

BOOKER GROUP LIMITED (“Booker”)

MODERN SLAVERY STATEMENT 2023/24

This statement is made pursuant to the UK Modern Slavery Act 2015 (the “Act”) and relates to the financial year ending 25th February 2024. As required under the Act, it sets out the steps taken by Booker to prevent modern slavery and human trafficking in our own operations and supply chains.

Introduction

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

Our Business and Structure

Booker is the UK’s leading food wholesaler, with approximately 15,000 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 356,955) and Small Businesses (serving 337,798). 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 76,922). 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 brand products; Premier (4704 retailers), Budgens (448 retailers), Londis (2685 retailers) and Family Shopper (264 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 accounts, with customers including 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.

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

Supply Chains

In terms of our product ranges, a large proportion of the Booker supply chain is UK based. However, we also have a considerable global network of suppliers which support our vast and diverse product range offerings. In terms of our own-label ranges, global suppliers are predominately manufacturers and are subject to SEDEX* audits if identified as high risk (as detailed below under the header ‘Identifying Risk & Preventing Modern Slavery in Our Supply Chain’). *SEDEX stands for ‘Supplier Ethical Data Exchange’ (a non-profit organisation) which operates a platform for suppliers and retailers to share ethical data and audit records and which developed and owns the SMETA audit (Sedex Members Ethical Trade Audit), designed to assess a business’s supply chain, focusing on environmental sustainability, social responsibility, and ethical practices.

Company Policies

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

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

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

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

[The UN Global Compact](#)

[The Base Code of the Ethical Trading Initiative \(ETI\)](#)

Our modern slavery strategy is supported by several key policies:

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

The policies communicate that rights must be respected, and breaches remedied. The code recognises that we need to ensure that our own business practices do not become the cause of labour standard issues. Developing long term relationships with suppliers which we know and trust gives them the confidence to invest in improvements so we can achieve more together. To strengthen compliance, colleagues receive refresher training on the policy each year. In further support of this, colleagues are encouraged to choose suppliers based on their values as well as other factors such as price and quality, in order to build strong relationships – we achieve this through technical reviews of the sites and assessments. We seek, for example, to understand a potential supplier's approach to ethical trading issues as part of initial discussions wherever possible and stakeholders can determine not to use a supplier that does not share our values.

- **Whistleblowing Policy** – This policy encourages our colleagues to speak up if they have any concerns about wrongdoing which might be a breach of the law, a breach of our Code of Business Conduct or of our values. It sets out the process for raising a concern and includes access to a confidential whistleblowing helpline (Protector Line) run by an independent third party. Concerns can be raised anonymously if preferred. We take concerns seriously and investigate as appropriate in line with our Group Standards for the Conduct of Internal Investigations. We are about to release posters on our website to launch the Protection Line to our suppliers.
- **Bullying and Harassment 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 Line is available for the reporting of any concerns in relation to this policy. 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 has 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.
- **Modern Slavery Policy** – we take a continuous improvement approach to modern slavery. In addition to the Modern Slavery Statement we publish each year, our Modern Slavery Policy reaffirms the high standards we expect from our own business and our supply chain partners. It helps our colleagues recognise the signs of actual or potential cases of modern slavery and educates them on the correct course of action to take if they notice anything of concern. This ensures that the risk can be managed or mitigated appropriately in a manner which doesn't increase the risk of harm to the person(s) involved. Where concerns are raised in our supply chain, we support and work together with the supplier affected to overcome the issues if possible. We would only consider de-listing a supplier in such cases as a last resort where they fail to engage in the process.

Identifying Risk and Preventing Modern Slavery in Our Supply Chain

As part of our continued efforts to ensure modern slavery does not occur in our supply chains, we regularly review the risk of modern slavery for emerging risks. This process seeks to recognise that certain locations (such as India, China, North Korea and Pakistan) and industry types (such as electronics, garments and palm oil) are more prone to poor labour practices including forced or bonded labour, human trafficking, child slavery, excessive working hours, non-payment of the Living Wage. Where own-label suppliers are identified as high-risk we seek further assurances that they are mitigating the risk of modern slavery. One example of how we achieve this is through our ethical audit programme. Sites identified as high-risk (as determined by the [Food Network for Ethical Trade \(FNET\)](#)) are required to have an annual SMETA audit. SMETA audits are based on the ETI base code, include worker interviews and are conducted against best practice international labour standards.

All our suppliers of own-label products have registered with Sedex. This gives us full visibility of their ethical audit performance.

We have worked with all existing own-brand suppliers of tea, coffee, cocoa & bananas, as commodities with particular human rights risks, to become certified to standards such as [Fairtrade](#), [Rain Forest Alliance](#) and [UTZ](#). These standards create a measurable benchmark of compliance against a range of sustainability criteria, including human rights.

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

- Treat suppliers fairly, ensuring that we avoid making demands of suppliers which may lead them to violate human rights. An example includes ensuring that we make timely payment to suppliers and place realistic expectations on them for the delivery of orders; and
- Encourage and protect whistle blowers by providing a free anonymous and confidential 24-hour help line. In 2023-24 we had 115 calls to the Protector line, none of which were identified as potential cases of modern slavery.

Where audits identify issues, or where issues are otherwise identified, we take appropriate 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.

Supplier Assurance Programme

Following the successful launch last year of due diligence measures for new suppliers providing goods for resale ('GFR'), in the last six months we have rolled these out to our new suppliers of goods and services not for resale ('GSNFR'). These measures include a modern slavery specific assessment and additional background and reputational checks. In July 2024 we began expanding these measures to our existing supplier base, building on the extensive work that we have already done in relation to those of our existing high-risk suppliers.

We are also looking to introduce a further enhanced human rights due diligence program for our own label products. We are currently in the discovery phase of this new process and implementation will be on a phased basis. We hope to start implementing some aspects of the new program before the end of this financial year.

Identifying Risk and Preventing Modern Slavery in our Own Operations

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

Employees - Right to Work Checks

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

Employees – Working Environment Survey

We are now in the fourth year of running our 'Every Voice Matters' survey; an annual survey to provide colleagues with the opportunity to provide feedback on a number of business-related areas such as career development, employment benefits, company culture and their treatment within the business. Based on the feedback, the intention is to continually improve any areas identified as necessary in order to continually strengthen a positive environment for colleagues. We are proud to have improved for a second year running in certain areas, including colleagues confidence in 'speaking up' around any concerns. Colleague engagement was up 11% on last year.

Training

We continue to increase colleagues understanding of the risks of modern slavery in our supply chains and own operations, we have delivered training to approximately 2,292 staff in roles identified as having responsibility in this area or having potentially greater exposure to the risks of modern slavery (e.g. Managers of Operations & Logistics Teams) or roles of related responsibility (e.g. Managers of Security & Health & Safety roles).

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

Going forward we are keen to see how we can work more closely with our UK suppliers who operate in high-risk industries within both the GFR and GSNFR spheres to increase their awareness of modern slavery challenges.

Risk Assessment

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

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

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

We are now adding Retail Delivery Partnerships (i.e gig economy courier services) to this list.

Progress Against Last Year's Commitments

Aim	Outcome
Implement the additional supplier due diligence process introduced previously for new GFR suppliers for new suppliers of GSNFR.	This has now been implemented and has been a great opportunity to support some of our smaller suppliers with putting written policies in place.
Training – to produce an improved and more in-depth training module to help increase employee's awareness and understanding of the risks.	We reviewed our training module and added access to external video links highlighting current trends to aid further understanding.
To complete the implementation of a revised and broader Whistleblowing Policy.	We now have a stand-alone Whistleblowing Policy.
To continue the risk assessment and due diligence of existing higher-risk suppliers.	Great strides were made in this regard over the course of the year. The remaining suppliers are now going to be put through our more formal new supplier onboarding process to expedite completion.

Plans for 2024/25

- Implement additional supplier due diligence to all existing suppliers.
- Training – work more closely with our UK suppliers who operate in high-risk industries within both the GFR and GSNFR spheres to increase their awareness of Modern Slavery and how to deal with the challenges it poses.
- Protector Line – make this available to suppliers.
- Introduce a further enhanced human rights due diligence program for our own label products in collaboration with the wider Tesco Group.

This statement has been approved by the Board of Directors.

Andrew Yaxley

Andrew Yaxley
Chief Executive
Booker Group Limited
Date: 22 August 2024

Booker Limited
Booker Direct Limited (t/a Best Food Logistics)
Makro Self Service Wholesalers Limited
Booker Retail Partners (GB) Limited