modern Slavery Act 2015). To support our franchisees, we provide right to work briefing documents which includes examples of documents that are acceptable evidence. Every quarter, as part of a routine compliance visit, we review these processes in all our franchise stores. Franchisees have access to our e-learning resources outlining our approach to tackling modern slavery and providing tools on how to recognise and respond to risks within our own-operations. New Franchisees are asked to complete the training upon joining One Stop. In April 2024 we launched an updated training video for Franchisees with more tailored and user-friendly content.

Distribution Centres

All labour providers we use in our distribution centres receive modern slavery training. Distribution Managers employed by One Stop are among the colleagues who are also trained on modern slavery. We monitor weekly working hours of all our agency distribution colleagues to keep within the acceptable limits of the ETI Base Code. In 2023/24, we continued to conduct worker interviews at our distribution centres. The primary aim of these meetings is to speak 1:1 with agency workers to better understand their recruitment journey and experience of being employed at a One Stop site. These visits complemented the on-going worker engagement conducted by both our labour providers and on-site supervisors. We identified no indicators of modern slavery. If we continue to use agency workers in our distribution centres, we will also conduct worker interviews in 2024/25. However, this area of risk is now lower for One Stop. Since 2022/23 we substantially reduced the use of agency workers in our Distribution Centres due to cost optimisation. While we may still utilise agency workers during peak periods, we aim to employ permanent colleagues wherever possible. In 2024/25 we plan to transition to a single labour agency for our distribution centres which is also used by Tesco. Thus, we will benefit from due diligence processes which are aligned with the requirements of the new Group Human Rights Blueprint.

Service Providers

Our procurement policy is aligned, where appropriate, to Group Human Rights requirements. Enhanced Human Rights requirements relate to suppliers in key risk areas (as described above). Under the policy, identified suppliers are required to undertake robust mitigating steps, such as:

- Independent ethical audits, which include a review of the supplier's management systems to ensure they are adhering to the ETI Base Code, worker interviews, and analysis of how worker recruitment is managed. This is applicable to goods not for

resale suppliers who produce One Stop branded products (or products made to our specifications) with production in high-risk countries.

- Attend tailored modern slavery training hosted by Stronger Together (for labour agencies, store fitting and maintenance service providers, food delivery partners and retail labour service providers such as cleaning and security). Stronger Together is a UK based multi-stakeholder initiative aiming to reduce modern slavery through guidance and training.
- Enhanced due diligence requirements for food delivery partners.

In the coming years additional requirements will be introduced as part of rolling out the Group Human Rights blueprint (e.g., completion of the Self-Assessment Questionnaire within Sedex, extending the requirement for ethical audits to other high-risk supplier categories, and increasing the expected frequency of Stronger Together Training to every three years).

Online Partners - Food Delivery Services

We currently partner with Deliveroo, Just Eat and Uber Eats to offer food delivery services to our customers. However, this sector often relies on recruiting couriers on a temporary and irregular basis, which can heighten the risks of certain types of exploitation such as minimum pay rates, deductions, or excessive working hours (couriers are most often classed as self-employed). We have a range of human rights requirements for these suppliers including modern slavery and responsible recruitment training, and we continue to monitor compliance.

Tackling Modern Slavery – our supply chains.

All One Stop own-label products are sourced from the same suppliers as Tesco UK. One Stop benefits from the wider group's Modern Slavery control framework when it comes to our shared supply chains. For detailed information on these controls see the section 'Tackling Modern Slavery Risks – Our Supply Chains' in [Tesco's Modern Slavery Statement](#).



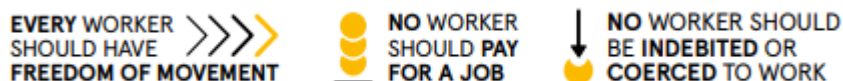
Industry collaboration and partnerships.

We can play an important role in improving working conditions for workers, including reducing the risk of modern slavery, through collaboration with suppliers, NGOs, industry bodies and government. One Stop benefits from being part of the wider Tesco Group when it comes to partnerships with various organisations fighting modern slavery.

Over the past 12 months, Tesco have continued to engage in a number of multi-stakeholder initiatives to tackle systemic issues. Tesco continue to prioritise initiatives that align with strategy and where meaningful leverage can be achieved.

Consumer Goods Forum

As part of membership of the Consumer Goods Forum (CGF), Tesco helped to develop and strongly supports the CGF's Priority Industry Principles. These principles have underpinned the development of the Group modern slavery strategy. Tesco is one of the leading companies supporting collaborative efforts to combat forced labour in the consumer goods sector. Such collaboration is particularly important in lower tiers of supply chains where we do not have direct commercial relationships.



Tesco continues to participate in the (CGF) Human Rights Coalition – Working to End Forced Labour, which brings together retailers and manufacturers to drive meaningful sector-wide change. This year, Tesco have been participating in the working group focused on responsible recruitment. In 2023 this included work to adopt principles for remediation, which will continue in the coming year.

Food Network for Ethical Trade (FNET)

Together with suppliers and other retailers, Tesco continue to participate in FNET, a network developed to support collaboration throughout supply chains, including addressing priority risks such as modern slavery. We work closely with Tesco who share relevant insights gained through their participation in FNET and other initiatives.

This year FNET has continued bi-monthly calls to serve as a forum for members to share knowledge on emerging risks around modern slavery and broader ethical challenges. Tesco co-lead FNET's Responsible Recruitment working group. In 2023, focus continued to be given to the growing risks posed within UK seasonal labour and highlighting emerging issues brought to light through changing international recruitment trends.

Leadership Group for Responsible Recruitment (IHRB)

As a member of the Responsible Recruitment Leadership Group, an initiative of the Institute for Human Rights and Business, Tesco actively supports the Employer Pays Principle that 'No worker should pay for a job - the costs of recruitment should be borne not by the worker, but by the employer.' It is Tesco's policy requirement that all suppliers of food, and non-food, including those shared between Tesco and One Stop align with the Employer Pays Principle. We remain committed to rolling out this requirement, recognising that for many suppliers the transition to 'no fees' recruitment will take time, due to the difficulty in addressing the complex challenges associated with the root causes, including recruitment fees being endemic cultural norms.

Modern Slavery Intelligence Network

The Modern Slavery Intelligence Network (MSIN) is a non-profit collaboration in the UK food sector created in response to the findings of Operation Fort, the UK's largest ever modern slavery investigation. Tesco have taken leading roles in the legal and external stakeholder workstreams of MSIN, sit on the Board of Directors, and are active participants. Information generated by the network is used to detect, prevent and disrupt modern slavery and labour exploitation in the food industry, protecting workers and improving outcomes for those directly impacted.

Tesco hosted the annual MSIN Conference 2023, with keynote speeches given by Rt Hon Theresa May MP and Caroline Haughey OBE KC. The conference was an important opportunity for current and prospective members across the food industry to take stock of our collective responsibility to disrupting forced labour and accelerating collaboration.

Unseen partnership

Since 2019 Tesco have partnered with the anti-slavery charity Unseen, who run the UK's 24/7 independent and confidential Modern Slavery & Exploitation Helpline. The helpline's trained advisors are able to support potential victims of modern slavery as well as offer a way for businesses and the public to raise concerns, complementing our own Protector Line. Real-time translation is available in over 180 languages. We encourage primary supplying sites in the UK to promote the helpline, enabling us to continue to raise awareness of modern slavery. Since 2020 we promote the helpline in One Stop's distribution centres. In the past we have also raised awareness among our Franchisees about the helpline and the possibility to obtain Unseen posters to for their stores. Through the Unseen business portal, which provides us with information about concerns reported to the helpline, Tesco gained visibility of four potential cases linked to supply chains in 2023. Three of these related to shared Tesco and One Stop suppliers. Where these issues are reported through Unseen, Tesco works closely with them on the investigation and remedial actions, ensuring that they are rights-informed and satisfactory to impacted workers.

Awareness raising and capacity building.

Raising awareness of modern slavery, both within our business and our supply chains, is an important part of our strategy. We know that identifying potential and actual cases requires training for colleagues and suppliers to understand the drivers and possible indicators of modern slavery.

This year we continued to train colleagues in our business who have direct contact with workers in our own operations and supply chains, including our Area Managers, People Partners, Business Development Managers, Online team members and relevant distribution colleagues. These colleagues receive modern slavery training upon joining as well as an annual refresher training. Since 2023/24 store and shift managers joining the role also receive tailored training on modern slavery. Modern Slavery training is made available to our franchisees. In April 2024 we launched a simplified training video for Franchise stores. This year we trained 305 Franchisees (98%) on modern slavery. In addition, over 65 (100%) new and 80 (100%) existing priority colleagues in head office received new starter and refresher training on modern slavery. Within our stores over 750 (96%) store and shift managers received modern slavery training. In 2024/25, as part of implementing the Group Human Rights blueprint, we plan to ensure our Product colleagues are trained on modern slavery and human rights.

We continue to require all our own label suppliers based in the UK to attend 'Stronger Together' training on tackling modern slavery. This requirement also includes high risk service providers such as labour agencies and shop fitting and maintenance providers, food delivery partners, as well as the second-tier suppliers of our key UK food suppliers. Over the past seven years, 3,240 representatives from Tesco's supply chains have attended this training. We strongly encourage all fruit and wine producers to attend 'Stronger Together' training in South Africa with 2,010 individuals trained to date, compared to 1,440 individuals in 2022/23.

In 2021 Tesco also started mandating the completion of the Stronger Together Progress Reporting Tool for all UK based suppliers (including those supplying One Stop branded goods). Using this online self-assessment, companies can track the progress they have made in addressing modern slavery risks and identify the next steps for their businesses and supply chains, to ensure their approach continues to evolve. In 2022 we introduced due diligence requirements for food delivery partners including completion of relevant Modern Slavery and Responsible Recruitment training and the utilisation of the Responsible Recruitment self-assessment tool.

Impact and monitoring.

We use the following Key Performance Indicators to track progress:

By end of	Target	Measure	Status
2023	100% priority colleagues ¹	% of in-scope One Stop colleagues, trained in the UK on modern slavery.	96% of One Stop priority colleagues trained on modern slavery, including forced labour.
2023	Zero workers pay for a job in 100% of primary sites in Thailand and Malaysia	<p>% of in-scope sites compliant with the Responsible Recruitment requirements – Thailand and Malaysia.</p> <p>This KPI is led at Group level as One Stop products are sourced from the same suppliers as Tesco UK.</p>	Although 100% of in scope sites are committed to complying with this policy, and 100% of food sites have completed the verification process, to date 27% of food sites have completed all steps to be fully compliant. In the remainder of sites yet to reach full compliance, this is due to the length of time needed to sustainably implement change to complex recruitment. See pages 14 and 15 in Tesco's Modern Slavery Statement for further details. We will continue driving for compliance in 2024 at Group level.

New targets for 2024/25:

Within	Target	Measure
2024/25	Ensure Product colleagues receive training on modern slavery and human rights.	% of Product colleagues trained on human rights and modern slavery, which includes forced labour.

¹ Priority colleagues defined as One Stop Area Managers, Business Development Managers, People Partners, Distribution Managers, Store Managers, Shift Managers and Online colleagues.

We will continue to report annually within this statement on the below additional metrics and measures of success:

Measure	Status 2022- 2023
Number of One Stop colleagues trained on modern slavery	Over 750 store colleagues Over 65 head office and distribution colleagues (80 existing head office and distribution colleagues received refresher modern slavery training)
Number of Franchisee stores trained on modern slavery	305
Number of cases with modern slavery indicators identified in own-operations and supply chains	4
Number of cases with labour abuse indicators identified in own-operations and supply chains	5
Number of modern slavery cases successfully remediated	6

We also monitor progress against the commitments we make within our Modern Slavery Statement each year.

Create simplified and tailored Modern Slavery training for Store Managers and Franchise stores. Launch the updated Modern Slavery Training for Store Managers and Franchisees.	We created simplified Modern Slavery video for store colleagues and Franchisees. We launched the video to our Store and Shift Managers in 2023/24. The new training video for Franchisees was launched with a delay due to system issues which needed to be prioritised. In the meantime, the old version of our Modern Slavery training was still available to Franchisees. They have now transitioned to the updated training video since April 2024.
Carry out Modern Slavery refresher training for other priority colleagues (including our Area Managers, Business Development Managers, and	We carried out Modern Slavery refresher training for our priority colleagues. We plan to continue this work in the coming year.

relevant colleagues from our Distribution, People and Online teams).	
Continue to work with our food delivery partners to ensure compliance with our Human Rights due diligence requirement.	We have been working closely with our food delivery partners to ensure compliance with our due diligence requirements. As a result, online delivery partners have completed specialised training on modern slavery and responsible recruitment. We will continue this work in the coming year.
Continue to carry out agency worker interviews at our distribution centres.	We continued to carry out interviews with agency workers in our Distribution Centres. No red flags in relation to worker rights or modern slavery were identified. Since 2022/23 we substantially reduced the use of agencies in our Distribution Centres and aim to employ permanent colleagues wherever possible.
Continue to monitor compliance with our Human Rights requirements as stated in our Procurement Policy, ensuring effective mitigation of risks within our own operations. We will continue close cooperation with our third-party suppliers to ensure any critical non-conformances are addressed.	We continued to monitor compliance with our Human Rights requirements including attendance of Modern Slavery training and/or completion of SMETA audits. We have also used information about candidate SEDEX membership/SMETA audits in our tendering processes where relevant.
Continue to work in collaboration with Tesco, to share insights on emerging risks and best practices.	We continue to collaborate with Tesco to share insights on emerging risks and best practices. For example, we have been working with Tesco to understand and implement requirements of the new Group Human Rights Blueprint. This work will continue in 2024/25.

Supply Chains

(Led at Group level)

<p>Drive 100% compliance with our Responsible Recruitment Requirements in Thailand and Malaysia</p>	<p>There has been significant progress against this target in 2023, with 100% of food sites having completed the full verification process. See more detail on pages 14 and 15 of Tesco's Modern Slavery Statement for how this work will continue towards 100% compliance in 2024.</p>
<p>Fund and contribute to targeted workstream projects to advance improvements UK Seasonal Worker Scheme in 2023 and beyond.</p>	<p>This work has remained a priority for Tesco in the past year and will remain so in 2024. See Page 17 of Tesco's Modern Slavery Statement for more detail on activity on this issue in the past year.</p>
<p>Continue engagement with UK Government on Seasonal Worker Scheme policy asks.</p>	<p>Tesco have increased engagement with the government on Seasonal Worker Scheme issues in 2023, in particular with key departments such as DEFRA. This engagement will continue in 2024. See page 17 of Tesco's Modern Slavery Statement for more detail.</p>
<p>Continue supporting further development of the Just Good Work app and disseminating throughout our produce supply chains.</p>	<p>The Just Good Work app reached 34% of all scheme users in 2023 and Tesco will continue promoting it throughout our supply chains in 2024. See Page 17 of Tesco's Modern Slavery Statement for further detail.</p>
<p>Disseminate Oxfam grievance mechanism toolkit across relevant supplier base.</p>	<p>Tesco have been engaging with Oxfam to roll out the toolkit in non-food supply chains and will continue this into 2024.</p>
<p>Continue leadership within MSIN.</p>	<p>Tesco sits on the Board of MSIN and has continued leadership within the network in 2023, including hosting their annual conference. This will continue into 2024. See Page 23 of Tesco's Modern Slavery Statement for more.</p>
<p>Analyse outputs of Sedex/Diginex worker voice pilot.</p>	<p>Tesco completed this in 2023 as part of Sedex' pilot for incorporating worker voice surveys into the audit process. This work will continue in 2024.</p>

<p>Continue final year of work in Heriot Watt fishery pilot. Assess outputs to consider how to expand further. This work is reviewing working conditions in priority areas such as the Northern Irish Nephrops sector and the Alaskan Salmon sector.</p>	<p>Tesco have continued to support this work, which is still ongoing. Outputs will be assessed once the pilot is complete.</p>
<p>Continue to co-lead FNET Responsible Recruitment Working Group and deliver working group objectives, including % of members working to adopt the Employer Pays Principle.</p>	<p>Tesco continue to co-lead this working group. In 2023 80% of working group members had a public commitment to adopting the Employer Pays Principle.</p>
<p>Promote the Modern Slavery & Exploitation Helpline to all UK produce sites end-to-end.</p>	<p>Tesco continue to support Unseen's Modern Slavery & Exploitation Helpline and promote it across our supply chains. In 2023, Unseen joined the Seasonal Worker Scheme Taskforce to lend their expertise to the critical work being done to address abuses within the scheme. Work to support and promote the Helpline will continue.</p>

Plans for 2024/25.

In the next 12 months we will continue to strengthen our approach to managing the risk of modern slavery within our business and supply chain and ensure our strategy is responsive to changing risks. We will act immediately to address any concerns identified.

Own business and operations

- Continue implementation of the new Group Human Rights Blueprint.
- Launch modern slavery and human rights training for our Product team in line with new Human Rights Blueprint requirements.
- Continue to carry out modern slavery training for other priority colleague and for franchise stores.
- Continue to work with food delivery partners to ensure compliance with our Human Rights due diligence requirements.
- Continue to monitor compliance with our Human Rights requirements as stated in our Procurement Policy and the new Human Rights Blueprint, to ensuring effective mitigation of risks within our own operations. We will continue close cooperation with our third-party suppliers to ensure critical non-conformances are addressed.
- Transition to a single DC agency used by Tesco to ensure compliance with due diligence requirements introduced in the new Group Human Rights Blueprint.

Our supply chains (led at Group level)

- Analyse outputs of Tuft's University research into sustainable livelihoods in seafood, to identify opportunities to tackle financial insecurity as a key driver of modern slavery.
- Update our fish and seafood sourcing requirements and expand the extent of its human rights due diligence in these supply chains.
- Continue to build on the progress of the Seasonal Worker Scheme Taskforce to improve conditions for scheme participants, including continued support and promotion of the Just Good Work app.
- Continue pursuing advocacy opportunities with government for reform of the Seasonal Worker Scheme.
- Continue supporting and promotion of Unseen and the Modern Slavery & Exploitation Helpline.

- Continue work on FNET's board of directors, including strategy development to support progress against members' modern slavery aims, and continue co-leading the Responsible Recruitment working group.
- Drive 100% compliance with our Responsible Recruitment Requirements in Thailand and Malaysia.
- Continue participation in the ETI Grievance Mechanism in Agriculture project to drive improved access to grievance mechanisms for migrant workers in key produce supply chains.
- Continue the partnership with the IUF, including trialling the incident reporting tool in priority countries.