

FEBRUARY 2025

Human Rights Impact Assessment

October 2023 – February 2024

(Assessment carried out at Pilgrim's Europe (Moy Park Limited) poultry sites and farms)



Ergon

Sainsbury's

AN LRQA COMPANY

Executive Summary

BACKGROUND

This executive summary presents the findings and recommendations arising from the human rights impact assessment (HRIA) of poultry sourced by Sainsbury's from Pilgrim's Europe (Moy Park Limited) in Great Britain (GB) and Northern Ireland (NI).

Pilgrim's Europe are a strategic partner to Sainsbury's and are the sole supplier of chicken products for its "By Sainsbury's" own brand range - supplying fresh whole birds, fresh and frozen packaged cuts, as well as a variety of other products for Sainsbury's ready-to-eat and barbecue chicken ranges. Their supply chain in GB and NI is highly integrated and includes all sections of the supply chain.

Pilgrim's Europe and Sainsbury's commissioned Ergon Associates to carry out the assessment on their behalf. Ergon is a specialist consultancy that focusses on business and human rights with over 18 years' experience working across multiple sectors and countries.

From the assessment of Pilgrim's Europe's practices, it is clear that there is an understanding of key issues and that there are a range of workstreams in place to prevent and mitigate the potential or actual human rights impacts identified. Engagement with representatives of both companies and rightsholders highlighted challenges but also demonstrated innovation in attempts at mitigating and preventing the potential negative impacts of these challenges on operations and those working in the sector.

Commissioning an independent Human Rights Impact Assessment (HRIA) and being transparent with findings, recommendations and proposed actions is a significant step for any company. Sainsbury's and Pilgrim's Europe's willingness to engage in this process and for the outcomes to be shared publicly should be considered a demonstration of best practice.

APPROACH TAKEN BY ERGON

An HRIA is a specialist study designed to support an organisation's due diligence to understand and respond to potential and actual human rights impacts derived from, or related to, its business activities. This HRIA was undertaken between April and October 2023 using Ergon's HRIA methodology, which is informed by the UN Guiding Principles on Business and Human Rights and the OECD Guidelines on Multinational Enterprises.

This involved a review of all potential human rights impacts in relation to a diverse range of rightsholders, from farm managers and agency workers in processing factories, to local communities across the following stages of the supply chain – feed mills, hatcheries, Pilgrim's Europe owned farms, contract farms, processing sites and prepared food sites. We also spoke to leaders and managers at Pilgrim's Europe, relevant Sainsbury's colleagues, expert external stakeholders, and conducted a thorough desk review of broader impacts.

The impacts identified in this study rely on the confidential testimonies of stakeholders interviewed and a review of Pilgrim's Europe's systems and procedures to prevent, mitigate and remediate impacts within scope.

The impacts identified are assessed according to their saliency, taking into account whether the impact is positive or negative, whether it is directly attributable to the activity in question, as well as its potential duration, likelihood, and magnitude.

Based on these findings, this report sets out a series of recommendations that could be undertaken to mitigate negative impacts, further enhance positive ones, and explore opportunities to remediate where necessary. For more on the methodology and approach followed see Section 2.

It's important to flag that this study was conducted amidst a backdrop of several challenges facing the UK economy and poultry sector, including rising production costs and labour supply shortages affecting both the farming and processing sides of Pilgrim's Europe's operations. And that the impacts identified are contributed to by a range of potential root causes from commercial / sectoral drivers and legal / regulatory frameworks, through to the wider social context in the UK. As a result, a number of identified impacts found in Pilgrim's Europe sites are likely to be seen across many other sections of the UK economy.

The assessment identifies both positive and negative human rights impacts. Impacts across a single rights category can be multiple and can be experienced differently by different people. Our findings seek to reflect different positions where identified through engagement with rightsholders.

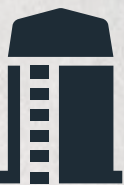
A summary of our findings by stage of the value chain can be found below, though for more detailed information on the impacts, see Section 5 and Section 6 of the full report.

Ergon's Findings



PILGRIM'S EUROPE OWNED FARMS

What we did	Pilgrim's Europe practices	Negative Impacts	Positive Impacts
Ergon visited seven Pilgrim's Europe-owned farms in GB, engaging with farm managers and other staff on these sites.	Pilgrim's Europe-owned farms are operated by farm managers who are Pilgrim's Europe employees. They are responsible for managing their farm in line with Red Tractor certification standards. Pilgrim's Europe also set standards and have procedures in place to manage risks and impacts in line with national law and certification standards. The responsibility for implementation then falls to the individual farm managers. Support is provided through Area Managers, highly specialised technical expert staff, and forums for farmers to engage with the company.	<p>A range of negative impacts associated with Pilgrim's Europe owned farms were identified.</p> <ul style="list-style-type: none">• Significant potential negative impacts are associated with long working hours in excess of ETI Base Code limits for farm managers during certain periods.• Other negative impacts reported associated with H&S (respiratory disease and other health and safety impacts), with reports of issues also risking family member health, grievance mechanisms (challenges in effectively voicing concerns), and the potential impact of industry-wide high risk indicators of forced labour (associated with chicken catchers).• More minor negative impacts related to discrimination on farms, and effective remedy of communities.	<p>Some positive impacts were also identified, including:</p> <ul style="list-style-type: none">• Wages and adequate standard of living: associated with the provision of accommodation to farm managers and assistant farm managers.



FEED MILLS

What we did	Pilgrim's Europe practices	Negative Impacts	Positive Impacts
Ergon visited a newly acquired feed mill in GB, which involved a site tour and conversations with 3 feed mill workers, and 3 other workers whose roles are linked to Pilgrim's Europe's value chain who were at the feed mill.	Pilgrim's Europe applies its group level human resources policies and procedures across its feed mills and also has a series of procedures in place to manage H&S risks and impacts.	<p>Two minor negative impacts associated with Pilgrim's Europe feed mills were identified.</p> <ul style="list-style-type: none">• H&S: significant injury at feed mill prior to Pilgrim's Europe ownership.• Grievance mechanisms: associated with lack of awareness among workers.	

Ergon's Findings



CONTRACT FARMS

What we did	Pilgrim's Europe practices	Negative Impacts	Positive Impacts
Ergon visited three contract farmers in NI and engaged with one contract farmer in GB.	Contract farms visited were family owned (the typical model in NI), though contract farms in GB tend to own a number of farms operated by their own employees. All contract growers are required to follow Red Tractor and Pilgrim's Europe Standards and farms are expected to be visited by area/compliance managers to allow for oversight. Nonetheless there is less oversight by Pilgrim's Europe over the day-to-day activities of these farms, contract farms in NI are able to engage collectively with Pilgrim's Europe through a farmers committee. No such model exists for contract farms in GB where there is more limited oversight of employment/management practices.	<p>A range of negative impacts associated with Pilgrim's Europe contract farms were identified.</p> <ul style="list-style-type: none">• Significant potential negative impacts on right to health and healthy environment associated with potential downstream use of poultry litter in Northern Ireland.• Other negative impacts associated with H&S (respiratory disease and other health and safety impacts) and the potential impact of industry-wide high risk indicators of forced labour (associated with chicken catchers).• Other minor negative impacts associated with effective remedy for farmers and communities, employment discrimination, working hours, and employment of young workers.	<p>Some positive impacts were also identified, including:</p> <ul style="list-style-type: none">• Freedom of association and grievance mechanisms associated with effective structures in place to engage with farmers through a farmers committee.



HATCHERIES

What we did	Pilgrim's Europe practices	Negative Impacts	Positive Impacts
Ergon visited a Pilgrim's Europe hatchery in GB, engaging with 5 hatchery workers, and one Pilgrim's Europe HGV driver.	Pilgrim's Europe applies its group level human resources policies and procedures across its feed mills, and also has a series of procedures in place to manage H&S risks and impacts.	<p>Identified negative impact:</p> <ul style="list-style-type: none">• Terms and conditions of employment: associated with foreign national agency workers reporting that they did not always receive written contracts.• Also minor negative impacts associated with report of bullying and workers struggling to meet living costs.	

Ergon's Findings



PROCESSING SITES

What we did	Pilgrim's Europe practices	Negative Impacts	Positive Impacts
Ergon visited four fresh processing sites and a prepared food site, three in GB and two in NI. This involved speaking to HR teams, site leaders and 108 processing workers – with a particular focus on migrant and agency labour.	<p>Pilgrim's Europe is acutely aware of the challenges faced by workers, particularly migrant agency labour, and there are a range of company-wide and site-specific measures being taken to manage these risks. This includes regular third-party and company-led monitoring, close engagement with agencies, site-specific initiatives to mitigate risks. These initiatives reduce the likelihood of many of the negative impacts occurring. A key challenge facing the company is managing a linguistically and culturally diverse workforce, which is an underlying driver of negative impact identified.</p> <p>Sainsbury's currently only have visibility of social risks and impacts at Pilgrim's Europe processing sites through Sedex audits. They do not monitor the other stages of Pilgrim's Europe's poultry value chain.</p>	<p>A range of negative impacts associated with Pilgrim's Europe's processing sites were identified.</p> <ul style="list-style-type: none">• The most significant negative impact relates to terms and conditions of employment associated with a lack of clarity among foreign workers on terms and conditions of employment as a result of language barriers.• Other negative impacts associated with working hours (reports of breaks provided to workers not giving sufficient time to rest, eat and use toilet facilities), non-discrimination (reports of perceived discrimination / preferential treatment based on nationality), effectiveness of grievance mechanisms (due to low awareness and language barriers).• More minor negative impacts associated with inconsistent provision of payslips and health & safety (H&S), and gender-based violence and harassment (GBVH) (though no specific cases were identified at Pilgrim's Europe sites during the assessment).	<p>Positive impacts were also identified, including:</p> <ul style="list-style-type: none">• Right to adequate standard of living: rovision of accommodation to workers through one agency and transport options to get to work across multiple facilities.• Right to family life: Shift patterns that allowed multiple family members to work in a factory in a way that allowed for parents to provide childcare, and predictable pay to remit.• Freedom of association: Proactive communication of information, and collaboration with unions in collective bargaining across sites.






This study also includes a desk review risk assessment for the supply chain of soy that feeds Pilgrim's Europe's birds. This highlights potential human rights impacts associated with the sourcing of soy from Paraguay, Argentina and Brazil in particular, which are included in Pilgrim's Europe's supply chain. Risks highlighted include child labour, forced labour, indigenous and land rights, as well as deforestation and the impact this has on the right to a healthy environment. For more detail on this risk assessment see Section 5.3 in the full report.

Action Plan developed jointly by Pilgrim's Europe & Sainsbury's

FINDINGS AT PROCESSING SITES AND FEED MILLS



Following the findings of Ergon Associates as outlined above and in the full report, Pilgrim's Europe and Sainsbury's have jointly formed this action plan to outline what we will do to tackle these findings.

	Ergon's Key Findings & Recommendations	Pilgrim's Europe practices	Actions Planned/Taken	Action Plan Lead	Timeframe
	There was positive feedback from agency employees and directly employed skilled worker visa employees receiving heavily subsidised accommodation and free transport provision.	We will continue to do this as it was positively received by the employees involved.	None needed.		Ongoing
	A large number of employees mentioned that the shift patterns offered on sites enabled them to have a good work-life balance, which also helped support any childcare needs they may have or other caring responsibilities.	Positive comments received on the shift patterns allowing for a good work/life balance.	Ensure any changes in the future consider these comments.		Ongoing
	There was positive feedback from both Trade Union Representatives and also employees on the fact that there is a positive and constructive relationship with Trade Unions.	Proactive relationship with trade unions.	Ensure relationship is maintained and developed.	HR Teams	Ongoing
	Due to the diverse nature of the workforce at sites, feedback was that sometimes, the detailed understanding of contracts is not clearly understood, as contracts are only available in the English language.	Acknowledge that understanding could be clearer despite being explained fully at induction. We do encourage and support ESOL courses for affected employees.	Adapt the guide to contracts and pay slips that have been developed for Pilgrim's Pork and Lamb Business. Currently available in 12 languages. We will also promote the Just Good Work app for our agency workers to make sure they are aware of all their rights at work. We will also include questions on understanding of contracts and pay slips in worker welfare interviews carried out at site bi-annually by our Social Sustainability Manager speaking to approx. 50 people across each site.	HR Heads with support for Social Sustainability Manager	Completed/Ongoing
	H&S – Health and Safety – A small number of employees mentioned that they felt their roles were susceptible to RSI-type related injuries.	We carry out rotation of roles that are assessed to be at risk of repetitive strain injuries. We also offer referrals to occupational health for any workers who may still be having issues.	Continue to monitor and review as required.	Site H&S Teams, site HR Teams, Occupational Health Teams	Ongoing

Action Plan

FINDINGS AT PROCESSING SITES AND FEED MILLS



Ergon's Key Findings & Recommendations	Pilgrim's Europe practices	Actions Planned/Taken	Action Plan Lead	Timeframe
There were a number of workers who reported that they occasionally felt that it would be difficult for them to raise grievances as English is not their first language. However, in the majority of cases they felt that their questions were dealt with by managers.	Our grievance line is advertised all over sites and is available in 12 languages. Part of our internal audit process checks advertising of this process. Also, we monitor the levels of usage and the languages these are raised in.	In addition to the work already carried out in this area we will increase training and awareness of grievance mechanisms available. Ensure induction process covers this. Refresh posters to increase awareness. We will also include questions on understanding on raising issues in worker welfare interviews.	HR Heads and site HRBP	September 2025
A few employees mentioned that there may be perceived discrimination based on nationalities or gender at sites. In some cases, they felt that there may be preferential treatment for a particular nationality over another nationality.	The majority of workers at sites felt there was a good relationship between managers/ supervisors and workers. There were a few isolated mentions of differential treatment, however no direct cases identified.	In addition to work already being carried out around cultural improvement we will continue with the rollout of Dignity at Work and cultural awareness at sites. Review and monitor as part of the worker welfare interviews as detailed above.	Site teams and support from Social Sustainability Manager	Ongoing
A few employees mentioned that there are sometimes issues that impact their breaks due to having to change and redress once breaks have been completed.	Breaks are scheduled in regularly and are a mix of paid and unpaid. All legislation is complied with. We also allow additional time for changing and re-dressing to ensure there is no impact on workers' breaks. There is no impact on workers' wages for this time.	Continue to monitor and review where necessary to ensure that breaks are sufficient for workers to rest and eat. The use of toilet facilities is not counted in these breaks.	Site H&S and Opex Teams	Ongoing
H&S – Quality of PPE and a lack of clothing provided to go under PPE. A small number of workers mentioned that they felt the quality of PPE provided was low and that there was not enough provision of warm clothing.	PPE is provided free of charge and there are numerous choices available for workers across chilled/frozen areas. We have worked with our uniform supplier and with workers to ensure these are fit for purpose. There is, however, a level of personal responsibility for clothing underneath provided PPE, which can include fleeces and zipped jackets, in addition to their own clothing. We ensure all workers are aware of the temperature they will be working in before they start work with us. We will include this in checks made for workers during their induction and if they change roles.	Continue to monitor PPE quality and usage on site.	Site H&S and HR Teams	Ongoing

Action Plan

FARMS AND HATCHERIES



Ergon's Key Findings & Recommendations	Pilgrim's Europe practices	Actions Planned/Taken	Action Plan Lead	Timeframe
Good standard of living due to provision of accommodation to farm managers and assistant managers paying a peppercorn rent.	Ensure this is maintained.	None needed.		Ongoing
Positive feedback on the collective bargaining structure in place for contracted farmers in the form of an elected committee of farmers.	Ensure this is maintained and developed further where needed.	None needed.		Ongoing
There were impacts of long working hours over the recommended 60 hours mentioned in the ETI Base Code at specific periods. Especially due to being "on call" due to working with live animals. 24-hour monitoring of alarms if conditions in poultry sheds changed occasionally required attention and is more common at the start and end of a flock. However, this is not a regular occurrence.	We accept that during certain periods this may happen. We believe this is not unique to Sainsbury's or Pilgrim's Europe but is more common across the industry due to the higher welfare standards and good animal husbandry that impact working hours as issues with the birds are unpredictable. Our schedules are planned up to a year in advance. For our employed farmers we monitor and manage their working hours to comply with the ETI Base Code. We also note that a number of farmers also mentioned that during quieter periods farmers could spend more time with their families.	In addition to the work we already undertake in this area we will undertake additional monitoring with a pilot group of our own employed farmers to understand what is impacting working hours specifically. We want to ensure that we look at each farm type fully and holistically. Ensure we work collaboratively with other protein providers to understand best practice and mitigations they may have in place. We will use the elected committee of farmers to explore this issue in our contracted supply chain.	Social sustainability manager and agricultural team	October 2025
Health and Safety impacts on farm workers. There are a number of issues that were mentioned by farmers around H&S. They reported risks associated with poultry dust and general health and safety risks, which are common to UK agriculture.	We recognise that agriculture has a high risk from a health and safety point of view. All of our employed farms have standards to follow, and these are updated regularly in line with best practice and legislation, with a dedicated resource for H&S in place.	H&S is a high priority condition of working within Pilgrim's Europe. We have dedicated H&S resource within our Agricultural division focused on our employed farmers. Support where needed for employed farm management teams to ensure H&S standards are implemented effectively. Continue to encourage reporting of issues and near misses to improve standards and awareness. We will continue to support employed farmers regarding chemical usage on their sites.	H&S Team	Ongoing

Action Plan

FARMS AND HATCHERIES



Ergon's Key Findings & Recommendations	Pilgrim's Europe practices	Actions Planned/Taken	Action Plan Lead	Timeframe
Grievance mechanisms are underutilised and underused. Employed farmers sometimes found it difficult to meet collectively to discuss issues or concerns due to the need to be present on the farm.	Farm managers feel they don't have an outlet to raise concerns and grievances which has been addressed in the past in a number of ways, including online options that were met with resistance from farmers themselves, and will evolve in the future.	In addition to work we already do in this area we will promote further the use of the whistle blowing line which is available for all farmers. We will make sure signposting is clearer on all farms and that there are no reprisals for raising issues via this mechanism. We will also look to further find informal ways of the farming community from best practice in other supply chains. All of our employed farms also take part in our bi-annual engagement survey. As a result of the last survey sessions were introduced with the senior management team to allow issues to be raised. Both our owned and contract farms are also visited regularly by our agricultural team where issues and concerns can be addressed.	Agricultural and HR Teams	Ongoing
No specific risks of forced labour using agency work as chicken catchers were highlighted. However, this is an industry-wide issue that remains difficult and challenging to manage.	We recognise this is a potential issue that is across the industry. However, we feel that our audit process and previous action on accusations of this nature has ensured workers were remediated when issues were discovered, and we have mitigations to help in this area.	We carry out bi-annual audits of all agency providers including chicken catchers, these include worker interviews. As a result of our work in this area we believe that risk is being managed and mitigated across all agency providers. We will look to introduce some additional worker welfare audits in the chicken catching/agricultural area in 2025 and look to conduct these annually. We will work across the industry if needed to improve conditions in this area and further increase visibility.	Social Sustainability Manager and agricultural teams	Ongoing

Action Plan

FARMS AND HATCHERIES



Ergon's Key Findings & Recommendations	Pilgrim's Europe practices	Actions Planned/Taken	Action Plan Lead	Timeframe
Young workers and families working/living on farms. All farmers mentioned that farming is a lifestyle or way of life rather than a job. There may be risks associated with young workers and family members helping out on farms and learning the lifestyle.	This is an industry wide concern around the protections that need to be in place around family/young workers on farms due to most contract farms being family owned and run. Farmers recognise that farming is a lifestyle choice for them and their family. They also want to encourage their family to continue with this lifestyle.	We wish to work across other protein suppliers to develop guidance on family working as this is common practice due to the majority of contract farms being family owned and run. We will work with our H&S Team to ensure that we have sufficient guidance in place for young workers who may be helping out on their family farms for both the workers themselves and the employers.	H&S Team, Social Sustainability Manager and HR Teams support from Sainsbury's Team to begin cross industry work	April 2026
Reports of the poultry sector as a whole that there are possible risks associated to health and healthy environment linked to potential farm downstream use of poultry litter in Northern Ireland.	We have a robust Litter Utilisation Strategy to ensure the safe disposal of poultry litter. This is managed in a number of ways including incineration, composting and anaerobic digestion, contributing towards a circular green economy and minimising land spreading in Northern Ireland as much as possible. Any residual litter spread to land must be done in line with a Manure Management Plan to ensure that it is spread for agricultural benefit to meet the needs of the soil and crops.	In addition to the work we already do in this area we will continue to offer advice and guidance to all our farmers, including advice on the most sustainable disposal routes for litter and other wastes.	H&S Team, Agricultural Teams, Farm Managers	Ongoing
Desk review risk assessment of soy supply chain.	We consider the responsible and sustainable sourcing of soy a critical global food industry issue that we are committed to tackling proactively. Supporting market transformation, we want to play our part and see physical supply chains of sustainable, zero-deforestation and conversion-free (vDCF) soy flows into the UK and Europe. We are members of the UK Round Table for Responsible Soy, signatories of the Cerrado Manifesto Statement and active members of the UK Soy Manifesto.	Continue to keep in close contact with all soy suppliers to comply with upcoming regulation around UK DDCF commitments. We will also continue to publish our transformation goal and collaborate with industry solutions to ensure all deforestation risk commodities are verified deforestation free and conversion free by end 2025.	Sustainability Team, Agricultural Team	Ongoing