



Mr Tom Tugendhat MP  
Foreign Affairs Select Committee  
House of Commons  
London  
SW1A 0AA

Sainsbury's Supermarkets Ltd  
33 Holborn  
London  
EC1N 2HT

[www.sainsburys.co.uk](http://www.sainsburys.co.uk)

16 February 2021

Dear Mr Tugendhat,

Thank you for your letter regarding the situation in Xinjiang China. It is a situation we have been monitoring closely and investigating for some time. We were pleased to see further guidance from the Government last month.

Our vision is to be the most trusted retailer where people love to work and shop. This includes treating people fairly wherever they are in our business and supply chains. We are proud of our commitment and duty to respect and protect human rights and we will not tolerate any form of slavery or servitude in our own operations or supply chains. We have been reviewing our position regarding Xinjiang and as with all human rights issues we take a risk-based approach that enables us to proactively tackle serious exploitation of workers and provide resources where they are most needed to protect workers.

## **Xinjiang**

We have no direct operations or tier 1 suppliers in Xinjiang and to be transparent we publish a complete list of tier 1 [clothing suppliers](#) on our website.

Raw material production has been identified as our primary risk in the region. Working with industry bodies, NGOs and subject matter experts we have identified the two biggest areas of raw material risk from the region as cotton production and tomato paste production. We have focussed our efforts in these areas as a priority.

We have already committed to 100% sustainable cotton by 2025 as part of the [2025 Sustainable Cotton Challenge](#) and as soon as the Better Cotton Initiative suspended operations in Xinjiang we also reviewed our [cotton policy](#) in October 2020. As part of this review we highlighted Xinjiang as well as Turkmenistan and Uzbekistan as an area of concern regarding forced labour. To ensure compliance with this policy we require all clothing and general merchandise suppliers using cotton to declare country of origin within our Cotton Reporting Template.

Late in 2020 we also identified tomato paste as a risk ingredient so we have been working with suppliers to identify where they may be sourcing from Xinjiang and how we may find alternative locations for this. By working closely with suppliers, we identified a key supplier of tomato paste from Xinjiang, which we replaced. Now we have alternatives in place for our two highest risk raw materials and we are investigating other areas across the business, including goods not for resale, to ensure we have no exposure in other product areas.

## **Chinese Suppliers**

As stated, we do not have any direct (tier 1) suppliers in Xinjiang. We work with approximately 700 tier 1 manufacturing sites across China. Each of these sites is routinely assessed with regards to ethical trade as part of our normal procedures. We are beginning additional work with specialist third parties to identify forced labour risks across these sites. The work will consist of web-based data analysis complemented by selected site visits. Through this combined methodology, by the end of 2021, we hope to have identified sites which are at risk of forced labour in other regions of China.

## Ethical sourcing at Sainsbury's

We do not tolerate any form of human rights abuse within our company or supply chains. We have well-developed policies and processes in place to avoid causing or contributing to this through our activities, including any form of slavery, and we are committed to addressing these issues if they occur. These are reviewed regularly to ensure they remain relevant and encompass best practice as it evolves.

Policies which support our modern slavery programme include:

**Human Rights Policy** that outlines our commitment to the UN Declaration on Human Rights, UN Guiding Principles on Business and Human Rights, ILO Conventions and the UN Women's Empowerment Principles. These highlight our dedication to respecting the human rights of all colleagues, customers, and suppliers.

**Sustainable Sourcing Policy for Goods for Resale Renamed from our Supplier Policy for Ethical Trade** that now also includes environmental clauses. The policy was updated to include The Consumer Goods Forum's Forced Labour Priority Industry Principles including 'no worker should pay for a job' as well.

**Sustainable Sourcing Policy for Goods Not for Resale**; aligned with above policy and applies to suppliers in our goods (and services) not for resale supply chain.

We manage compliance with these policies, standards and commitments in the following ways:

- Contractual terms and conditions include a clause on compliance with the Modern Slavery Act 2015.
- Suppliers are required to have their own codes of conduct, along with policies and systems to manage ethical trade in their own supply chains, report progress to us and allocate sufficient resource to do so.
- We provide guidance through a Supplier Handbook, General Merchandise and Clothing Ethical Trade Manual for suppliers and our Colleague Handbook for colleagues.

All new Sainsbury's and Argos supplier sites require a third-party ethical audit from an approved audit firm. They must meet our minimum requirements before we can place business with them. Existing food supplier sites are regularly audited by third parties according to their risk rating. All existing general merchandise and clothing supplier sites are audited annually. Our technologists and supplier audit team regularly visit Sainsbury's suppliers to ensure that our ethical requirements are met and to provide support on issues where required. We carry out additional visits to monitor remediation of critical issues, according to our suppliers' risk rating. The general merchandise and clothing business has dedicated ethical teams and technical teams that carry out these on-site visits. Colleagues are based in two locations in the UK and in the four sourcing offices in Asia.

Wherever we find human rights issues in our supply chains our first position is to maintain the relationship with the supply site and seek to provide remedy. Where this is not possible due to the supplier or the prevailing environment, we work with our direct suppliers to re-source the product or ingredient. We monitor future production through our specification system, EVOLVE that contains information on product raw materials. We will run periodic reports from the system to check compliance to our policies and where necessary follow up with suppliers to seek remedy.

We use information from EVOLVE and our audit programme to inform our Modern Slavery reporting as well as using our own Modern Slavery Risk Assessment Tool. Our Modern Slavery Risk Assessment Tool gives us unique insights into slavery risks across our complex global supply chain, not only at product and service level but also for individual ingredients and components. This tool provides a level of detail that is unprecedented in our industry, combining our own data with economic models of sectors such as agriculture and manufacturing. This enables us to identify risks in multiple tiers of our supply chain, so we can act. Importantly, this includes upstream tiers, where the risks are greatest but also more difficult to identify. Across the business, we will use findings from our tool to inform our supplier conversations, as we identify areas of risk in our supply chain. We use these findings to set out our workplan for the following year this can be seen in our [2019/20 Modern Slavery Report](#). Our report for 2020 will highlight what we have done about the issues identified as well as any new issues we have found in the time since.

In addition, we have an internal audit team who preview our internal systems for handling risk including the risk of Modern Slavery. The internal audit team conducted a review of our Modern Slavery processes earlier this year and we will be implementing recommendations made in this report about how to improve how we handle Modern Slavery risks across the business in the first half of this year.

As previously mentioned, we welcome the Government's advice published last month on business with Xinjiang and we look forward to more detailed guidance on this issue as we continue our work to identify forced labour risks across our supply chains.

Do not hesitate to get in contact if you have any further questions.

Yours sincerely,

Richard Casofsky  
Head of Public Affairs  
Sainsbury's



## Foreign Affairs Committee

House of Commons · London · SW1A 0AA  
+44 20 7219 6106 · fac@parliament.uk  
www.parliament.uk · @CommonsForeign

**From the Chair**  
Tom Tugendhat MP

Richard Casofsky  
Head of Public Affairs  
Sainsbury's  
Letter by email: richard.casofsky@sainsburys.co.uk

2 February 2021

Dear Mr Casofsky,

We are writing to you following recent reports that parts of UK companies' supply chains include materials and/or labour sourced from the Xinjiang Uyghur Autonomous Region of China. As part of the Foreign Affairs and Business, Energy and Industrial Strategy Committees' inquiries into the Xinjiang detention camps, we are reaching out to a number of businesses to establish a clearer understanding of commercial activity in the region, and what private companies perceive their ethical responsibilities to be in this area.

We would be grateful if you could address the following questions:

1. What is the nature and extent of your company's operations in Xinjiang?
2. What specific raw materials arriving in UK markets are sourced from Xinjiang?
3. Are any of your products assembled in factories deemed to be at risk of using forced labour?
4. Which Chinese companies are involved in your supply chains?
5. How do you ensure that companies at every stage of your supply chain meet their contractual obligations regarding anti-slavery and anti-human trafficking laws?
6. What is Sainsbury's approach to assessing and scrutinising its supply chains to ensure that materials are ethically sourced?
7. Where materials from unethical sources are identified, how does your company respond and what steps are taken to mitigate the risk of future occurrences?
8. What is your information-gathering process for your Modern Slavery statements, and how do you verify this information? What is your process for acting on the findings of your Modern Slavery statements?

It would be helpful to have a response to this letter by 16 February 2021. We intend to place your response in the public domain.

Best wishes,

**TOM TUGENDHAT MP**  
**CHAIR, FOREIGN AFFAIRS COMMITTEE**



**NUSRAT GHANI MP**  
**BUSINESS, ENERGY AND INDUSTRIAL STRATEGY COMMITTEE**



**DARREN JONES MP**  
**CHAIR, BUSINESS, ENERGY AND INDUSTRIAL STRATEGY COMMITTEE**