

## TESCO EXTERNAL REQUIREMENT

**Title: Human Rights requirements for food and grocery non-food suppliers**

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| <b>No.:</b> 60585                                    | <b>Version:</b> 1.3                         |
| <b>Date Effective:</b> April 2021                    |   |
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### Document Overview

This document details Tesco’s human rights approach for own label food suppliers and non-food grocery suppliers and brands exclusive to Tesco, supplying into Tesco UK and ROI. This includes details of where we require ethical audits and where we expect suppliers to take additional steps to protect workers in our end-to-end supply chains.

| Business Unit/Market of Sale | Business Area<br>Main Area/Sub Area  |
|------------------------------|--|
| United Kingdom               | Food:<br>Food General/Grocery Non-Food/Agriculture/<br>Horticulture/ Product Development |
| Republic Of Ireland          | Non-Food:<br>Grocery Non-food  |
|                              | Responsible Sourcing:<br>Human rights/Environment/Packaging                              |

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## 1. Purpose & Scope

This document details Tesco’s human rights approach for own label food suppliers and non-food grocery suppliers and brands exclusive to Tesco, supplying into Tesco UK and ROI. This includes details of where we require ethical audits and where we expect suppliers to take additional steps to protect workers in our end-to-end supply chains.

Adherence to these requirements is a condition of supply to Tesco. Suppliers and sites are expected to read and implement the requirements, in addition to ensuring all sites are compliant with the [ETI base code](#).

Suppliers must inform Tesco of any Human Rights concerns, allegations and/or fatalities and serious injuries against their organisation or supply chain as soon as they are made aware and within 48 hours. This includes critical and business critical NCs.

## 2. Detailed Requirements

### Our Human Rights Approach

Our approach to addressing and avoiding human risks in our supply chain is based on 3 pillars:

- a) **Improve** – respecting the rights of people working for our suppliers, using audits and certification to assure that human rights standards are observed and safeguarded.
- b) **Transform** – addressing endemic labour issues throughout key supply chains through partnerships with suppliers, civil society and industry.
- c) **Advocate** – using our convening power to advocate for change, where needed.

Tesco's human rights programme is embedded throughout our operations and is fundamental to the commitment we make to our customers to source our products responsibly. We are committed to upholding human rights and fully support the [UN Universal Declaration of Human Rights](#), the [International Labour Organization Fundamental Principles and Rights at Work](#), the [UN Guiding Principles on Business and Human Rights](#) and the [UN Global Compact](#).

This policy outlines the requirements under each pillar. For more detail about how we work, please refer to on [our approach to human rights](#) in our supply chain.

### Improve

Our Improvement programme focuses on compliance with labour laws and the ETI base code, verified through the use of audits and certification – see [Certification Commitments](#) for further information.

Upholding the ETI base code is one of the requirements for our suppliers of doing business with Tesco. Suppliers are required to show compliance with the ETI base code and labour laws, for example working towards the eradication of recruitment fees and upholding women's rights. Our suppliers are required to communicate our requirements along their supply chain and to relevant stakeholders.

Different requirements are applicable depending on which countries suppliers operate in. The country risk assessment has been developed by the Food Network for Ethical Trade (FNET). The assessment rates countries from high to low risk. The outputs of this can be found in the [Country List](#) at the bottom of this document.

We focus our compliance program on areas of highest risk. Suppliers should use the list to identify where they are sourcing from high risk countries or countries with additional requirements or exceptions.

Our requirements apply to all primary sites. In addition, we also apply our requirements to all end-to-end sites (including all packhouses, approved growers or farms and any other processing site along the supply chain) supplying into Produce and Horticulture as well as Protein supply chains.

### a) Ethical Audit Requirements

Sedex site registration and audit visibility – **applies to all primary sites, as per TQC, regardless of their country risk rating:**

- Supplier sites must be registered on Sedex with a completed SAQ.
- Suppliers must link to the relevant Tesco UK category on Sedex and provide full visibility to Tesco.
- Suppliers are required to update their SAQ annually, or when business changes occur.
- All primary sites must be registered on TQC and insert the correct Sedex site code (ZS), regardless of their country risk rating.
- All critical and business critical must be closed out in the time frame determined by the auditor, including undertaking a follow-up audit where required, regardless of whether the audit was for Tesco or not.

Audit requirements – **applies to all primary sites, as per TQC, in high-risk countries:**

- All primary sites in high-risk countries require a SMETA audit on an annual basis. We also accept SIZA in South Africa and Namibia.
- **However, any site supplying Tesco may be subject to an unannounced ethical audit at any time, regardless of country risk rating.**
- Audits must be conducted on a semi-announced basis, at any point within a minimum 3 week window. This excludes audits in Latin America and SIZA audits where announced audits are accepted.
- Audits must be conducted when the site is fully operational and when the largest number of workers are present. If a site supplies more than one product to Tesco with different peaks, the audit window should align with the product with the largest worker numbers.
- For new sites, the audit must take place before supply. The audit does not need to be at peak production but there must be activity on site that is linked directly to the product that will be sourced. All critical or business critical issues must be resolved before commencing supply.
- All audits must be conducted by an audit body recognised by Tesco for ethical auditing in the relevant region. Details of these can be found in Policy 80045(a).

## b) Additional Audit Requirements - Produce and Horticulture

- All sites (including all packhouses, approved growers and any other processing site along the supply chain) supplying into the Produce category **in high risk countries** require a SMETA audit on an annual basis. We also accept SIZA in South Africa and Namibia and certifications (see iii below).
- Audits must be conducted on a semi-announced basis (excluding SIZA audits and Latin America) when the site is fully operational and when the largest number of workers are present. If a site supplies more than one product to Tesco with different peaks, the audit window should align with the product with the largest worker numbers.
- Where harvesting or maintenance teams are used, they must be covered in the scope of the audit. If a central team is run from the packhouse, this should be covered under the packhouse audit. If a 3rd party team is used, this should be covered under the audit of the site utilising these services. The ETI base code should apply to all sub-contracted labour.
- For new sites, the audit must take place before supply. The audit does not need to be in peak season but there must be activity on site that is linked directly to the product that will be sourced. All critical or business critical issues must be resolved before commencing supply. In the case of SIZA, a valid certificate must have been issued.
- Any site that requires a SMETA or SIZA audit must be registered on Sedex with a completed SAQ. Sites are required to update their SAQ annually, or when business changes occur.
- Any site that requires a SMETA audit must also link to Tesco UK Produce on Sedex via the relevant primary supplier. If a SIZA audit is being conducted, all growers must be registered on Sedex and linked via SIZA.
- Where an audit is not required in the following year, sites must remain linked to Tesco UK Produce on Sedex with an updated SAQ.
- If a smallholder or grower is using certification or GRASP as an alternative to SMETA, they do not need to be visible on Sedex.

There are a number of exceptions to the above, as detailed below:

### i) Smallholders

Growers with less than 15 employed workers (permanent and temporary), per production unit are defined as smallholders. The ethical requirements for smallholders are based on the type of farm and workforce:

1. Family run growers with no employed workers require no formal ethical assessment.
2. Family run growers with no employed workers but using a central harvesting or maintenance team run from the packhouse require no formal ethical assessment. The packhouse SMETA or SIZA audit will cover the teams.

3. Family run growers with no employed workers but using a central harvesting or maintenance team that is not run from the packhouse are to be treated as per 4) at time of harvest.
4. Growers with less than 15 employed workers must be either:
  - Rainforest Alliance, Fairtrade or Fair for Life certified
  - GRASP risk assessed

Where GRASP is used, growers must be compliant with all control points. Primary suppliers should inform Tesco Responsible Sourcing where this is not the case in order to agree next steps and/or additional requirements.

If a risk is identified by a Responsible Sourcing Manager (RS), additional due diligence may be required, for example a sample of SMETA audits.

## ii) Multi-site audits

A multi-site audit can be conducted for growers under a central management system. The central management system must be at grower level. All growers must be under the same ownership and governed by the same set of policies, employment contracts and procedures – see FAQ document for further information.

A multi-site audit should comprise of (1) a central management system audit and (2) an assessment of a sample of growers. The sample should be made up of 20% of the total number of sites owned by the company and should be selected by either the relevant RS Manager, Technical Manager or audit body. Where non-conformances are identified, the follow-up actions should apply to all sites under the central management system.

Growers should be rotated each year and any follow-up audits must be conducted in addition to the 20% sample. In Latin America, where follow-up audits are not required, or where follow-up audits cannot be conducted due to seasonality, sites with critical NC's in “pending follow up” must be audited the following year and in addition to the new 20% sample.

## iii) Certification

Fairtrade, Rainforest Alliance and Kenyan Flower Council audits are accepted as an alternative to SMETA. **This does not apply to primary sites**, as per TQC definition. We accept Fair for Life for smallholders only – see [Smallholders](#) section for guidance.

Wine and Agricultural Ethical Trading Association (WIETA) is applicable for cellars as well as farms, and also has mutual recognition with SIZA. We will therefore continue to accept WIETA certification for primary sites.

Any outstanding critical or business critical non-conformances from SMETA audits must be in verified status on Sedex before a move to certification is accepted. Growers should share certification audit reports with Tesco timeously.

The above does not apply to conventional bananas from the Latin America which will continue to require SMETA audits as well as Rainforest Alliance certification until further notice. Organic bananas require continue to require SMETA audits as well as Fairtrade certification.

#### **iv) Contingency and Spot purchases**

Contingency sources are intended to be used for a temporary period of time (1 – 6 weeks) and do not feature on Tesco's approved grower list. Spot buying is a 'one-off' purchase from a contingency source without a further period of supply.

Sites in high risk countries that are used for a contingency or spot purchase must have one of the following:

- a) SMETA audit with any APSCA approved audit body in the last 2 years with no open critical or business critical non-conformances
- b) A valid SIZA certificate
- c) Rainforest Alliance or Fairtrade certification

If a contingency or spot purchase does not meet the above criteria, we will not accept the source. If the RS Manager exceptionally provides approval, it will be limited to one purchase order. If the same source is requested in year 2, full due diligence in line with our policy is required.

#### **c) Additional Audit Requirements – Protein**

- All end-to-end agriculture and seafood supply chain sites in high-risk countries require a SMETA audit on an annual basis. Including where relevant:
  - Feed mills
  - Hatcheries
  - Farms (including parent stock farms)
  - Slaughter houses
  - Processing sites (including for wild fish)
- Eggs or dairy which are an ingredient are excluded from these requirements.
- For poultry and aquaculture supply chains, any workers in terminal hygiene teams or catching teams on site at the time of audit should be included within the scope of the farm audit.
- All audits must be conducted on a semi-announced basis and be completed by an approved audit body. You can find a list of our recognised and approved audit bodies on TQC policy number 80045(a).

- Audits must be conducted when the site is fully operational and when the largest number of workers are present. If a site supplies more than one product to Tesco with different peaks, the audit window should align with the product with the largest worker numbers.
- For new sites, the audit must take place before supply. The audit does not need to be in peak season but there must be activity on site that is linked directly to the product that will be sourced. All critical or business critical issues must be resolved before commencing supply.
- Any site that requires an audit must be registered on Sedex with a completed SAQ. Sites are required to update their SAQ annually, or when business changes occur.
- Sites must link to the relevant Tesco category via the relevant primary supplier – see FAQ document for further information. If an audit is not required in the following year, sites must still remain linked to Tesco.
- Tesco reserves the right to request additional due diligence or collaboration with relevant civil society organisations.

### **i) Fishing vessels**

- All vessels are excluded from the requirements for a SMETA audit.
- Appropriate and continual due diligence must be undertaken and recorded for all sources of wild fish and seafood including vessels catching wild fish to supply aquaculture feed mills.
- All suppliers are recommended to use PAS 1550:2017 as part of exercising due diligence in establishing the legal origin of seafood products and marine ingredients.
- Wild fish and seafood supply chains must be fully mapped to fleet level at a minimum, but ideally to individual catching vessels, and include a list of fleets/vessels, landing locations, cutting sites and further processing sites.
- Any proposed addition of a vessel or fleet requires should be notified to the relevant Responsible Sourcing Manager for approval.
- Where ratified, suppliers are required to ensure adherence to The International Labour Organization's work in fishing convention ILO 188.

### **ii) Sampling approach**

- All primary sites (as per TQC) and any additional processing sites in high-risk countries require a SMETA audit on an annual basis.
- For different site types (slaughter, breeder and broiler farms, hatcheries or feed mills) beyond processing, a 20% sample can be taken of each type of site supplying Tesco. The minimum number of audits for each type of site is 1. A 20% sample of breeder and broiler farms combined is acceptable.
- Where there are both owned and contracted sites, the sample audited should include owned and contracted sites and the split should be representative of the proportion supplying Tesco. The sample should be selected by either the relevant Responsible Sourcing Manager or audit body.



- Where non-conformances are identified, the follow-up actions should apply to all sites under the central management system.
- Sites should be rotated each year and any follow-up audits must be conducted in addition to the 20% sample. Please refer to the FAQ document for further guidance.

#### **d) Audit Reports and Corrective Actions**

At the end of the audit a 'Corrective Action Plan Report (CAPR)' will be initiated by the auditor and discussed with the site/supplier representatives. This is a high-level list of actions that need to be undertaken, the timescales for completion, and an indication of whether or not a follow-up visit is required to verify progress.

The audit body is required to upload the ethical audit report onto Sedex within a maximum of 28 days. It is the responsibility of the primary supplier to monitor this and ensure that full visibility rights are given to all stakeholders in their supply chain. We expect our primary suppliers to alert Tesco as soon as they become aware of any critical or business critical non-conformances in either their own operations or a site in the Tesco supply chain.

All non-conformances must be closed out within the time frame determined by the auditor, including undertaking a follow-up audit if required. Any critical or business critical non-conformances identified during a pre-supply audit must be addressed before commencing supply and verified as soon as possible. It is the responsibility of the primary supplier to manage this process.

The only exceptions to the above are:

- Growers who produce seasonal crops, with the agreement of the relevant Responsible Sourcing Manager, critical non-conformances can be closed out either via desktop or in the next annual audit.
- For audits in Latin America, where the following process must be followed:
  1. The site provides a written commitment to the primary supplier and/or Technical Manager which specifies that they will close out the issue in the time frame stipulated by the auditor.
  2. Once the issue has been resolved, the site must upload evidence of this to Sedex which will change the Sedex status to 'pending auditor review'. The site must notify the audit body by email that evidence has been uploaded and request this is reviewed.
  3. Providing the evidence is sufficient, the audit body will change the status on Sedex to 'Pending follow-up'. This does not mean the issue has been closed out but will provide a level of assurance for Tesco that progress has been made on site. We will continue to accept supply from sites with issues in "pending follow up" status until the next full annual audit.

4. If further evidence is required it will be changed to 'Progress made' or if the evidence is insufficient it will be changed to 'Rejected'. If this happens, please revisit the steps above, reaching out to the relevant RS Manager for guidance where required.

Sites in Latin America must give permission for audit bodies to inform Tesco directly of any critical NCs.

If a site in Latin America receives a repeat critical or business critical non-conformance that requires a follow-up audit, a follow-up audit must be conducted within 90 days. This excludes non-conformances that can be closed via desktop. The above process should be monitored by the primary supplier.

Production/supply for Tesco may be suspended, delayed or ultimately cancelled if timely and satisfactory action or progress is not taken. Where suppliers propose delisting or suspending sites within our supply chain on ethical grounds, it is requested that the Tesco RS team are consulted.

Further information on SMETA audits can be found in the SMETA Guidance document.

#### **e) Recognised Audit Bodies**

We only recognise certain independent audit bodies and auditors to conduct ethical audits within our supply chain. This gives us the reassurance that the audit is of sufficiently high quality to identify non-compliances and verify remediation.

Please refer to document 80045(a) on TQC for the current list of recognised audit bodies and the regions for which they are recognised.

#### **f) Reduced Audit Frequency**

Sites can apply for a reduced audit frequency resulting in audits every 2 years if they meet the below criteria:

1. No critical or business critical non-conformances in the last 2 audits
2. Known, trusted, capable technical and ethical leadership
3. Strong, consistent performance history
4. Green/Blue scoring on TFMS audit and grade A BRC performance (primary sites only)

Suppliers would revert back to being audited as normal if any critical or business critical non-conformances are identified.

Sites must contact their relevant RS Manager to apply for and confirm reduced audit frequency.

## Produce only:

Where a supplier has a group of growers (per product, per country) that have had no critical or business critical non-conformances in their previous annual audits, the supplier can apply for reduced audit frequency, resulting in a 50% reduction in the number of audits required in the next annual audit. The remaining 50% must be audited in Y2. Criteria 2 and 3 above would also apply to these suppliers.

## Transform

The Transform pillar of our strategy focuses on addressing endemic issues such as forced labour, living wage, gender inequality and freedom of association through targeted programs in collaboration and partnership with our suppliers, NGO's and wider industry. We know that these issues cannot be addressed alone and that we need collective action to find and implement solutions.

Suppliers have a responsibility to conduct adequate due diligence on the sources they recommend to Tesco. In the event of a human rights violation, suppliers must work collaboratively to ensure that these are addressed and those affected receive redress.

**Please refer to the [Country List](#) to identify programmes that we request suppliers engage with.** We also have additional requirements for [Access to Remedy](#), [Responsible Recruitment](#) and [Accommodation](#) – see Appendix.

We expect Tesco Product Partners to have their own Responsible Sourcing strategies. The key Responsible Sourcing commitments from these should be captured within their Buy, Move, Sell plans. Progress on these commitments will be reviewed annually, at minimum, by the relevant Tesco Responsible Sourcing Manager and category.

Tesco are also founding members of the Food Network for Ethical Trade (FNET). FNET, comprising of a group of suppliers and retailers, aims to address human rights risks in global food supply chains through a common approach. We recommend our suppliers join this group, gaining access to a comprehensive risk assessment tool and topical working groups – see FAQ document for further information.

## Advocate

We recognise that we can use our convening power to advocate for change where it is needed. We look to our suppliers as well as our broader stakeholders to help us identify where advocacy might be an appropriate channel to achieve the change needed. We also expect our suppliers to make us aware of any advocacy which may negatively affect human rights standards.

### 3. Roles and Responsibilities

| Role                               | Responsibility   |
|------------------------------------|--|
| Supplier/Site                      | Suppliers and sites must read and implement the requirements, in addition to ensuring they are compliant with the ETI base code. Suppliers must inform Tesco of any of challenges associated with compliance as well as any Human Rights concerns or allegations against their organisation or supply chain. |
| Tesco Technical Manager            | Responsible for ensuring all suppliers/sites have reviewed and understood the requirements outlined in the policy, including the closure of non-conformances.  |
| Source Development Management      | Support Technical Managers in ensuring all suppliers/sites have reviewed and understood the requirements outlined in the policy, including the closure of non-conformances.  |
| Tesco Responsible Sourcing Manager | Provide clarification on the policy, where required, and support where there are challenges to compliance.   |
| Tesco Responsible Sourcing Advisor | Issue periodic (internal) reports outlining compliance with the policy.  |

### 4. Glossary

| Acronym | Definition  |
|---------|---|
| ETI     | The Ethical Trading Initiative (ETI) is a leading alliance of companies, trade unions and NGOs that promotes respect for workers' rights around the globe. The ETI Base Code is founded on the conventions of the International Labour Organisation (ILO) and is an internationally recognised code of labour practice. |
| Sedex   | Supplier Ethical Data Exchange (Sedex) is a not-for-profit membership organisation for businesses committed to the continuous improvement of ethical performance within their supply chains.  |
| SMETA   | Sedex Members Ethical Trade Audit (SMETA) is one of the most widely used ethical audit formats. The concept describes a methodology based on the Ethical Trading Initiative (ETI) Base Code.  |

### 5. Associated Documents

| Document No. | Document Title  |
|--------------|---|
| 80568        | Human Rights requirements for food and grocery non-food suppliers - FAQ |
| 60573        | Responsible Recruitment requirements – Thailand and Malaysia            |
| 60519        | Sourcing from areas of conflict – Guidance                              |

## 6. Revision History

| Date Effective | Version | Document Section   | Change Summary  |
|----------------|---------|--|---|
| August 2020    | 1       | All  | Document updated to the right format and template, replacing Policy No. 10443.<br>Key changes include: <ul style="list-style-type: none"> <li>Reframing in the new pillars of our Human Rights strategy</li> <li>Clarification of Protein requirements</li> <li>Further detail on Remedy, Responsible Recruitment and Accommodation</li> <li>Updated FNET country risk ratings</li> </ul>   |
| October 2020   | 1.1     | 5. Appendices<br>e) Country list   | Clarity to 'Other requirements' for South Africa  |
| November 2020  | 1.2     | Purpose and Scope<br>5. Appendices   | Clarified that the policy also applies to 'brands exclusive to Tesco'<br>Updated 'Certification commitments' for tea<br>Clarity to 'Other requirements' for Ghana, Malawi and Namibia   |
| April 2021     | 1.3     | a) ethical audit requirements<br>iii) Certifications<br>d) Protein<br>d) Audit Reports and Corrective Actions<br>e) Country List | <ul style="list-style-type: none"> <li>Removal of SA8000 as an alternative to SMETA.</li> <li>Clarification of WIETA certification for primary sites.</li> <li>Clarification on audit requirements for processing sites in protein supply chains. Removal of reference to SIPAS as only audit body for Latin America.</li> <li>Inclusion of Xinjiang region, China, in prohibited sourcing regions list.</li> <li>Additional minor requirement for Stronger Together progress reporting tool for UK suppliers.</li> </ul> |

## 7. Appendices

### a) Certification Commitments

- 100% Rainforest Alliance (conventional) or Fairtrade (organic) certified on bananas
- 100% Rainforest Alliance certified on all chocolate confectionary (block, boxed, seasonal, mini-pack)

3. All cocoa in Tesco own-label products must be sourced from one of the following schemes: Rainforest Alliance, UTZ, Fairtrade or Cocoa Horizons
4. 100% RSPO certified palm oil in Tesco own-label products
5. 100% of our Tesco own-label wood and paper products to be FSC/PEFC certified by 2020
6. 100% of the South American soymeal used in animal feed to be certified to a Tesco-recognised certification scheme by 2020
7. 100% Rainforest Alliance certified on own-label black, green and rooibos tea
8. 100% Rainforest Alliance or Fairtrade certified on own-label coffee

## b) Access to Remedy

Where a supplier is identified to have caused or contributed to a negative human rights impact, we expect them to actively engage in bringing about remediation, working alone or in cooperation with other actors.

To ensure possible grievances are addressed early and remediated appropriately, Tesco's expectation is that all suppliers establish or participate in effective operational-level grievance mechanisms.

Further guidance on remediation and grievance mechanisms can be found in the [guidance on the implementation of the UN Guiding Principles on Business and Human Rights](#).

## c) Responsible Recruitment

Through membership of the Consumer Goods Forum, Tesco has made a commitment to embed the [Priority Industry Principles on Forced Labour](#) in its own operations and value chains. These include:

- Every worker should have freedom of movement
- No worker should pay for a job
- No worker should be indebted or coerced to work

We also endorse the Employer Pays Principle that, *no worker should pay for a job, the cost of recruitment should be borne not by the worker but by the employer*. In line with this, we have specific expectations around recruitment fees and costs as follows:

- We expect labour providers utilised by our supplies to meet the legal requirements within the country they operate as well as being compliant with the ETI base code. Suppliers should conduct annual audits of their providers to ensure policies and procedures meet these expectations. Audits should cover the activities of any sub-contractors.
- Suppliers shall seek to ensure that when they recruit directly and/or engage labour providers, recruitment fees and costs are paid by the supplier or agency and will prohibit any charges by suppliers, labour providers or other 3rd parties to prospective workers. This means you must pay enough to agents to cover the cost of recruitment including travel and any required documentation in both the home and host country. The [International Labour Organisation](#) provides a definition of

recruitment fees and costs, suppliers should familiarise themselves with this, and incorporate it into their approach to ethical recruitment.

- We recognise that in some circumstances the transition to the Employer Pays model may require significant changes to recruitment practices and ways of working. Where such changes are required, suppliers must have a clear strategy to ensure ethical recruitment practices and the elimination of recruitment fees, supported by a time bound action plan. We strongly encourage suppliers to make use of the [Responsible Recruitment Toolkit](#) and their free training – see FAQ document for further information.
- Unlawful recruitment fees should be fully remediated. In cases where excessive recruitment fees are found to have been paid, suppliers should share with Tesco a proposal for remediation.
- Suppliers in Thailand and Malaysia should refer to the country specific requirements on Responsible Recruitment – policy 60573.

#### d) Accommodation

In all countries, we expect both on and off site worker accommodation to be legal, safe and fit for purpose. Where accommodation charges apply, these should be reasonable and in line with local legislation. Fees must not take workers below the minimum wage.

Suppliers and sites providing caravan accommodation in the UK must complete the self-help checklist within the [FPC Guidance on provision of caravan accommodation](#) for temporary workers in the UK.

Growers providing accommodation in Spain are encouraged to utilise the [Accommodation Guide for Temporary Worker's](#) developed by the Spanish Ethical trade forums.

In all other countries, suppliers must consider accommodation within their due diligence of their supply chains and sites. At a minimum, this should include a mapping exercise to understand where accommodation is provided, in what format (caravan, house etc.) and number of beds. From this suppliers should take a risk-based approach to conducting spot checks of accommodation; this can take the format of self-assessment by the second tier supplier or be covered by an audit e.g. SMETA. We do not expect suppliers to conduct audits of all sites that provide accommodation. The UK FPC guidance is a useful tool to understand what to look for during spot checks.

We expect suppliers to update Tesco on key issues identified through accommodation due diligence, and their actions to address these.

#### e) Prohibited Region List

Following UK Government advice, please note that regardless of supplier performance and external country risk ratings, sourcing is strictly prohibited from the following regions:

- Golan Heights

- West Bank
- Gaza strip
- North Korea
- Russian-occupied territories
- Syria
- Xinjiang region, China

This means we do not allow any aspects of product sourcing (which, for the avoidance of doubt, includes all aspects of processing / manufacturing of any product or packaging). It includes any raw material or component within the product anywhere in the total supply chain, including feed used in agriculture and aquaculture.

Countries undergoing socio-political stress may require additional due diligence measures, at short notice. Please refer to the 60519 - Sourcing from Areas of Conflict guidance for further information.

### f) Country List

The country risk assessment has been developed by the Food Network for Ethical Trade (FNET) – see FAQ document for further information.

| Country             | Risk rating | Other requirements |
|---------------------|-------------|--------------------|
| Afghanistan         | 79          |                    |
| Albania             | 49          |                    |
| Algeria             | 60          |                    |
| Andorra             | 12          |                    |
| Angola              | 68          |                    |
| Antigua and Barbuda | 30          |                    |
| Argentina           | 39          |                    |
| Armenia             | 53          |                    |
| Australia           | 24          |                    |
| Austria             | 18          |                    |
| Azerbaijan          | 60          |                    |
| Bahamas             | 30          |                    |
| Bahrain             | 59          |                    |
| Bangladesh          | 66          |                    |
| Barbados            | 34          |                    |
| Belarus             | 62          |                    |



|                          |    |  |
|--------------------------|----|--|
| Belgium                  | 23 |  |
| Belize                   | 26 |  |
| Benin                    | 54 |  |
| Bhutan                   | 46 |  |
| Bolivia                  | 55 | Make the RS Manager aware of any new sourcing plans.   |
| Bosnia and Herzegovina   | 53 |  |
| Botswana                 | 46 |  |
| Brazil                   | 52 |  |
| Brunei                   | 48 |  |
| Bulgaria                 | 43 |  |
| Burkina Faso             | 53 |  |
| Burundi                  | 83 |  |
| Cambodia                 | 76 |  |
| Cameroon                 | 68 |  |
| Canada                   | 23 |  |
| Cape Verde               | 49 |  |
| Central African Republic | 85 |  |
| Chad                     | 73 |  |
| Chile                    | 33 |  |
| China                    | 66 |  |
| Colombia                 | 53 | Conventional Banana suppliers must have an annual SMETA audit and RFA certification. Organic Banana suppliers must have an annual SMETA audit and Fairtrade certification. |
| Comoros                  | 56 |  |
| Congo Republic           | 64 |  |
| Costa Rica               | 39 | Pineapple and melon suppliers for whole head and ingredients must have an annual SMETA audit or be certified by one of our approved schemes.                               |
|                          |    | Conventional Banana suppliers must have an annual SMETA audit and RFA certification.   |
| Côte d'Ivoire            | 61 |  |
| Croatia                  | 36 |  |
| Cuba                     | 56 |  |
| Cyprus                   | 31 |  |
| Czech Republic           | 30 |  |

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| Democratic Republic of the Congo | 76 |  |
| Denmark                          | 15 |  |
| Djibouti                         | 64 |  |
| Dominica                         | 32 |  |
| Dominican Republic               | 47 | Organic Banana suppliers must have an annual SMETA audit and Fairtrade certification.                              |
| Ecuador                          | 53 | Conventional Banana suppliers must have an annual SMETA audit and RFA certification.                               |
| Egypt                            | 64 |  |
| El Salvador                      | 48 |  |
| Equatorial Guinea                | 79 |  |
| Eritrea                          | 81 |  |
| Estonia                          | 25 |  |
| Ethiopia                         | 63 |  |
| Fiji                             | 35 |  |
| Finland                          | 14 |  |
| France                           | 22 |  |
| Gabon                            | 61 |  |
| Gambia                           | 64 |  |
| Georgia                          | 41 |  |
| Germany                          | 20 |  |
| Ghana                            | 44 | Additional audit requirements in place for specific sites, please check with the relevant Tesco Technical Manager. |
| Greece                           | 51 |  |
| Greenland                        | 0  |  |
| Grenada                          | 31 |  |
| Guatemala                        | 61 | Conventional Banana suppliers must have an annual SMETA audit and RFA certification.                               |
| Guinea                           | 65 |  |
| Guinea-Bissau                    | 72 |  |
| Guyana                           | 51 |  |
| Haiti                            | 66 |  |
| Honduras                         | 64 |  |
| Hong Kong                        | 35 |  |
| Hungary                          | 42 |  |

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|---------------|----|--|
| Iceland       | 19 |  |
| India         | 58 |  |
| Indonesia     | 58 |  |
| Iran          | 73 |  |
| Iraq          | 71 |  |
| Ireland       | 21 |  |
| Israel        | 32 | Please ensure you read '60519 - Sourcing from Areas of Conflict guidance' for information on regions where product sourcing is prohibited.   |
| Italy         | 28 |  |
| Jamaica       | 42 |  |
| Japan         | 23 |  |
| Jordan        | 50 | Make the RS Manager aware of any new sourcing plans.<br>Please ensure you read '60519 - Sourcing from Areas of Conflict guidance' for information on regions where product sourcing is prohibited. |
| Kazakhstan    | 61 |  |
| Kenya         | 63 | The Kenya Flower Council (KFC) scheme is also accepted, excluding primary sites as per TQC   |
| Kiribati      | 28 |  |
| Korea         | 41 |  |
| Korea (North) | 85 |  |
| Kosovo        | 55 |  |
| Kuwait        | 56 |  |
| Kyrgyzstan    | 62 |  |
| Laos          | 71 |  |
| Latvia        | 33 |  |
| Lebanon       | 54 |  |
| Lesotho       | 52 |  |
| Liberia       | 58 |  |
| Libya         | 87 |  |
| Liechtenstein | 15 |  |
| Lithuania     | 30 |  |
| Luxembourg    | 20 |  |
| Macau (China) | 4  |  |
| Madagascar    | 60 |  |

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| <b>Malawi</b>           | 53 | Make RS aware of any new sourcing plans for tea.  |
| <b>Malaysia</b>         | 54 | All suppliers must adhere to '60573 – Responsible Recruitment requirements –Thailand and Malaysia'.                     |
| <b>Maldives</b>         | 57 |   |
| <b>Mali</b>             | 62 |   |
| <b>Malta</b>            | 29 |   |
| <b>Marshall Islands</b> | 36 |   |
| <b>Mauritania</b>       | 68 |   |
| <b>Mauritius</b>        | 35 |   |
| <b>Mexico</b>           | 55 |   |
| <b>Micronesia</b>       | 36 |   |
| <b>Moldova</b>          | 46 |   |
| <b>Monaco</b>           | 29 |   |
| <b>Mongolia</b>         | 52 |   |
| <b>Montenegro</b>       | 43 |   |
| <b>Morocco</b>          | 48 | All berry growers need to complete the 'Moroccan Berry Growers Undertaking'.  |
|                         |    | Make RS aware if sourcing from Western Sahara. On country of origin labelling, we follow current Government guidelines. |
| <b>Mozambique</b>       | 57 |   |
| <b>Myanmar</b>          | 70 | Make RS Manager aware of any new sourcing plans.  |
| <b>Namibia</b>          | 43 | The following due diligence is required:  |
|                         |    | - Biennial semi-announced SMETA audits<br>- Announced SIZA audit, frequency determined by Siza                          |
| <b>Nauru</b>            | 37 |   |
| <b>Nepal</b>            | 55 |   |
| <b>Netherlands</b>      | 16 |   |
| <b>New Zealand</b>      | 18 |   |
| <b>Nicaragua</b>        | 65 |   |
| <b>Niger</b>            | 65 |   |
| <b>Nigeria</b>          | 65 |   |
| <b>Norway</b>           | 15 |   |
| <b>Oman</b>             | 55 |   |
| <b>Pakistan</b>         | 72 |   |
| <b>Palau</b>            | 27 |   |
| <b>Palestine</b>        | 33 |   |

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| Panama                           | 46 |   |
| Papua New Guinea                 | 68 |   |
| Paraguay                         | 50 |   |
| Peru                             | 51 |   |
| Philippines                      | 59 |   |
| Poland                           | 36 |   |
| Portugal                         | 26 |   |
| Qatar                            | 48 |   |
| Romania                          | 47 |   |
| Russia                           | 57 |   |
| Rwanda                           | 55 |   |
| Saint Kitts and Nevis            | 26 |   |
| Saint Lucia                      | 39 |   |
| Saint Vincent and the Grenadines | 36 |   |
| Samoa                            | 27 |   |
| San Marino                       | 31 |   |
| Sao Tome and Principe            | 42 |   |
| Saudi Arabia                     | 49 |   |
| Senegal                          | 51 |   |
| Serbia                           | 49 |   |
| Seychelles                       | 30 |   |
| Sierra Leone                     | 61 |   |
| Singapore                        | 32 |   |
| Slovakia                         | 29 |   |
| Slovenia                         | 26 |   |
| Solomon Islands                  | 51 |   |
| Somalia                          | 94 |   |
| South Africa                     | 45 | <p>The following due diligence is required:</p> <ul style="list-style-type: none"> <li>- Biennial semi-announced SMETA audits</li> <li>- Announced SIZA audit, frequency determined by Siza</li> <li>- Wine and Agricultural Ethical Trading Association (WIETA) certification, 3 year frequency.</li> <li>- Certification as per 1.2 c, excluding primary sites as per TQC.</li> </ul> |

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|                      |    | We encourage a representative from agri-businesses to attend <a href="#">Stronger Together training</a> .                           |
| South Sudan          | 89 |   |
| Spain                | 26 | Suppliers and growers must be represented in the <a href="#">Spanish Ethical Trade Forums</a> on an on-going basis.                 |
|                      |    | Growers providing accommodation in Spain are encouraged to utilise the <a href="#">Accommodation Guide for Temporary Worker's</a> . |
| Sri Lanka            | 51 |   |
| Sudan                | 83 |   |
| Suriname             | 52 |   |
| Swaziland            | 70 |   |
| Sweden               | 14 |   |
| Switzerland          | 20 |   |
| Syria                | 82 |   |
| Taiwan               | 20 |   |
| Tajikistan           | 65 |   |
| Tanzania             | 62 |   |
| Thailand             | 62 | All suppliers must adhere to '60573 – Responsible Recruitment requirements –Thailand and Malaysia'.                                 |
|                      |    | Poultry suppliers must participate in the Thai poultry working group.   |
|                      |    | Seafood suppliers must participate in the Seafood Taskforce.  |
| The FYR of Macedonia | 53 |   |
| Timor-Leste          | 61 |   |
| Togo                 | 58 |   |
| Tonga                | 34 |   |
| Trinidad and Tobago  | 48 |   |
| Tunisia              | 48 |   |
| Turkey               | 60 |   |
| Turkmenistan         | 70 |   |
| Tuvalu               | 36 |   |
| Uganda               | 63 |   |
| Ukraine              | 59 |   |

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| <b>United Arab Emirates</b> | 54 |   |
| <b>United Kingdom</b>       | 26 | An appropriate representative from all UK based suppliers must attend <a href="#">Stronger Together training</a> and complete the Stronger Together progress reporting tool. We expect secondary suppliers into Produce and Horticulture to also attend this training.                  |
|                             |    | We also strongly encourage all UK based suppliers to require their labour providers to attend <a href="#">Stronger Together training</a> .  |
|                             |    | Any company headquartered in the UK with an annual turnover of £36 million or more is legally required to publish a Modern Slavery statement.   |
|                             |    | Suppliers and sites providing caravan accommodation in the UK must complete the self-help checklist within the <a href="#">FPC Guidance on provision of caravan accommodation for temporary workers in the UK</a> .   |
| <b>United States</b>        | 37 |   |
| <b>Uruguay</b>              | 24 |   |
| <b>Uzbekistan</b>           | 64 |   |
| <b>Vanuatu</b>              | 45 |   |
| <b>Venezuela</b>            | 67 |   |
| <b>Vietnam</b>              | 62 |   |
| <b>Yemen</b>                | 83 |   |
| <b>Zambia</b>               | 62 |   |
| <b>Zimbabwe</b>             | 70 | Due diligence checks on business (no linkages to the UN Security Council Sanctions list, land and business ownership, initial risk assessment) to be conducted by RS Manager. A signed commitment to paying wages timeously and agreement to unannounced financial due diligence checks |

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