

Associated British Foods plc

TICKER
 LON:ABF

MARKET CAPITALIZATION
 US\$24 billion

HEADQUARTERS
 United Kingdom

DISCLOSURES
UK Modern Slavery Act: Yes

TARGETS
 None

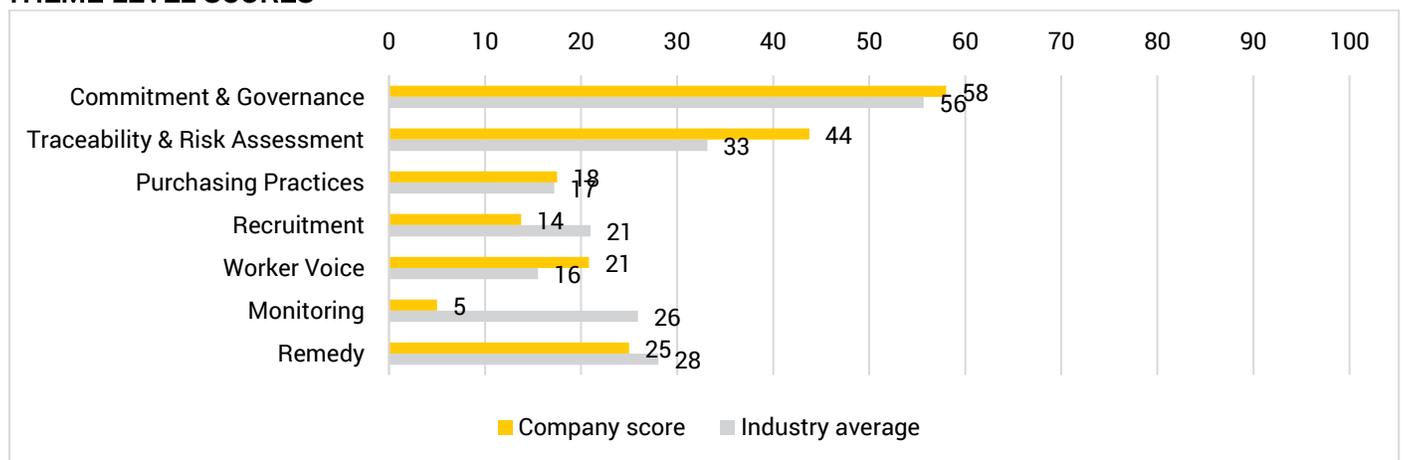
California Transparency in Supply Chains Act: Yes (Disclosure of Subsidiary)

OVERALL RANKING
23 out of 43

(2018 Rank: 19 out of 38)

OVERALL SCORE
26 out of 100
SUMMARY

Associated British Foods plc (ABF), a food and ingredients company headquartered in the UK, ranks 23rd out of 43 companies, disclosing about the same amount of information on its forced labor policies and practices as its peers. Since 2018, the company seems to have taken only limited steps to improve its performance and disclosure (namely by disclosing becoming a signatory to Malawi Tea 2020 and further information on its stakeholder engagement). As the benchmark methodology requires companies to keep up with evolving stakeholder expectations and emerging good practices, the company's score has decreased by four points. ABF is encouraged to improve its performance and disclosure on the themes of Purchasing Practices, Recruitment, and Worker Voice.

THEME-LEVEL SCORES


Research conducted through February 2020 or through May 2020, where companies provided additional disclosure or links. For more information, see the full dataset [here](#). For information on a company's positive and negative human rights impact, see the Business & Human Rights Resource Centre [website](#).

KEY DATA POINTS
SUPPLIER LIST

No

NO-FEE POLICY

Yes

SUPPORTS FREEDOM OF ASSOCIATION

Yes

REMEDY FOR SUPPLY CHAIN WORKERS

No

HIGH-RISK COMMODITIES

 Soybeans, corn, sugarcane, and others¹
LEADING PRACTICES

Freedom of Association: ABF discloses that it has become a signatory to Malawi Tea 2020, “joining industry partners, unions, government agencies and NGOs to support living wages for workers and thriving farmers.” It states that the initial collective bargaining agreement for the sector resulted in a large wage increase for tea workers.

NOTABLE FINDINGS

Commitment & Governance: ABF states that it has developed a company-wide online training module on modern slavery, which includes how to address the risks in its supply chains. It states that the training was made available to all of its businesses and that 750 employees have completed the course. The company states that its Chief Executive, George Weston, is a member of the Business Against Slavery Forum, which it describes as “a coalition of business and government that aims to accelerate progress to end modern slavery” and which is focused on addressing risks in supply chains, raising awareness, and supporting survivors to attain paid employment.

Risk Assessment: The company discloses its risk assessment process, which it states identifies those supply chains that are higher risk of forced labor based on country of origin, product, industry, or workforce characteristics. It states that it uses Sedex and Maplecroft’s risk assessment tool. The company also discloses a risk assessment for its sugar business, which identified labor brokering and smallholder farm workers as high-risk areas.

Purchasing Practices: ABF reports that its ethical sourcing program manager and agricultural supply chain specialist are working with its vine fruit suppliers in Turkey on a “pilot project to assess conditions within farming communities.” It also states that its supplier code of conduct, which incorporates the ILO core labor standards, is included in its supplier contracts.

OPPORTUNITIES FOR IMPROVEMENT

Purchasing Practices: The company is encouraged to assess the risks of forced labor at potential suppliers before entering into contracts with them. It is further encouraged to adopt responsible purchasing practices (such as prompt payment) and provide procurement incentives (such as price premiums or longer-term contracts) to its first-tier suppliers to encourage or reward good labor practices.

Recruitment: While ABF’s supplier code of conduct prohibits worker-paid “deposits” and its Twinings brand has policies and steps to address worker-paid recruitment fees, ABF may consider strengthening its supplier code to include the [Employer Pays Principle](#). It may also consider providing evidence that recruitment-related fees are reimbursed to the workers and/or that such fees are paid by suppliers. The company is further encouraged to ensure that employment and/or recruitment agencies used in its supply chains are monitored and to provide details of how it supports responsible recruitment in its supply chains (for example, by using responsible recruitment agencies or supporting the development of responsible recruitment schemes).

Worker Voice: The company is encouraged to ensure that a formal mechanism to report grievances to an impartial entity regarding labor conditions in the company’s supply chains is available and communicated to its suppliers’ workers and relevant stakeholders, such as worker organizations or labor NGOs. The company may further consider ensuring that its suppliers’ workers trust the mechanism by involving workers or an independent third party in the design or performance of the mechanism.

ENGAGED WITH KNOWTHECHAIN

Yes ([Sent Links](#)).

¹ The US Department of Labor lists these commodities as commodities that may be produced using forced labor. US Department of Labor (20 September 2018), “[List of Goods Produced by Child Labor or Forced Labor](#).”