

BOOKER GROUP LIMITED (“Booker”)

MODERN SLAVERY STATEMENT 2021/22

This statement is made pursuant to the UK Modern Slavery Act 2015 (the “Act”) and relates to the financial year ending 28th February 2022. It sets out the steps taken by Booker to prevent modern slavery and human trafficking in our own operations and supply chains.

Introduction

The Act requires businesses to state the actions they have taken during the financial year to combat modern slavery in their own organisation and supply chains. At Booker we are committed to ensuring that modern slavery is not taking place in our own operations and own label supply chains. We are dedicated to acting ethically and with integrity in all of our business relationships and to implementing and enforcing effective systems and controls to eliminate the risk of modern slavery occurring.

Our Business and Structure

Booker is the UK’s leading food wholesaler, with approximately 14’000 employees. The Booker Group was acquired by Tesco PLC in 2018 and comprises:-

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

- **Catering customers** (serving 367,564) and **Small Businesses** (serving 378,320). Our catering customers include restaurants, fast food outlets, licensed premises and cost centre caterers. These can vary from independent single site locations to larger multiple site locations;
- **Group Customers and National Chains**. All customers can draw upon the Booker, Makro, Booker Retail Partners and Booker Direct infrastructures;
- **Independent retailers** (serving 79,982). Our largest retail customers tend to be our Premier, Londis, Budgens and Family Shopper symbol group members which are all independent retailers operating local convenience shops stocking branded and Booker own branded products; Premier (4126 retailers), Budgens (392 retailers), Londis (2609retailers) and Family Shopper (176 retailers). We also serve our retail club members (e.g. independent retailers who are members of the Booker promotional club which focuses on securing consumer offers), unaffiliated independents and national retail accounts.

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

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

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

Company Policies

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

The UN Universal Declaration of Human Rights

The International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work.

The UN Guiding Principles on Business and Human Rights.

The UN Global Compact.

The Base Code of the Ethical Trading Initiative (ETI).

Our modern slavery strategy is supported by a number of key policies:

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

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

- **Whistleblowing Policy** – This is incorporated within our Code of Business Conduct. We take any breach of our policies or allegations of labour abuse extremely seriously and encourage colleagues to speak up. We provide an independent 'Protector Line' for the confidential disclosure of any modern slavery incidents, or suspected incidents, breaches of policies, anything unlawful or suspected cases of the deliberate concealment of information relating to these things. Any concerns reported will be investigated fully by HR, Legal, Security or Health & Safety (as appropriate) for complaints of an internal nature.
- **Dignity at Work Policy** – This policy further reinforces how we expect colleagues, customers, suppliers and third parties who work with Booker to be treated; in an environment that is safe, free from victimisation, harassment and bullying, which includes freedom from all forms of modern slavery. The Protector help line is detailed for the reporting of any concerns. Any reported concerns will be fully investigated by managers within HR, Legal, Security or Health & Safety (as appropriate) for complaints of an internal nature. Each of these managers have all received our modern slavery training to ensure that they are well equipped to handle any concerns

appropriately and sensitively. This is further supplemented by our activities to ensure a culture of diversity and inclusivity within the business.

- **Ethical Trading Policy** – This is available to all own-label suppliers and is based on the Ethical Trading Initiative Base Code ('ETI base code') (a code which incorporates the most relevant conventions of the International Labour Organisation with respect to internationally recognised good labour practices, including a requirement that employment is freely chosen). Under the policy, all own-label suppliers and sites are required to comply with the base code, in addition to their own national requirements, to give their workers the best level of protection. The policy also details our audit requirements for own-label suppliers where a risk assessment triggers the need for an independent ethical audit, which is further detailed in this statement below.

Identifying Risk and Preventing Modern Slavery in Our Supply Chain

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

We have also moved four own-label retail brands to a Group shared retail brand, and as part of this 85% of these suppliers of own-label brand have registered with Sedex, a platform for suppliers and retailers to share ethical data and audit records, giving us full visibility of their ethical audit performance.

To complement this programme we report on ethical compliance KPI's, measuring the number of high-risk own-label suppliers which have undergone risk assessment and audit. The objective are to primary risk assess all own label suppliers and to audit 90-100% of sites identified as high risk.

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

- Ensure we avoid making demands of suppliers, which may lead them to violate human rights, for example by making timely payment and placing realistic expectations for the delivery of orders.
- Encourage and protect whistle blowers by providing a free anonymous and confidential 24 hour help line. In 2020-21 we had no calls with potential indicators of modern slavery into this line.

Where audit results identify issues we take appropriate reasonable action which may include (depending on the nature and severity of any issues):

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

Xinjiang Province

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

Supplier Assurance Programme

In order to ensure our approach to due diligence continues to evolve, we are seeking to introduce enhanced requirements for new suppliers. We are working towards the objective that all new suppliers will be asked to complete a questionnaire including detail on their own due diligence to identify and prevent modern slavery. This will, in turn, enable the business to take a wider view of the supplier as a prospective business partner. In the last twelve months we have identified suppliers providing goods and services not for resale ('GSNFR') to be the initial group of suppliers to roll out the new due diligence measures. These include a modern slavery specific questionnaire and additional background and reputational checks. The aim is to roll these measures out, initially, to all new suppliers identified as higher risk, and followed by existing GSNFR suppliers identified as higher risk. We will also roll this out for high risk suppliers of goods for resale. More details in relation to the Modern Slavery aspect are detailed under the header 'Risk Assessment' below.

Identifying Risk and Preventing Modern Slavery in our Own Operations

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

Employees – Right to Work Checks

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

Employees – Working Environment Survey

In the last twelve months we have introduced the 'Every Voice Matters' survey; an annual survey to provide colleagues with the opportunity to provide feedback on a number of business related areas such as career development, employment benefits, company culture and their treatment within the business. Based on the feedback, the intention is to continually improve any areas identified as necessary in order to continually strengthen a positive environment for colleagues.

Training

To increase understanding of the risks of modern slavery in our supply chains and own operations, we provide training to approximately 1750 staff in roles identified as responsibility in this area or having potentially greater exposure to the risks of modern slavery (e.g. Managers of Operations & Logistics Teams) or roles of related responsibility (e.g. Managers of Security & Health & Safety roles).

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

As we move forward, the aim is to continually increase the colleague audience to continue to broaden and strengthen understanding of the risks of human rights abuses and offer more in depth training throughout the business.

Risk Assessment

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

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

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

Under our policy, we will carry out further due diligence on these suppliers. We have created a modern slavery specific questionnaire which will be used as a tool to identify which suppliers have appropriate policies and practices in place to ensure that human rights are respected.

We intend to roll out the questionnaire within the above categories of suppliers in the next twelve months.

Modern Slavery & Exploitation Helpline

In order to help increase awareness of modern slavery and where to find help, we have, in the last twelve months, promoted by displaying in each of our distribution centres, the 24/7 independent and confidential Modern Slavery & Exploitation Helpline, operated by the anti-slavery charity Unseen. The helpline's trained advisors support victims of modern slavery as well as offer a way for businesses and the public to raise suspicions and concerns, complementing our own Protector line. Real-time translation is available in over 180 languages.

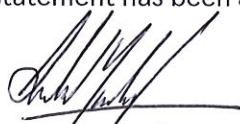
Progress Against Last Year's Commitments

<u>Aim</u>	<u>Outcome</u>
Conduct a review of potential modern slavery risk in our own operations.	Now completed with the focus on 4 high-risk sectors; (i) Sites manufacturing GNFR in high risk countries (ii) Construction & Fit Out Suppliers, (iii) Labour Providers and Catering, (iv) Cleaning, Security Stocktaking & Merchandising Suppliers
Provide increased modern slavery training for individuals identified within the business as having greater exposure to the risk of modern slavery.	This has now been completed.
Conduct 'Every Voice Matters' survey to evaluate colleagues views on their working environment, including employment standards and to give due consideration and act on any identified concerns.	This colleague survey has been conducted and will be repeated annually.
Introduce the additional Supplier due diligence for all new suppliers.	This work is on-going and we will continue to move forward with this over the next year.
Introduce Modern Slavery hotline at Distribution Centres.	Posters are now displayed in all Distribution Centres in several high traffic locations to enhance visibility e.g. reception, canteens, rest rooms.

Plans for 2022/23

- Carry out the modern slavery due diligence on the suppliers within the four categories of suppliers identified as high risk.
- Provide increased modern slavery training for individuals identified within the business as having greater exposure to the risk of modern slavery.
- Implement the additional Supplier due diligence for new suppliers.
- Expand the promotion of the Modern Slavery & Exploitation Helpline to include roll out in the trading teams .

This statement has been approved by the Board of Directors.



Andrew Yaxley

Chief Executive

Booker Group Limited

Date: *26.7.2022*

Booker Limited

Booker Direct Limited

Makro Self Service Wholesalers Limited

Ritter Courivaud Limited

Booker Retail Partners (GB) Limited

