

# Modern Slavery Statement.

2024/25



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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 22 February 2025 and sets out the steps taken by our business, where we have operations in the UK, Republic of Ireland, Central Europe, and relevant subsidiaries, to prevent modern slavery and human trafficking in our own operations and supply chains. Due to the nature of their businesses, Tesco Mobile, dunnhumby, One Stop and Booker publish separate Modern Slavery Statements.



# Introduction from our Group CEO.

**Modern slavery has no place in our business or supply chain. We're fully committed to eradicating it and, with a comprehensive network of suppliers, we know we have a big part to play. We work tirelessly to ensure our business and the companies we partner with uphold the highest ethical standards to promote fair and safe work environments for all.**

We're stepping up our efforts in ensuring human rights are respected across the globe. Over the last year we've established a new operational governance group to oversee the continued rollout of our Human Rights Blueprint, which standardises policies and practices for managing human rights risks across the Group. We've also expanded our human rights team in key food sourcing regions such as Africa, Southeast Asia and Latin America. With these moves, we're boosting due diligence and supplier support, making sure our values are at the heart of what we do.

This statement outlines the approach we've taken to manage the risks of modern slavery and details how we check both our internal operations and supply chains, ensuring robust processes are in place to minimise and eliminate issues. We're committed to an open approach, sharing both our successes and the challenges we face. We continue to collaborate with others to address these risks thoroughly.

As we advance our human rights work, we gain deeper insights into the risks and trends related to modern slavery, enabling us to strengthen our approach. Our collaboration with suppliers and other retailers, through initiatives like the Food Network for Ethical Trade (FNET), has highlighted the growing risks within UK seasonal labour and emerging issues from changing international recruitment trends.

We recognise there's still more work to be done. Over the next 12 months, we'll continue working to ensure our strategy and approach evolves to the changing risks in this area.

This statement was approved by the Board of Tesco PLC.<sup>1</sup>



A handwritten signature in black ink, appearing to read 'Ken'.

**Ken Murphy**  
Group Chief Executive Officer

9 April 2024<sup>1</sup>

## Our key achievements in 2024/25

Within our full year 2024/25 we have:

- Established a new operational governance group to oversee continued rollout of a Human Rights Blueprint to standardise policies and practices for managing human rights risks across key business units in the Tesco Group
- Expanded our human rights team in key food sourcing regions in Africa, Southeast Asia and Latin America to enhance our due diligence and support for suppliers
- Been recognised for our leadership in tackling modern slavery in the Churches, Charities and Local Authorities (CCLA) Modern Slavery Benchmark
- Driven full compliance with our Responsible Recruitment Requirements in Thailand and Malaysia, which now sits at 100% for food sites having achieved compliance or implementing the final stages to achieve this
- Supported suppliers in Thailand and Malaysia to reimburse workers or pay for over USD 2.7million in recruitment fees and costs
- Initiated the repayment of over USD 282,615 in missing wages and overtime to workers in our home and clothing supply chain
- 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)
- Provided enhanced modern slavery training focusing on recruitment fees to key colleagues across our distribution network

(1) Entities required to publish a statement under the Modern Slavery Act and therefore covered by this Group Statement include: The Tesco Atrato Limited Partnership, The Tesco Passaic Limited Partnership, The Tesco Navona Limited Partnership, The Tesco Property Limited Partnership, Tesco Stores Limited, Tesco Distribution Limited, Tesco Maintenance Limited, Tesco Freetime Limited, Tesco Ireland Limited, Tesco Mobile Ireland Limited, Tesco Franchise Stores CR s.r.o., Tesco International Clothing Brand s.r.o., Tesco Stores CR a.s., Tesco Stores SR, a.s., Tesco-Global Aruhazak Zrt, Tesco Bengaluru Private Limited, Tesco Family Dining Limited, Tesco Corporate Treasury Services PLC.

# Our business and supply chains.

**Tesco is one of the world's leading multinational retailers. Our largest operations are in the UK, where we have close to 3,800 stores. We also have businesses in the Republic of Ireland, Czech Republic, Hungary and Slovakia.**

Across the Group, around 330,000 colleagues serve millions of customers every week, united in our core purpose of serving our customers, communities, and planet a little better every day. Our purpose is underpinned by three values:

- 1 No one tries harder for customers
- 2 We treat people how they want to be treated
- 3 Every little help makes a big difference

This means we're keeping customers at the heart of what we do, whilst also reflecting our responsibilities to the communities we serve, source from, and to society more broadly. To learn more about our purpose, [see here](#).



We want everyone who works for or with Tesco to have their human rights respected and we know our customers, colleagues and suppliers want the same. We believe that our trade should have a positive impact, creating jobs and opportunities for people all over the world and ensuring they work in safe work environments.

Our 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, we have committed to:

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

We have thousands of direct and indirect suppliers who grow, make and move raw materials and finished products across our global supply chain. 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 offices and stores clean and secure, and much more. Our human rights agenda covers both our own business operations and supply chains. 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 a number of important internationally recognised declarations, standards and codes. These are the foundations for how we work across the Tesco Group, and include:



[The United Nations \(UN\) Universal Declaration of Human Rights](#)



[The UN Global Compact](#)



[The UN Guiding Principles on Business and Human Rights](#)



[The International Labour Organization \(ILO\) Declaration on Fundamental Principles and Rights at Work](#)



[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 [Human Rights Policy](#) which set out our obligations to customers, colleagues and communities in our own operations and supply chain. We take any allegation of a breach of our policies extremely seriously. We provide independent and confidential 'Protector Lines', communication channels that enable our colleagues, suppliers, and their workers around the world to raise concerns.

In 2024/25 we conducted a review of effectiveness and workers' access to our Protector Line in key sourcing countries. Our findings demonstrated the importance of Protector Line to workers in our supply chains on a broad range of potential issues, including human rights and modern slavery. We identified good practice regarding Protector Line promotion and opportunities to continuously improve coverage. In 2025/26 we will be rolling out new access mechanisms in Chile, Kenya, and Peru.





**Overall governance and progress monitoring of our human rights work, for all markets and subsidiaries, sits with the Board's Sustainability Committee, which meets four times during the year. Read more about the work of the Sustainability Committee in our [\[Annual Report and Financial Statements 2025\]](#)**

"Responsible Sourcing" is highlighted as a principal risk within our business-wide risk assessment, with the risk of worker exploitation and other human rights breaches as key drivers. Responsible Sourcing is also reported within our [\[Annual Report.\]](#) On at least an annual basis, we update our Group Risk and Compliance Committee, chaired by the Group CEO, on current and emerging risks, progress and performance, and any breaches of our policies. Each business unit also reports to their respective Risk and Compliance Committees.

This year we established a new operational governance group to provide strategic oversight to support the successful and effective implementation of our Human Rights Blueprint, wider human rights programme, and to provide guidance to business units on how to meet our human rights requirements. This Human Rights Governance Group is chaired by the Group Quality, Technical & Sustainability Director and attended by senior colleagues representing Commercial, Legal and Security functions. They meet at a minimum quarterly and report our human rights programme performance at least annually to the Board through the Group Risk and Compliance Committee and Sustainability Committee.

The Group Responsible Sourcing Director is accountable for our human rights strategy and chairs an internal modern slavery working group. This group is made up of colleagues from Human Rights and Group Security, meeting bi-annually at a minimum to monitor progress against our Group modern slavery strategy and review actions on alleged breaches.



# Due diligence.

We 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.

Our due diligence framework has five stages:



We assess the potential modern slavery risks within our own operations and supply chain by considering the country of origin of the products, raw materials or services we source, as well as the human rights trends of each sector. We also consider the type of labour being used, whether skilled, semi-skilled or un-skilled, and whether seasonal, permanent, agency or migrant labour.

We use the [Food Network for Ethical Trade \(FNET\)](#) risk ratings to inform this, combined with our own understanding of labour rights and modern slavery risks in our key sourcing sectors. We gather intelligence about emerging risks through our regional human rights specialists and strong relationships with local groups, NGOs and organisations such as ETI, FNET and the Consumer Goods Forum. Campaigners, whistleblowers, human rights defenders and activists can also play an important role in helping us identify where some of the biggest risks lie.

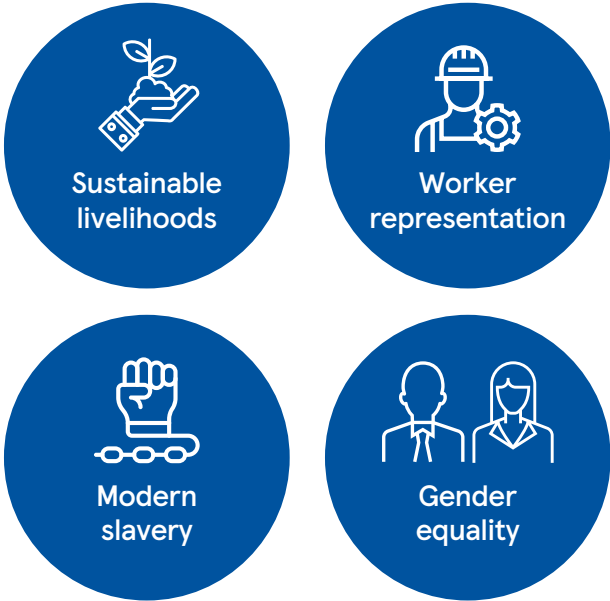
In 2024/25, we grew our human rights team to boost on-the-ground capacity in key sourcing regions. With over 40 dedicated specialists based in 13 priority countries, we are well-positioned to gather local intelligence and provide support by directly engaging with suppliers and stakeholders.

We continuously review our priority areas within our operations to identify emerging risks. Our commitment to ongoing due diligence spans across our operations and supply chains. This includes assurance visits, often carried out by independent experts, focusing on direct worker engagement and interviews.

We collaborate with a variety of experienced partners, including consultants and NGOs, supported by our commercial buying and quality teams. The information gathered helps us to continually reassess and address potential and actual risks in our business and supply chains.

Our human rights strategy identifies key areas to tackle the fundamental causes of the most salient human rights risks in our supply chain. We regularly review and refine our approach based on due diligence, stakeholder collaboration, and direct feedback from workers.

## Human Rights Strategy





## Human Rights Audits

For the supply chain of Tesco UK stores, we require all primary supplier sites (known as 'Tier 1' sites) to link to Tesco through Sedex, a platform for suppliers and retailers to share data on their workforce and working conditions, as well as audit records, giving us full visibility of their human rights audit performance. In high-risk countries, Tier 1 sites are required to have an independent human rights audit from a Tesco approved auditor before they start supplying to Tesco, and then on an annual basis. This represents around 28% of our total Tier 1 suppliers. These audits are conducted against best practice international labour standards as set out in the Base Code of the ETI.

Our audit programme is a key part of our assurance around supplier implementation of relevant ethical policies. In addition, we also require a sample of audits annually at all tiers of specific supply chains in high-risk countries. This includes for example, fruit and vegetable sites audited to the farm level and animal protein sites audited down to the lowest tier. From conducting a review of this process in 2024/25, we gained valuable insights into the lower tiers of our supply chain, where visibility is traditionally lower, such as recruitment trends at farm level. These requirements increase our visibility and engagement with key suppliers, and thus our overall human rights assurance.

We reserve the right to audit on an ad-hoc basis in response to any concerns or allegations.

We monitor the effectiveness and service quality of the audit companies we use on an ongoing basis. In 2024/25, we launched our global Witness Audit Programme to strengthen the quality and integrity of our human rights audits. This initiative ensures that all audits are conducted by industry-leading auditors, reinforcing our commitment to accountability and excellence.



Of the Witness results, 88% aligned with our expectations and are recognised as Tesco-approved auditors. We will only reconsider approving those auditors who didn't meet our expectations when solid evidence of their improvement is provided and we have witnessed an audit that meets our expectations. Additionally, we introduced the Witness Champion Programme this year to empower our audit service providers with self-monitoring capabilities. Champions will now begin witnessing our approved auditors every 12-24 months to ensure alignment with Tesco's values and standards during audits.

During the audit closing meeting with suppliers, all non-compliances with the ETI Base Code are discussed and a Corrective Action Plan Report (CAPR) is agreed between the supplier and the auditor. We categorise non-compliances as critical, major, or minor, as defined by the SMETA ethical audit methodology. If any critical non-compliances are found, the audit company notifies us directly. In 2024/25 critical non-compliances, related to any human rights breach including modern slavery, were identified at 46% of primary high-risk supplier sites. The most common of these were excessive working hours, inadequate health and safety practices, and underpayment of wages. This is similar to the trend in previous years.

In 2024/25, 94% of sites have either closed out the non-conformances or are on track to do so within the required timeframe. The remaining sites have either been suspended, exited or have agreed derogations.

Timeframes are agreed by our human rights and technical teams, who consider reasonable adjustments, mitigating factors, or ongoing investigations. We continue to work with sites to close issues as long as they demonstrate commitment and capability to do so. Our aim is always to ensure issues are remediated for workers and practices put in place to avoid recurrence. However, if we believe sustained improvement will not be achieved, we will seek to responsibly exit the site. In the last year, we suspended 11 sites as a result of human rights breaches.



### Investigating modern slavery allegations

Where any human rights issues are identified, including modern slavery, we work to an established internal incident management and escalation process to ensure that we receive all relevant information and act quickly and effectively. This process includes:

- **Receiving details of an allegation.** We have clear procedures to make senior colleagues aware of incidents, and the appropriate actions being taken. Allegations involving human rights issues are managed by Human Rights and Group Security teams, colleagues with a range of relevant expertise and experience, including former law enforcement officers and investigators
- **Convening relevant stakeholders appropriate to the details of the case.** Whenever we receive credible intelligence, for example through ethical audits, our own site visits, Protector Line, NGO, or media reports, we always review and investigate if appropriate. Where our suppliers identify possible indicators of modern slavery within their own operations, we support and monitor their investigations
- **Investigating and reporting to relevant authorities.** We engage proactively with the authorities and relevant experts to better understand risks and address issues identified. We are committed to sharing information that will help stop or prevent the exploitation or abuse of workers, whilst ensuring that this information is handled sensitively and within data protection requirements
- **Cross-industry collaboration,** including intelligence sharing in line with legal frameworks
- **Developing a remediation plan for substantiated allegations.** Where cases of modern slavery or other human rights abuses are identified, we work to ensure remediation, partnering with suppliers, charities /NGOs and affected stakeholders as appropriate





In 2024/25 we contributed to the development of a UK Food Supply Chain Serious Incident Escalation Protocol to align and formalise our collective approach to identifying, reporting and remedying human rights breaches. This work was led by the Food Network for Ethical Trade (FNET), in partnership with our other key partnerships such as Stronger Together and the Modern Slavery Intelligence Network (MSIN). Further detail on our partnerships can be found on page 21.

In 2024/25 most allegations related to industry-wide challenges, such as recruitment fees incurred by migrant workers. Our focus therefore remains on supporting ongoing collaborative efforts to address those specific concerns raised, as well as underlying root causes. At any point in cases where we are not satisfied with the actions taken, we will consider suspending sourcing and may move to exit relationships.

In the past 12 months, we have identified 39 allegations containing some indicators of the risk of labour abuse or modern slavery. 14 of these were within our own operations and 25 within our supply chain. This is an increase on last year, which were at 10 and 21 respectively, and consistent with the general year-on-year rise in the number of allegations we've received during and post the Covid-19 pandemic. Three instances of exploitation were confirmed within our own operations, with two partially substantiated, and 16 within our supply chain. Five of these cases in our supply chain relate to the UK Seasonal Worker Scheme and we have sufficient evidence to suggest these claims are at least partially substantiated. See more details of our response to the Seasonal Worker Scheme on page 15. All of these cases were investigated and responded to according to the approach outlined above.

## Grievance mechanisms

We know that effective grievance mechanisms are often key to identifying human rights allegations and addressing workers' concerns. As part of our broader human rights strategy, in line with the UN Guiding Principles, we continue to drive access to grievance mechanisms within our supply chain and own operations. More detail on our approach to grievance mechanisms can be found [here](#).

In 2024/25 we have continued working with & Wider on worker voice technology in South Africa to strengthen our due diligence processes across the South African fruit industry. Workers engaged in surveys through mobile technology to help build a comprehensive view on working conditions on farms. There were 26 farms in total with 1,100 workers who had participated in the project. &Wider has now completed three full cycles of worker feedback. The insights have been analysed and will be shared in a full report and roundtable planned for 2025.

In 2024/25 we have encouraged targeted Tier 1 suppliers to implement the grievance mechanism toolkit we helped develop in partnership with Reckitt and Oxfam. Reckitt, a key supplier, initially commissioned the practical toolkit to support companies to improve their grievance mechanisms, enabling workers to raise grievances in a safe, trusted and transparent manner. We partnered with them to increase the scope of the pilot to include flowers, produce and packaged foods.

The toolkit is now publicly available on the [Oxfam website](#) and provides best practice guidance on the effective implementation of operational grievance mechanisms. In addition, we have shared the toolkit with 65 Home and Clothing suppliers in Bangladesh, India and Turkey. We have collaborated with ETI to deliver a webinar for our Home and Clothing suppliers in the specified countries. The webinar

emphasised the importance of grievance mechanisms, provided guidance on effectively addressing grievances, and explained how to monitor the effectiveness of these mechanisms.

During ad-hoc visits at both our own and supplier sites, we conduct worker interviews, which are an important tool for identifying issues, always focusing on workers' needs and remaining voluntary.

We participate in the ETI's Grievance Mechanism in Agriculture project which draws upon our collective experience in establishing effective grievance mechanisms in an agricultural context. See further detail of this work on page 22.

In 2024/25 we conducted a mapping of workers' access to grievance mechanisms across our Tier 1 supply chain to ensure suppliers are meeting our policy expectations. From this analysis we can see that our primary suppliers are working hard to ensure workers have access to internal and independent whistleblowing and helplines. We identified some industry-wide challenges to workers using mechanisms, such as language barriers, and will continue working closely with suppliers in 2025/26 to overcome these.

## Human Rights Blueprint

In 2023/24, we started developing a group-wide Human Rights Blueprint outlining the minimum human rights standards expected of all business units. This covers policies and controls for human rights risks across the Tesco Group, including Central Europe, ROI, Booker, and OneStop. In 2024/25, we continued to implement these standards to consistently address modern slavery risks. This work will further progress in 2025/26.



# Tackling modern slavery risks.

Our approach to preventing, identifying, and mitigating modern slavery is based on the leading factors which are acknowledged by the ILO as root causes of modern slavery in supply chains, such as:

- Recruitment fees (leading to debt bondage)
- Cultural isolation
- Restricted movement
- Working conditions

It is important that we address all root causes, and we work collaboratively to drive progress across each of them. However, we will continue to focus on recruitment fees and costs, which can lead to debt bondage and exploitation, and is the most common modern slavery risk indicator in our business and supply chains. This is an area in which industry collaboration is most needed to reduce workers' vulnerability to exploitation.

We are also committed to sharing our experiences of tackling modern slavery and using our leverage to positively influence industry approaches and government strategy. For example, in 2024 we contributed to the British Retail Consortium's (BRC) submission to the House of Lords' call for evidence on the efficacy of the Modern Slavery Act 2015. We also contributed to [research conducted by the Centre for Social Justice \(CSJ\)](#) on the current state of modern slavery risks within the UK.

In January 2025 we provided [evidence](#) to the UK Parliament's Business & Trade Committee as part of its consultation on the forthcoming Employment Rights Bill and the broader state of labour practices within business and supply chain. A wide range of topics were discussed, including the efficacy of current due diligence legislation, the risks associated with the UK Seasonal Worker Schemes and the importance of industry collaboration in tackling exploitation.

## Strategy

Our current modern slavery strategy focuses on the following salient risk areas within both our own operations and supply chains:

- Higher risk labour in our own operations, such as third-party service providers
- UK Distribution
- Thailand and Malaysia
- Fish and Seafood
- Home and clothing
- UK seasonal workers

Details of our approach and progress in the last year on each of these areas are below.

## Our operations

Business purchasing practices can directly affect human rights and we're currently monitoring how our policies may impact supplier behaviour. In 2023/24, we began reviewing our purchasing practices with the aim of identifying improvements which support high human rights standards in our supply chains and procurement processes. We've continued this in 2024/25 and have committed to working with the Ethical Trading Initiative (ETI) on this area in 2025/26. This project will assess our current purchasing practices against best practice and identify opportunities for greater alignment.

The majority of our colleagues are employed on permanent contracts. Workers most at risk of modern slavery are those not in permanent employment or employed through labour agencies. In 2024/25 we conducted an assessment of any temporary subcontracting allowed by our service providers and reviewed processes to ensure this is always done in a limited way in line with our expectations.





Our focus areas in our business operations are:

- Agency workers in our distribution and fulfilment centres
- Workers providing retail labour services, such as security and cleaning for our offices, stores and distribution centres
- Workers in car washes located within the car parks of our stores
- Workers in the construction industry who build, maintain and fit-out our stores
- Goods not for resale manufactured in high-risk countries
- Couriers working for rapid 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
- Across all areas of Group Procurement, 77% of suppliers have completed Stronger Together modern slavery training, up from 58% last year, and 100% of required suppliers

have registered for the [Responsible Recruitment Toolkit](#). Completion rates sometimes fall below 100% where new suppliers are onboarded. In 2024, we continued efforts to increase transparency among our Goods Not for Resale suppliers. Consequently, the Stronger Together completion rate is temporarily lower as we work with new suppliers to achieve full compliance

- Complete the [Self-Assessment Questionnaire](#) within Sedex
- Attend bi-annual meetings with the Tesco human rights team to strengthen and coordinate our approach to identifying and mitigating risks of modern slavery. This is also included as a key aspect of ongoing supplier performance reviews carried out in conjunction with our commercial teams. In 2024/25 we conducted these with our two largest service providers across our operations

In 2024/25, we strengthened contractual provisions in our agreements with third-party courier partners to maintain compliance with legal expectations in key areas such as right to work checks, age validation, and subcontracting.

### UK distribution centres

In 2024/25, we continued to conduct annual site visits and worker interviews together with an expert human rights consultancy within our distribution network. We conducted assessments at five distribution centres and one customer fulfilment centre. At four of these sites the independent expert reported significant improvements to the standard of overall worker welfare and satisfaction working at the site. At the fifth site, improvements were noted, with some concerns raised for colleagues supporting cleaning on the site. This incident was thoroughly investigated, and robust



corrective actions implemented by our service provider and closely monitored by our team.

One advantage of our method for uncovering modern slavery is that it also allows us to identify other human rights issues. We were alerted to five cases relating to potential labour abuse in our distribution and fulfilment network in 2024/25, including one historic:

- We received intelligence of a rogue recruiter operating near one of our sites, potentially trying to place workers into Tesco via our trusted agency. This was thoroughly investigated and found to have no links to a Tesco site
- Similarly, we received an allegation of an individual in a nearby community charging job seekers of a similar background fees for job finding services. This was also thoroughly investigated and found to have no links to a Tesco site. In both cases, we shared the intelligence received via MSIN to support industry efforts
- We received an allegation of a supervisor extorting colleagues for favourable shifts. This claim was found to be spurious. However, after the investigation, we used the opportunity of the allegation to proactively engage distribution supervisors in a tailored awareness training led by Stronger Together. Further details are provided below
- We received a report that an employee of our third-party cleaning provider was recently convicted of a modern slavery type offence unrelated to their employment at a Tesco site. The appropriate process was initiated, and ultimately, the individual was removed from employment at a Tesco site
- We received a report relating to an historic allegation of recruitment fees paid by a colleague working at a Tesco site through an agency dating back to 2007. This remains under



investigation as per our protocols  
Alongside these reports, our assurance visits uncovered isolated instances of:

- Incorrect recording of absences and related impact on pay deductions
- Feelings of discriminatory treatment or favouritism towards workers of certain nationalities
- Lack of clarity on sick and holiday pay entitlements
- Verbal aggression by a supervisor

All of these instances were investigated in line with our policies and resolved to the affected worker's satisfaction. These findings highlight the importance of regular site visits and worker engagement by trained colleagues and independent experts, which we commit to continuing into 2025/26. We work closely with our distribution colleagues and labour providers to implement corrective actions where individual occurrences are raised and encourage workers to continue raising issues.

We promote our confidential Protector Line and the UK's independent [Modern Slavery & Exploitation Helpline](#) across all our distribution centres.

We closely monitor weekly working hours of all our agency distribution colleagues to keep within the acceptable limits of the ETI Base Code. We meet regularly with our labour providers to ensure worker welfare is maintained while flexing to business needs.

In recognition that there is a risk of illicit recruitment fees and extortion within our distribution network, we have worked with expert training provider Stronger Together to develop a bespoke and interactive supervisor training on recruitment fees, which has been attended by 140 Tesco and agency colleagues to date.

In 2025/26, we are supporting a responsible recruitment event convened by one of our labour providers, Staffline, to drive best practice across the distribution industry.

### Our supply chain

#### Thailand and Malaysia

We continue our particular focus on responsible recruitment in Thailand and Malaysia. Our human rights specialist in Thailand maintains close relationships with our primary suppliers and poultry sites in Thailand and Malaysia to check our ethical standards are met and the risks of modern slavery are mitigated, including regular site visits and face-to-face meetings.

We partner with the NGO Issara Institute, who specialise in tackling forced labour across Southeast Asia, to monitor our supply chains in Thailand and provide workers with independent grievance channels. Issara focuses on victim-centred approach to empowering workers to raise concerns, addressing these issues, and improving supplier systems. They set up grievance mechanisms, such as helplines, to support workers to report recruitment fees or other concerns. Issara monitors worker grievances through their dashboard, helping us support and empower vulnerable migrant workers.

In 2024/25, the Malaysian government announced a ban on businesses recruiting new migrant workers. In response, we discussed potential impacts with all affected suppliers, who confirmed that no new migrant recruitment was underway. We also participated in a discussion on the potential impacts on migrant workers and mitigation steps, convened by the Food Network for Ethical Trade (FNET), the Ethical Trading Initiative (ETI), and the Institute for Human Rights and Business (IHRB), along with relevant Tesco suppliers. These groups will continue to monitor for developments and engage relevant stakeholders as needed in 2025/26.



In 2024/25, our primary focus has been on building upon the progress suppliers have made in complying with our Responsible Recruitment Requirements for sites in Thailand and Malaysia. Launched in March 2020, we require all sites to implement the [Employer Pays Principle](#), in line with the ILO definition of recruitment fees and costs. In 2021, we expanded this requirement to all home and clothing and goods not for resale sites supplying into the UK and ROI. This imposes a timebound requirement for all primary suppliers to implement a zero fees recruitment model for migrant workers in line with the Employer Pays Principle.

Our suppliers have shown significant progress towards a sustainable Employer Pays recruitment model. In 2023/24, 27% of sites had reached full compliance, and 71% had implemented site-level policies. In 2024, 100% of food sites in scope achieved full compliance or are implementing the final stages to achieve this. We continue to work closely with one non-food and one site supplying goods not for resale on their compliance fulfilment.

Our Responsible Sourcing specialists based in the region have continued site visits in 2024/25, engaging closely with primary suppliers, technical and commercial colleagues. This work has equipped sites to understand how to develop stronger requirements with recruitment agents and practices which support the implementation of their zero-fee policies. This has facilitated the progress made to our overall compliance with the policies and the reimbursement made.

In 2024/25, a total of USD 2,779,123 represents the amount of recruitment fees and costs our suppliers have either reimbursed to workers or paid on their behalf. This is in addition to USD 3,637,408 in 2023/24 and USD 442,672 in 2022/23. Ongoing reimbursement work is continuing throughout our implementation of this policy, and we will continue to monitor and report fees reimbursed annually.





Engaging suppliers through our approach has helped us to better understand the impacts of the main challenges that have made progress slow:

- **Low awareness and understanding:** While suppliers broadly support the policy, there is a need for ongoing support in implementing the policy and adopting the Employer Pays Principle within their companies. Some individual sites have been reluctant, partly due to the local normalisation of some types of recruitment fees and costs typically expected to be covered by a worker
- **Limited leverage:** We need the rest of the industry to give the same messages to the supply chain so we can collectively improve on these issues. Where we have engaged but not seen the required commitment and support from supplier sites to improve, we have sought to responsibly exit

We will continue our close engagement with supplier sites directly in Thailand and Malaysia as it has been key to achieving the progress made to date and is encouraging further industry engagement on responsible recruitment.

Responsible recruitment assessment and verification process



### UK seasonal workers

The well-documented risks within the Seasonal Worker Scheme remain a priority in our modern slavery approach. We have identified that the scheme brings higher risks of modern slavery and exploitation, particularly through recruitment fees, discrimination, and poor accommodation standards, among other forms of labour abuse. The design of the government scheme is not aligned with the Employer Pays Principle, due to the requirement for workers to cover significant costs for their own visas and travel.

In 2024/25, we continued to see compounded risks, including reports of debt bondage and exploitation. Our greatest concern remains the vulnerability of new workers entering the scheme and the risk of them becoming significantly indebted in the process through both legal and illicit recruitment fees and costs. We continue to seek industry improvements through our participation in the multi-stakeholder Seasonal Worker Scheme Taskforce.

In response to this industry-wide challenge, in 2024/25 we:

- Continued funding and participation in the Seasonal Worker Scheme Taskforce to address root cause issues and improve worker experience in the immediate term
- Fed into DEFRA's worker survey to encourage authentic worker testimony
- Supported the capacity building of growers through national supplier roadshows
- Supported the Taskforce's further rollout of a Responsible Recruitment Progress Assessment for scheme operators
- [Pursued our advocacy opportunities, including giving evidence at a UK Parliamentary Business & Trade Committee on labour rights enforcement](#)
- Co-launched and funded an in-depth assessment of



a SWS operator recruitment pathway in Indonesia by expert consultancy Impactt. This was fully supported and facilitated by the relevant SWS scheme operator who acted upon findings and recommendations

- Reviewed suppliers to check they were supporting any workers impacted by the suspension of a SWS operator to remain in employment as per their visa entitlements
- Committed funding towards establishing an operational grievance mechanism specifically for SWS workers

We continue to promote the SWS version of the Just Good Work app, which we co-funded the development of in 2022/23. Just Good Work is a mobile app that provides workers with critical information and access to help at every stage of their recruitment and employment journey. The platform provides workers with consistent guidance, and a channel to report their concerns, in their native language.

For the year ending 31 December 2024, there were 60,099 jobseekers and workers using the app. This is an increase on 33,946 for the previous year. In 2025/26, Just Good Work will continue working closely with scheme operators to continuously improve the reach and usefulness of the app.

We believe there are significant challenges with the design and enforcement of the scheme which requires government intervention to resolve. In particular, we continue to engage government and stakeholders on three considerations, which we see as vital to addressing these challenges effectively:

1. Recruit from fewer, less risky countries
2. No fees contractual requirement guarantees from licensed scheme operators
  - a. Government and industry support must enable and enforce this
  - b. This will result in higher costs that will need to be shared across the supply chain
3. Clarify and enforce accountability for worker welfare
  - a. Through every step of worker engagement within the scheme
  - b. Include governance and remediation when issues are identified



### Fish and seafood

The details of Tesco's seafood sourcing are publicly available as part of the [Ocean Disclosure Project](#), as are our policy requirements for fish suppliers, including transparency to fleet level. The fishing sector presents significant challenges which heighten the risk of modern slavery and makes it difficult to carry out effective due diligence. These challenges include:

- Relative lack of traceability and visibility of issues in the sector
- Difficulty in replicating or adapting certain due diligence practices or techniques, including audits, particularly with regards to vessels

- Lack of worker organisation, awareness of labour rights, or effective grievance mechanisms
- Aspects of legislation which make workers more vulnerable to exploitation (flags of convenience, transit visas, exceptions to mandatory regulation of working hours and rest)

These challenges remained apparent in 2024/25, with increasing reports of modern slavery and forced labour in the seafood sector. Therefore, we continued to pursue improved visibility of modern slavery risks; improved due diligence with sector specific considerations for 'beyond audit' practices; and risk mitigations of migrant worker exploitation.

To progress these aims in 2024/25 we have renewed our efforts on the following initiatives:

- Collaboration on seafood industry challenges, globally, and at UK level, through the [Sea Alliance](#)
- Development of Worker Driven Social Responsibility initiatives supported by the [International Workers' Federation \(ITF\)](#)
- Review of our priority fish and seafood sourcing areas and associated sustainable seafood strategy
- Review and improvement of worker welfare concerns in the UK seafood industry

Review our seafood sourcing requirements to drive:

- greater visibility and traceability
- better-adapted certification for seafood products
- better-adapted requirements for smallholder farms
- increased use of effective Vessel Codes of Conduct

In our 2023/24 Modern Slavery Statement, we supported research conducted by Tuft's University into sustainable livelihoods in seafood, to identify opportunities to tackle financial insecurity as a key driver of modern slavery. We have since incorporated these learnings into our broader purchasing practices review for 2025/26, more details of which are on page 10.





### Home and Clothing

Our human rights programme for our home and clothing supply chain includes human rights audits, which are required on an annual basis for primary supplier sites in high-risk countries, and a broad range of support programmes to drive further improvements. The risks of modern slavery and labour exploitation most salient to our home and clothing supply chains include:

- Forced overtime and prohibited leave
- Withholding of identity documents and wages
- Restriction of movement, particularly in worker accommodation
- Excessive working hours
- Recruitment fees

We target action in our key sourcing regions including China and Southeast Asia, Indian Subcontinent, Europe, Middle East, and Africa, with key focuses on Bangladesh, China, India, Sri Lanka, Thailand, Turkey and the UK. This includes our approach in cotton, actions beyond tier 1, building robust compliance monitoring mechanisms, enhancing grievance mechanisms, enabling worker voice and capacity building.

In 2024/25, we continued to evolve the following existing initiatives focused on modern slavery.

### Enhanced Due Diligence

In 2024, we arranged upskill and modern slavery training for 81 auditors from audit service providers who are approved to conduct ethical audits on our behalf. In 2024/25, we provided upskilling sessions to 50 approved auditors from our audit service providers. These sessions focused on enhancing their auditing skills in verifying records transparency and included refresher training on anti-bribery and modern slavery issues. 14 experienced auditors attended the Witness Champion training. Four of them have been approved after Tesco witnessed their performance, and they will start witnessing our approved auditors every 12-24 months to ensure they are upskilled Tesco's values and standards when performing audits. Ten of them are pending Tesco witness audits or their results.

All critical and major non-compliances require remediation, whether related to modern slavery or other human rights breaches. Evidence that corrective actions have been completed are reviewed to the satisfaction of our approved auditors and our human rights specialists. We provide guidance and support to suppliers to complete the corrective actions.

In cases where non-compliances remain overdue without meaningful progress, we suspend new orders, and shipment of existing orders would be allowed for a maximum of three months. In 2024/25, we terminated business relationships with 11 supplier sites for serious human rights violations and failure to implement corrective actions.

### Ethical Monitoring Beyond tier 1

Our due diligence has identified a greater risk of modern slavery in the lower tiers of our supply chain. We continue to map our upstream suppliers in the home and clothing sectors, including spinning mills, fabric mills, and processing sites with higher ethical and reputational risks.





All our direct suppliers, factories, and mills have been offered training on our minimum requirements, the Employer Pays Principle, and responsible recruitment. We completed 19 sessions in 2024/25.

To further mitigate risks and remediate where necessary, in 2024/25 we have:

- Continued assessing the working conditions of fabric mills, spinning mills and weavers used by our clothing suppliers, of which 251, 26 and 35 respectively have been completed to date. We ensure all critical non-compliances are resolved
- Continued to work in collaboration with the ETI to prevent modern slavery in the Tirupur region in India, where workers are recruited through contractors and can have restrictions placed on their movement
- Mapped upstream suppliers with brand identification and made all suppliers aware of the upstream ethical audit programme and expectations
- Suppliers with upstream factories are now arranging ethical audits for beyond tier suppliers and have started working on improvement plans for non-compliances

In 2024/25, we continued to work towards our Approved Mills Ambition and Upstream Audit Programme to ensure that our beyond tier-1 suppliers who make our products will be sourced responsibly and sustainably by 2025/26.

To address issues related to migrant workers, we collaborated with the ETI, the Tirupur Exporter Association (TEA), trade unions, and other retailers to revive the Tirupur Stakeholders Forum (TSF). We continue to collaborate with the ETI to establish working committees to address various issues including responsible recruitment.

### Culture of Respect: Bangladesh

Since 2018 we have been implementing our 'RESPECT: Create A Workplace Culture of Respect' programme in Bangladesh in partnership with a local NGO, SHEVA. The ambition of the programme is to ensure a harassment-free workplace through encouraging management culture change, sustainable management systems, and embedding worker voice. Our training programme, directed at on-site supervisors, has been implemented across all tier 1 supplying sites in Bangladesh. 8,832 supervisors have received training to date.

Following the training, many factories have introduced management practices to incentivise the respectful behaviour and disciplinary procedures, and measures have been taken to enhance their grievance mechanisms.

Following an independent review of the programme by the ETI in 2022, 97% of surveyed workers reported visible positive changes in supervisors' behaviour. All of these workers mentioned that since the training, their supervisors listen to their issues sincerely and try to resolve issues with empathy.

In 2024/25, we launched a Respect program "quick guide" for Bangladesh suppliers to help them monitor the Respect program effectively in their facilities. Our Responsible Sourcing team visited key suppliers' factories to assess the effectiveness of the program and support further improvement. We are preparing to launch an enhanced version of the programme in 2025/26 to strengthen the progress in all our tier 1 supplier sites. Additionally, an industry engagement plan is underway in collaboration with trade bodies and other brands to promote the Respect programme as an industry norm.

Following the success of the programme in Bangladesh, we will roll out the programme in India in 2025/26.



### Cotton

Cotton remains a priority under our human rights strategy, as a commodity with associated human rights risks, including modern slavery. In 2017, we signed the "Sustainable Cotton Communique", otherwise known as the 2025 Sustainable Cotton Challenge (2025 SCC) to source 100% sustainable cotton by 2025.

Through more sustainable cotton programmes such as Global Organic Textile Standard (GOTS), Global Recycled Standard, US Cotton Trust Protocol and Better Cotton, we are on track to achieve this ambition. More information on our work in cotton and our F&F sustainability approach [here](#).





### Payment of wages and recruitment fees

Debt bondage significantly increases a worker's risk of modern slavery. As such, we closely monitor in key sourcing countries that wages are paid on time, and in full for all hours worked, including overtime premiums where relevant. Through our own checks, we occasionally find cases where wages are not paid on time or in full. Where we identify a shortfall in payment, we require suppliers to pay back any missed wages. In the rare occurrence that suppliers do not agree, we exit our relationship with them in a responsible way. In 2024/25 we identified and resolved 30 cases, affecting 3,058 workers, where payments had fallen short of what should have been paid. This included premiums for overtime, minimum wage arrears, illegal deduction, and paid leave. These were subsequently addressed with USD 282,615 repaid to workers as result.

We are a member of [ACT \(Action, Collaboration, Transformation\)](#) in which 20 international clothing brands work together with global unions to take an industry approach to move towards a living wage. This is achieved through supporting collective bargaining between industry associations and unions. In the coming year, we hope to see a collective bargaining agreement for a living wage in Cambodia take effect. In support of this initiative, we will launch open costings with our suppliers in Cambodia, and ringfence labour costs from price negotiations.

Apart from ensuring legal wages are paid to workers, as a member of ACT, we have reached a support agreement with IndustriALL to legally commit to moving towards a collectively bargained living wage between the unions and factories in the

garment industry in Cambodia. The support agreement is designed to raise wages and also to fundamentally transform the way industrial relations are managed in the garment sector. By enabling a collective bargaining process which can establish a wage structure that includes regular and predictable increases, the support agreement aims to help elevate living standards for garment workers in Cambodia.

### Worker Voice

In 2024/25, we have assessed the effectiveness of grievance mechanisms in all our primary supplying sites in Bangladesh, India, and Turkey and devised improvement plans with suppliers where needed. We are following up with suppliers to verify the completion of the enhancement actions and our human rights specialists so far have completed verification of at least 10% of all primary sites in these countries.

In these countries, we have required our suppliers' ethical resource trained by our own team to conduct training of our ethical requirements to all worker representatives, and 97% of the primary sites in these countries have completed their training.

In China, we launched a pilot programme with ten key suppliers to adopt anonymous worker satisfaction survey as a routine management practice. Feedback from workers was analysed and followed up accordingly to improve the workplace.

# Collaboration and partnerships.

**We 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.**

Over the past 12 months, we have continued to engage in several multi-stakeholder initiatives to tackle systemic issues. We continue to prioritise initiatives that align with our strategy and where we have meaningful leverage.

## Benchmarks

In 2024/25 we were pleased to be ranked in Tier 1 of companies 'leading on human rights innovation' for a second year running in the [Benchmark of the CCLA](#), an investment management company. Whilst this recognition is important, we also welcome the opportunity the benchmark scoring provides us to consider where we can continuously improve. For example, our commitment to reviewing purchasing practices in 2025/26.

We also engaged Anthesis, a third party sustainability consultancy to conduct industry benchmarking of our human rights approach. The results showed our due diligence approach to identifying and assessing human rights risks is ranked to be more developed and comprehensive than others. It also highlighted some gaps we need to close to match the best-in-class, including how we engage affected rightsholders to shape our decisions in addressing salient risks, and greater transparency in our public disclosures, in particular on how we track the effectiveness of our actions. These are areas we will continue to work to improve in 2025/26.



## [Consumer Goods Forum](#)

As part of our membership of the Consumer Goods Forum (CGF), we helped to develop and support the CGF's Priority Industry Principles. These principles have underpinned the development of our modern slavery strategy, and we are 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.

We continue 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.

## [Clear Voice Interpreting](#)

Many workers, both within our own operations and supply chains, do not speak English fluently and may feel more comfortable discussing their working conditions in their native language. Clear Voice Interpreting is the trading arm of the NGO Migrant Help, which provides vital interpreting services to those in the UK. Informed by their experience of interpreting needs, Clear Voice Interpreting provides an on-demand phone service and pre-booked virtual interpretation services to

EVERY WORKER  
SHOULD HAVE  
FREEDOM OF MOVEMENT

NO WORKER  
SHOULD PAY  
FOR A JOB

NO WORKER SHOULD  
BE INDEBITED OR  
COERCED TO WORK



those in need. We have worked with Clear Voice Interpreting since 2022 to access independent, professional interpreters adept at working with survivors of abuse when conducting worker engagement and human rights assessments.

In 2024/25 Clear Voice provided us support with:

- 354 minutes of phone interpreting services, supporting worker welfare interviews
- Interpretation in six languages: Bulgarian, Chinese, Cantonese, Hindi, Lithuanian, Romanian, Russian

### Ethical Trading Initiative – Grievance Mechanisms in Agriculture (GMA)

In 2023, the ETI launched a pilot project, funded by the UK Government, aimed at exploring ways to improve access to grievance mechanisms for vulnerable agricultural workers in Italy and Spain. The project conducted in-depth research in selected regions of both countries to identify the critical challenges faced by migrant workers within agricultural supply chains. While grievance mechanisms exist in theory, practical obstacles such as language barriers, fear of retaliation, lack of awareness, and employer-controlled systems hinder their effective use.

In Italy, workers often resort to exploitative arrangements like 'caporalato' due to the absence of viable alternatives, whereas in Spain, restrictive contracts under the GECCO scheme create dependency and limit worker mobility. Both countries are also characterised by widespread undeclared work and exploitative conditions, exacerbating the precariousness of workers' situations.

In response to these findings, the project adopted a bottom-up approach, actively engaging workers to gather their input on the effectiveness of existing grievance mechanisms at two growers supplying the UK market. This feedback has informed the development of an action plan aimed at improving existing

reporting channels and designing new, more effective ones. The tools and insights generated by the project will be shared with industry stakeholders to enhance grievance mechanisms across supply chains.

Additionally, the project established a modern slavery prevention network, Digniwork, to connect local civil society organisations supporting migrants in Morocco, Tunisia, and Côte d'Ivoire with stakeholders in Italy and Spain. This network fosters knowledge exchange on ethical recruitment practices and workers' rights. The project is scheduled to conclude in 2025/26.

As part of our broader commitment to addressing human rights risks in Spain, in 2024/25 we launched a pilot of enhanced due diligence to identify and mitigate emerging risks to workers and communities connected to our supply chains related to developing geo-political issues such as heat and water stress.

### Food Network for Ethical Trade (FNET)

Together with our suppliers and other retailers, we continue to participate in FNET, a network developed to support collaboration throughout supply chains, including addressing priority risks such as modern slavery. Tesco supports the mission of this cross-industry initiative by sitting on the Board of Directors for FNET, contributing to the strategy of FNET in 2025 and beyond.

We actively participate in sharing good practice and approaches to help the food industry respond to emerging issues. For example, in 2024/25 we presented to members our approach to assuring full supply chain visibility during higher-risk tenders such as solar panels.

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. We co-lead FNET's Responsible Recruitment working group. In

2024/25, focus was given to providing members with practical tools to take 'one step forward' on their business' responsible recruitment approach, whatever stage of this they may be at.

### IUF Partnership

We have had a strategic partnership with the global federation of trade unions, IUF (International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers Association) since 2022/23. We support IUF in their mission to address the challenges faced by workers in global food supply chains, including workers exercising their rights to be in a trade union and to negotiate collectively. Based on the Memorandum of Understanding signed by Tesco and the IUF on January 19, 2022, the IUF and Tesco have committed to work collaboratively to support workers to access effective representation and to identify opportunities for joint activities which focus on effectively reducing women's vulnerability and increasing women's voices and representation in the workplace. To fulfill these expectations Tesco and the IUF have identified key priority countries to launch training for workers on creating safe and healthy workplaces and addressing sexual harassment and discrimination. Our first training took place in Zimbabwe in February 2025 with Ethiopia and Spain to follow later in 2025/26.



### 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, we actively support 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 a policy requirement that all suppliers of food, home and clothing, and goods and services not for resale into Tesco UK 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. We 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.

In 2024/25 we continued live intelligence sharing through MSIN, including broad trends of exploitation in specific geographic regions highlighted to us through internal investigations.

In 2025/26 we will host the annual conference of MSIN, focused on bringing members and the wider sector together to collectively disrupt of modern slavery in the food industry.

### Spanish Ethical Trade Forums

The Spanish Ethical Trade Forums were established in 2015 as a collaborative initiative to address ongoing human rights risks and promote better working conditions within the agri-food sector in Spain. The Forums improve the wellbeing of workers by embedding sustainable and ethical good practice. We participate in the Forums and Governance Group, along with 12 supermarket brands and more than 100 associate members, including importers and producers.

In 2023/24 we began supporting the Forums as a “Canal Foros” sponsor; this is a grievance mechanism project launched with the aim of providing a common grievance channel to all workers in the Spanish fresh food industry. In November 2023, the Forums started the implementation of the pilot, focused on training producers and workers.

The Forums are collaborating with the ETI GMA project described on page 22 to create alignment and avoid duplication. Achievements during the pilot stage to date include:

- 11 companies have trained workers and activated the mechanism
- 1,336 workers have been trained directly by the Forums
- 43 internal trainers have been trained by the Forums
- 5,120 workers are covered by the grievance mechanism overall

In 2024/25 the Spanish Ethical Trade Forums delivered six online seminars, five regional events and one international event, reaching 640 sector representatives. The Forums have





also delivered two in-person training sessions to management and workers to tackle issues related to poor social dialogue, management systems, leadership skills, and remedying modern slavery cases. These training sessions are delivered by experienced trainers selected by the Forums who adapt and prepare each session, focusing on the company characteristics and common challenges.

In 2024/25 Canal Foros launched a collaboration agreement with grievance organisation Appellando. This collaboration will support the Ethical Trade Forums initiative and will increase the reach of Canal Foros as a grievance mechanism to growers across Spain. The App Foros was also launched in 2024/25. This free mobile application provides essential information on labor rights, legal requirements, and guidance on key issues for workers in the Spanish fruit and vegetable sector. Designed to support migrants in particular and those in vulnerable situations, App Foros seeks to facilitate access to knowledge on labour conditions and offer resources to address common challenges. We will continue to drive progress in 2025/26.

### [Unseen](#)

Since 2019 we have supported the anti-slavery charity Unseen, who operate the UK's independent and confidential Modern Slavery & Exploitation Helpline. The Helpline's trained advisors support potential victims of modern slavery as well as offer a way for businesses and the public to raise concerns. Real-time translation is available in over 180 languages. We encourage our primary supplying sites in the UK to promote the Helpline, enabling us to continue to raise awareness of modern slavery. Through the Unseen business portal, which provides us with information about concerns reported to the Helpline, we have

gained visibility of three potential cases relating to our own operations and five linked to our supply chains in 2024/25. Where these issues are brought to our attention by Unseen, we work closely with them on the investigation and remedial actions.

### [Waves](#)

The car wash sector in the UK is widely acknowledged as being high risk for modern slavery. We collaborate with our sole car wash provider, Waves, to drive strong ethical and employment compliance standards across the network.



Waves recognises the financial impacts of recent announcements and the effects this could have upon the network in terms of employment and managing risk. As such, Waves continues to audit the network, addressing findings through Waves processes and retraining franchise partners on best practise for worker welfare, employment rights and compliance related matters.

Waves continues to work with anti-slavery charity Unseen and the Modern Slavery & Exploitation Helpline, to prevent and detect potential exploitation and modern slavery across the network, whilst offering the ability for individuals to report malpractice directly to Waves via its anonymous reporting helpline. Waves work with both governmental organisations and NGOs to drive change in the car wash sector to raise ethical standards across all parts of the industry, through training and sharing best practice.

Extensive training is given to all Waves employees on spotting the signs of modern slavery. Furthermore, all franchise partners continue to receive on site and in person training on the latest legislation changes on right to work, to ensure delivery of ethical employment practices in line with current requirements.

In 2025/26, Waves will continue to upskill all employees with the relevant training in spotting the signs of modern slavery, as well as reviewing changes in legislation on modern slavery and immigration laws, to ensure best practice is delivered across the network.

# 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:

- Modern slavery training for key colleagues working within our People team supporting business areas at high-risk to modern slavery
- Continued ad-hoc basic awareness training and upskilling for colleagues within distribution, colleague relations and group procurement
- Provided upskilling training for 50 auditors who are approved to conduct ethical audits on our behalf in our non-food supply chain

We continue to require all Tesco suppliers based in the UK, including service providers such as labour agencies, to attend Stronger Together training on tackling modern slavery once every three years. This requirement also includes the second tier of our key UK food suppliers. Over the past eight years, 3,801, representatives from our supply chains have attended this training. This is an increase from 3,240 in 2023/24.

We sponsor Stronger Together's South Africa programme, and we strongly encourage all fruit and wine producers to attend Stronger Together training in South Africa, with 2,229 individuals trained to date, compared to 2,010 individuals in 2023/24.

In 2021/22, we mandated the completion of the Stronger Together Progress Reporting Tool for all UK based suppliers. 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. 279 suppliers have completed the Progress Reporting Tool to date, compared to 234 suppliers in 2023/24.

Recognising that dedicated ethical resources at supplier level lead to better working conditions, we established the Tesco Ethical Change-Makers (TSEC) programme within our non-food supplier base. TSEC participants complete a comprehensive training programme which includes in-depth discussion regarding our values and standards as well as operational skills. In addition to driving compliance with our responsible sourcing standards, the TSEC programme offers an opportunity for participants to share their experiences of best practice.

In the last 12 months, 275 participants have been certified as TSEC and 160 of them successfully renewed their TSEC qualification at supplying sites in Bangladesh, China, Central Europe, India, Pakistan, Sri Lanka, SEA, Turkey and the UK.











# Impact and monitoring.

We use the following Key Performance Indicators to track progress:








By end of	Target	Measure	Status
2024/25	100% of colleagues in relevant distribution teams trained to spot the signs of forced labour.	No. of Tesco colleagues trained on modern slavery, which includes forced labour.	140 distribution colleagues trained.
Ongoing	Zero workers pay for a job in 100% of primary sites in Thailand and Malaysia.	% of in-scope sites compliant with the Responsible Recruitment Requirements – Thailand and Malaysia.	In 2024, 100% of food sites in scope achieved full compliance or are implementing the final stages to achieve this. We continue to work closely with one non-food and one site supplying goods not for resale on their compliance fulfilment.









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

Measure	Status 2024/25	Progress
Number of primary suppliers in the UK trained on modern slavery.	561 new suppliers in 2024/25	
Number of Tesco colleagues trained on modern slavery.	140	
Number of cases with modern slavery indicators identified in own-operations and supply chains.	22	
Number of cases with labour abuse indicators identified in own-operations and supply chains.	17	
Number of modern slavery cases successfully remediated.	14	
Amount of recruitment fees remediated in our supply chains.	USD 2,779,123	



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

Measure	Status 2024/25	Progress
Continue regular third-party human rights assurance visits across our UK distribution network.	We have conducted further assessments at our 5 highest-risk distribution sites and one customer fulfilment centre this year. Further detail on page 11.	
Continue monitoring of weekly working hours of distribution agency colleagues.	We continue to closely monitor agency working hours each week to ensure they remain within acceptable limits of the ETI base code.	
Provide modern slavery training to priority distribution colleagues.	This has been completed. See further detail on page 26.	
Conduct a review of Tesco purchasing practices to understand potential improvements to support human rights standards within our supply chains and procurement processes.	This year we continued our review of purchasing practices and engaged the ETI to help us assess our purchasing practices and identify opportunities for improvement. This work will complete in 2025/26.	
Create consistent human rights standards across Tesco Group, including Central Europe, ROI, Booker and OneStop.	This work has been ongoing throughout the year as the development of our Group Human Rights Blueprint, as per page 9.	
Drive 100% compliance with our Responsible Recruitment Requirements in Thailand and Malaysia	In 2024, 100% of food sites in scope achieved full compliance or are implementing the final stages to achieve this. We continue to work closely with one non-food and one site supplying goods not for resale on their compliance fulfilment.	
Fund and contribute to targeted workstream projects to advance improvements UK Seasonal Worker Scheme in 2023 and beyond.	This work has remained a priority for Tesco in the past year and will remain so in 2025. See page 15 for more detail on our activity on this issue in the past year.	

Measure	Status 2024/25	Progress
Continue engagement with UK Government on Seasonal Worker Scheme policy asks.	This work has remained a priority for Tesco in the past year and will remain so in 2025. See page 15 for more detail on our activity on this issue in the past year.	
Continue supporting further development of the Just Good Work app and disseminating throughout our produce supply chains.	For the year ending 31 December 2024, there were 60,099 jobseekers and workers using the app. This is an increase on 33,946 for the previous year.	
Disseminate Oxfam grievance mechanism toolkit across our relevant supplier base.	We have been engaging with Oxfam to roll out the toolkit in non-food supply chains and will continue this into 2025.	
Continue leadership within MSIN.	Tesco sits on the Board of MSIN and has continued leadership within the network in 2024, including intelligence sharing. We will continue this into 2025, including hosting their annual conference. See page 23 for more.	
Continue final year of work in Heriot Watt fishery pilot. Assess outputs to consider how to expand further.	We have continued to support this work, which is still ongoing. We will assess outputs once the pilot is complete.	
Work with apparel suppliers in Bangladesh to further implement our Culture of Respect Programme.	This work continued in 2024, with 71 supervisors from new sites trained, in addition to 8832 supervisors trained in last few years. See page 19 for more detail.	
Promote the Modern Slavery & Exploitation Helpline to all UK produce sites end-to-end.	We continue to support Unseen's Modern Slavery & Exploitation Helpline and promote it across our own operations and supply chains. We will continue to support and promote the Helpline.	
Continue to co-lead FNET Responsible Recruitment Working Group and deliver working group objectives, including % of members working to adopt the Employer Pays Principle.	We continue to co-lead this working group.	



# Plans for 2025/26.

**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.**

## Own business and operations

- Complete a review of our purchasing practices to understand opportunities for improvement
- Continue site-level human rights due diligence across our distribution network, supported by independent experts
- Provide modern slavery training to colleagues as required
- Continue rollout of Group Human Rights Blueprint

## Our supply chain

- Update our fish and seafood responsible sourcing requirements
- Continue participation in the Seasonal Worker Scheme Taskforce to improve conditions for scheme participants, including continued support and promotion of the Just Good Work app
- Pursue advocacy opportunities with UK government and other stakeholders for reform of the Seasonal Worker Scheme
- Continue supporting and promoting Unseen and the Modern Slavery & Exploitation Helpline

- Continuously improve coverage and access to grievance mechanisms for workers across our supply chain
- Continue work with FNET at Board level, including strategy development to support progress against members' modern slavery aims, and co-leading the Responsible Recruitment working group
- Finalise 100% compliance with our Responsible Recruitment Requirements in Thailand and Malaysia and monitor implementation across the region
- 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 our partnership with the IUF, including trialling the incident reporting tool in priority countries
- Work with Oxfam to disseminate the grievance mechanism toolkit to non-food suppliers
- Expand our non-food ethical monitoring programme to tier 2 and tier 3 of our supply chain

