



Rt Hon Liam Byrne MP
Business and Trade Committee
House of Commons
London
SW1A 0AA

Tesco PLC
Tesco House
Shire Park
Welwyn Garden City
AL7 1GA

11th February 2025

Dear Mr Byrne,

Thank you for the opportunity to give evidence to the Committee on 7 January. I write to follow up on certain points raised regarding the onboarding process of a garment factory located in Mae Sot, Thailand.

Please allow me firstly to reiterate that Tesco takes the human rights of workers in our own operation and our supply chains very seriously. As set out during the 7 January hearing, and in Tesco publications such as its Modern Slavery Statement, a supplier site cannot supply Tesco unless it has had a technical audit and, if the site is based in a high-risk country (which includes Thailand), a human rights audit (also referred to as an ethical audit).

Technical audits focus on the manufacturing and sourcing standards of the supplier, monitoring product safety and environmental standards, whereas ethical audits assess various labour and health and safety standards by reference to the ETI Base Code and other international and national standards, utilising the internationally recognised Sedex Members Ethical Trade Audit (SMETA) methodology.

Specifically with regard to the factory in Mae Sot, a technical and ethical audit process was carried out in 2017 before this was approved as a new supplier site. Further annual SMETA ethical audits were carried out between 2018 and 2020. Third-party audits are carried out by a small number of highly-rated audit service providers with whom Tesco has a close working relationship. While not carried out by Tesco group employees, these third-party auditors receive training to ensure that audits are carried out to the standard that Tesco expects. Colleagues within responsible sourcing teams in the Tesco group also visited the factory as part of the 2017 audit process.

The approval of the factory was contingent on the audits having been completed and was therefore not a decision taken solely by commercial teams. As noted during the hearing, the overall decision to onboard a supplier site is jointly made by commercial, quality, human rights and responsible sourcing teams. As part of this, approval by the team overseeing the audit process (after the ethical and technical audits have been completed) is a prerequisite to sourcing.

As the Committee may be aware, members of the Tesco group no longer source from the factory in question and Tesco sold its business in Thailand several years ago.

I hope the above helps the Committee with its inquiries.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'CLorains'.

Claire Lorains
Group Quality, Technical and Sustainability Director