



Asda Stores Limited
Asda House,
Southbank,
Great Wilson Street,
Leeds
LS11 5AD

12th April 2021

Dear Dame Sara,

Thank you for your letter, Asda welcomes this further engagement in relation to findings and activities following Operation Fort.

Several colleagues from across our business participated in the G's conference and as a result joined the West Yorkshire Anti-Slavery Partnership as an industry-led intelligence sharing group. Your report on Operation Fort has been a catalyst for much needed activity across the industry, and we have welcomed the maturity framework as progression towards levelling the playing field. We appreciated the reference to Asda's activities on governance and risk assessment as examples of best practice in this space. I am pleased to be able to share with you our thoughts and progress on the framework alongside a few other key updates which we look forward to discussing further next month.

Modern Slavery Intelligence Network

Asda engages in the West Yorkshire Anti-Slavery Partnership (WYASP). We are fortunate to have the knowledge and experience of the former West Yorkshire Police Detective Chief Inspector, who headed up the Modern Slavery Human Trafficking unit, now part of our team leading this collaboration. The increase in incidents and allegations during the pandemic has enabled us to identify potential gaps in our systems and processes and strengthen the reporting and escalation protocols. We extended and refreshed our colleague Modern Slavery training and expanded our efforts via awareness campaigns which in turn has proved invaluable in supporting our business to be able to react, investigate and take immediate action in collaboration with the authorities. Crucially, significant improvements have been progressed in 2020 in relation to our due diligence activities for Labour Providers including an independent 3rd party review of our processes and controls.

Maturity Framework

We acknowledge that some companies are treating the Modern Slavery Act as a compliance exercise. The strengthening of the TISC requirements including mandating the sections that statements must cover following Government consultation in 2020, we hope will be a step towards remedying this. The recent launch of the Home Office Modern Slavery Statement Registry will also support a greater level of transparency and commitment to address this challenge.

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Asda have found the maturity framework a valuable tool, both in assessing our own business maturity and a progression tool against which we can benchmark ourselves and improve operations. Under the framework we positioned Asda at '**Evolving Good Practice**', calling out specifically our efforts around external working groups; training internally and externally with suppliers and our recent membership of the Responsible Recruitment Toolkit to facilitate implementation of the employer pays principle. Our board level engagement, and data analytics are areas we place Asda as 'Leading' with opportunities for further development. Currently we have projects in relation to Banana sourcing - in collaboration with our IPL business - and one exploring Working Hours in China. The business recognises the importance of strong leadership at senior board level, our Modern Slavery Working Group is already chaired by an Asda Board member.

Further Updates

Labour Providers: Asda in early 2020 became a Sponsor of the Responsible Recruitment Toolkit and is working to progress our own evaluation as a business, in order to become increasingly transparent and lead our supply chain by example.

Financial Sector: Asda has found the IASC's recent report into the challenges for addressing modern slavery in the Financial Sector insightful. Where Asda is involved in this sector through our Asda Money business, we have taken steps to review the report and look to where within our business we can effect positive change. We have been able to identify that 50% of our Asda Money colleagues have already undergone Modern Slavery training via our colleague learning platform, and we are now working towards achieving 100% of these colleagues in 2021. We will also be looking at how we can better support our supplier partners in the Financial Sector to address Modern Slavery risks and will be looking to share further the tools and resources to enable this.

Xinjiang: We have taken recent steps to communicate and reinforce expectations of our suppliers and supply chains in relation to the abhorrent abuses associated with Xinjiang province in China. Under our previous Walmart ownership, Asda already had strong controls in place to prevent sourcing from Xinjiang and is committed to maintaining our stance prohibiting this.

Future and Next Steps

Our business continues to evolve and you will be aware of our recent change in ownership, separating from a 20 year relationship with Walmart to new ownership under EG Group and TDR Capital. We are excited at the opportunities afforded by this change and look forward to progressing and strengthening Asda's commitments to address Modern Slavery risk under our new owners.

Our key focus areas are:

- Progressing our capacity and capabilities in relation to victim support – we hope to be in a position to share with you an exciting new partnership next month.
- Conducting a Human Rights refresh as part of the Responsible Sourcing programme

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The 2021 Asda Modern Slavery Statement is currently in drafting and we expect to publish in May, both on our corporate website and via the new Registry.

We would welcome any feedback from the Commissioner on our self-evaluation against the new framework and look forward to the meeting next month.

Yours sincerely,

Lisa Domoney
Director Responsible Sourcing

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