



TESCO PLC

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Arvind Ganesan
Director, Business and Human Rights Division
Human Rights Watch
350 Fifth Avenue, 34th Floor
New York, NY 10118-3299

22 October 2009

Dear Mr Ganesan,

Thank you for your letter of 13 October to Sir Terry Leahy and myself about a report you have undertaken on human rights in the United States workplace.

We take the issue of unfair labour practices very seriously and it is disappointing that you have only raised allegations about our U.S. business with us after undertaking your report and have not shared with us in advance the evidence you are using to support them. I understand your Tesco case study is part of a wider report and would be interested in your observations and comments as we have common ground on this issue.

We have a strong track record of investing in our people and are committed to making Tesco a great place to work. We do not operate poor employment practices and we actively encourage all staff to talk directly to their managers to resolve any issues. Our independent and anonymised annual staff survey carried out around the world tells us that our people overwhelmingly enjoy their work.

Tesco supports in full the United Nations Universal Declaration on Human Rights and the International Labour Organisation Core Conventions. All Tesco employees have the right to join a trade union. We believe it is important that our people are able to exercise this right and if they want to join a union then they can and will.

Tesco has positive relations with trade unions around the world, including USDAW in the UK, Solidarity in Poland and Katz in Hungary. Fresh & Easy Neighborhood Market, our business in the United States, complies with all U.S. legislation relating to labour practices and trade unions and regularly exceeds the standards in U.S. law.

You reference a number of allegations against Fresh & Easy in your letter but do not provide specific detail of these. If you could share with me the Tesco case study mentioned in your letter prior to the report's publication I would welcome the opportunity to comment to you on its findings. Of the NLRB cases you mention, only one of these, relating to the Huntington Beach store, has progressed all the way through the system and was then dismissed by the NLRB.

Yours sincerely,

Lucy Neville-Rolfe

Lucy Neville-Rolfe, CMG
Executive Director
(Corporate and Legal Affairs)