

The Food Network for Ethical Trade (FNET)

ALL MEMBERS MEETING 22 NOVEMBER 2023



slido



How are you feeling about today's meeting?

slido



What are you hoping to get out of today? tick all that apply

Housekeeping



- Fire A fire alarm is planned for 10.30am. This typically lasts a few seconds and stops. If it continues, please head out the way you came in and assemble near the NOMA suite.
- Toilets Just out the door and to the right.
- WIFI Please use the 'Guest' WIFI, please click the 'Create Account' under the log in option.
- Lunch is provided, if you have any allergens, dietaries or concerns please let Co-op know.
- All waste will be recycled where possible. Even if it's thrown in a regular bin.

Competition Law Statement

"Today we are meeting to discuss an update on the agenda of the Food Network for Ethical Trade, meet the new FNET team and reconnect with other FNET members.

We take competition compliance seriously. Whilst discussions can cover matters of interest to our industry, we cannot discuss or exchange sensitive commercial information.

If at any time during this meeting, you think our discussions may be in breach of competition rules, please inform the Chair. The Chair may close the meeting at any time if she believes that discussions are in breach of competition law"



Agenda

9.30 – 9.35	Welcome
9.35 – 9.45	Introduction from Coop
9.45 – 10.45	Panel discussion
10.45 – 11.00	Coffee break
11.00 – 12.20	Skills carousel (2 sessions)
12.20 – 13.00	Lunch
13.00 – 14.00	Working group updates
14.00 – 15.00	FNET Strategy and workplan for 2024
15.00 – 15.30	Questions to the board and close





Purpose of today

Members to reconnect and accelerate collaboration

Member input into FNET strategy and workplan for 2024.

Sharing knowledge and insights on HRIAs, worker voice tools, Crisis management and retaining talent.

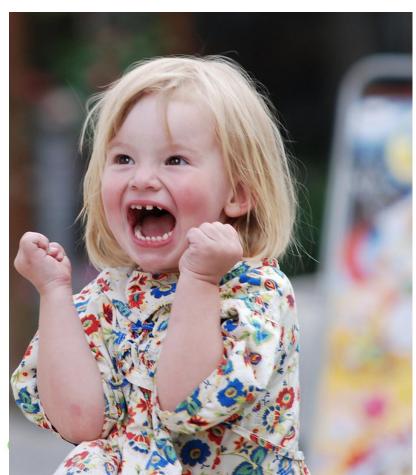
Explore environment and human rights due diligence

How to submit your quick fire questions for the board





Themes for today?



Developing FNET Vision



Advancing Member Human Rights Du Diligence



Building Skills



Welcome from Aisha Aswani

Senior Human Rights & Ethical Trade Manager



Introducing the NEW FNET Board and Team



Fiona Wheatley, Bakkavor



Mel Miles, Greencore



Courtney Forbes Tesco



Sam Ludlow Taylor, Waitrose



Aisha Aswani, Co-op



Andy York, **Pilgrims**



Julia Black, Hilton Food Group



Ben Summers, **Innocent Foods**



Suzanne Natelson, **FNET Project Manager**



Linda Beresford **FNET Project Manager**



Louise Nicholls, **FNET Lead**



Chris Goodacre, Association Secretariat Association Secretariat



Sue Butler,



Pins Brown Chair



Helen Moulinos **Finance INED**



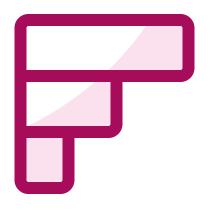
Pins Brown, Chair of FNET and former Human Rights director at Natura



Richard Caines, Senior Director, Safeguard & Human Rights at WWF International Environment and Human Rights due Diligence – from risk to action

Panel Discussion

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What is your understanding of an integrated sustainability agenda?

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Has your organisation identified environmental salient issues? you may tick more than one

⁽i) Start presenting to display the poll results on this slide.



Why we're here

Our mission

To stop the degradation of the planet's natural environment and to build a future in which humans live in harmony with nature, by: conserving the world's biological diversity, ensuring that the use of renewable natural resources is sustainable, and promoting the reduction of pollution and wasteful consumption.

or

Working to sustain the natural world for the benefit of people and nature.





https://wwf.panda.org/principles_and_safeguards/



DISCOVER ~

ACT ~

LATEST ~

Q



EN AZ

PRINCIPLES AND SAFEGUARDS

HOW WE WORK

OUR PRINCIPLES

WWF'S STATEMENTS OF PRINCIPLES AND SAFEGUARDS

WWF has been working on nature conservation for 60 years, alongside communities around the world. For us, healthy ecosystems are deeply linked to peoples' lives, livelihoods and well-being. We believe that sustainable management of natural resources can only be achieved by partnering with Indigenous Peoples and local communities. Understanding how our activities affect the relationship between local people and their environment allows us to identify, avoid and mitigate any adverse environmental and social impacts of our work, and most importantly, enables us to focus on the needs and aspirations of local people as a foundation on which our conservation programmes are built.

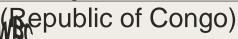


Ask yourself: what would you expect?

- To be informed about what is proposed and understand its implications
- To be able to comment on it and contribute to its design
- To know that you are being engaged in good faith
- To understand the process and when and how you can engage
- To state whether you support it or not (and under what conditions)
- To be able to raise concerns or complaints about the activities during the <u>whole</u> period of time that they take place
- To be able to change your view



Example here: human-elephant conflict



Process: (re)calibrate power asymmetries

HIGH High Influence -**High Influence -Low Impact High Impact** High priority Medium priority Passive-Consultative Active participation participation The stakeholder's level of power to influence the Low Influence -Low Influence operations **Low Impact High Impact** Low priority High priority Passive participation Active participation LOW

Vulnerable rights-holders

RIGHTS-HOLDERS

Their lands, waters, resources or rights may be affected by the Action. They have the right to information and participate in decision-making about it.

HIGH

Impact of the operations on stakeholders





Process: decide the appropriate strategy

INFORM

"Here's what's happening"

CONSULT

"Here is what we're doing, do you have feedback?"

INVOLVE

"What ideas do you have and how would you like to contribute?"

COLLABORATE

"Let's work together in all aspects."

FPIC

EMPOWER

"It's your decision."

Passive	Consultative	Active
1 433116	Consultative	/ \\C\\\\C

All project stakeholders

Potentially affected stakeholders

Affected stakeholders

Affected rights-holders

Affected Indigenous Peoples (rights-holders)

Codification

Place-based activities: greater prescription/control

We work in over 300 landscapes and seascapes worldwide: in approx 30% Indigenous Peoples are present









Integrating human rights and environment

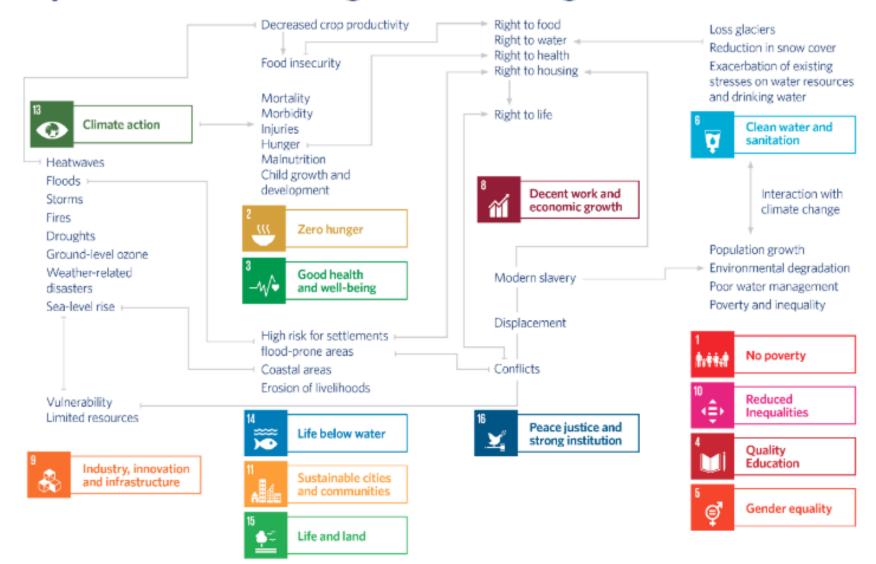
Pins Brown, Chair

FNET All Member meeting, November 2023



How does climate change intersect with human rights?

Impact of climate change on human rights



What about a gender lens?

GENDER GAPS AROUND THE WORLD		CLIMATE CHANG	GE	IMPACTS EXACERBATE GENDER INEQUITIES
I VILIII I	OVER 50% OF THE 1.5 BILLION PEOPLE LIVING ON \$1 A day or less are women isource: Unfpai	CROP FAILURE		Women experience increased agricultural work and overall household food production burden
WATEH	ON AVERAGE WOMEN AND CHILDREN SPEND 8 or more hours per day collecting water Isource:Un women]	FUEL SHORTAGE		Many women in developing countries can spend between 2-9 hours a day collecting fuel and fodder, and performing cooking chores
UUVERIVANGE	GLOBALLY, WOMEN ARE 16.7% OF GOVERNMENT Ministers; 19.5% of Parliamentarians; and 9% Heads of State (Source: IPU)	WATER SCARCITY		Increased burden on women walking further distances to access safe water, impacts the education and economic stability
	WOMEN PRODUCE OVER 60% OF FOOD IN SOME Countries isource: Faoi	NATURAL DISASTER	33	Women have a higher incidence of mortality in natural disasters; women can suffer from an increased threat of sexual violence
LITERACY	TWO THIRDS OF THE 774 MILLION ILLITERATE	DISEASE		As caregivers women often experience an increased burden for caring for young, sick and elderly as well as lack of access to health care facilities
Section Control of the Control of th	ADULTS WORLDWIDE ARE WOMEN (SOURCE: UNSTATS)	DISPLACEMENT	77	Forced migration could exacerbate women's vulnerability
	WOMEN OWN JUST 2% OF THE WORLD'S LAND Isource: Un Women)	CONFLICT		While men are more likely to be killed or injured in fighting, women suffer greatly from other consequences of conflict, such as rape, violence, anxiety and depression

Global Business Initiative Guidance



Framework for Action



Climate-sensitive respect for human rights

Consider how climate change could impact the company's operating context(s) and stakeholders

- Extreme heat
- Severe weather events
- Sea-level rise
- Drought, fire and floods
- Biodiversity lossWater
- Migration
- Social unrest, conflict and violence
- Security





Rights-respecting climate action

Do human rights due diligence on the company's climate action and play a role in remediation

- Transition in
 - Recycling
- Transition out
- AutomationBuilt environment
- Carbon trading
 Transport and li
- Packaging
- Value chain resilience



Embedding a better-connected approach

Ensure leadership, governance, coordination and capability support a connected approach

- Vision
- Commitments and targets
- Accountability
- . Tone from the top
- Direction and roadmaps
- Culture
- Organisational and team structure
- coordination

 Cross-functional
- Cross-functional working groups

Collaboration and

- Awareness-raising
- Information-sharing
- Training and capability-building

Better connecting human rights and climate in practice

Consider how climate change is affecting the company's operating context and stakeholders:

- How will workers in agricultural supply chains be impacted by warmer temperatures, changing rainfall patterns and severe weather?
- What impact will extreme heat, fires, floods or other disasters have on workers' health, safety and access to essentials?
- How will communities be impacted by drought and water scarcity?
- How might climate-related migration and displacement affect migrant workers' risk of vulnerability or marginalisation?

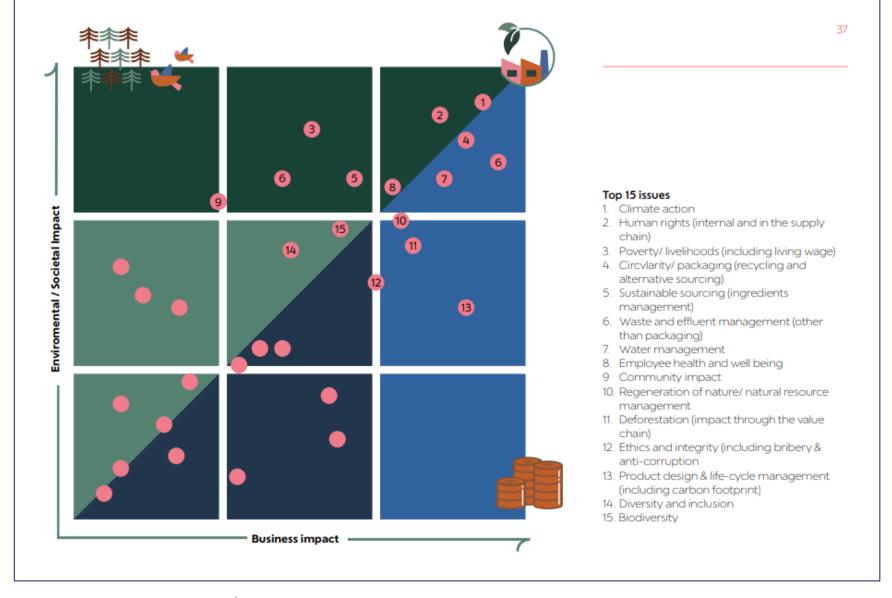
Do human rights due diligence on climate actions:

- What steps is the company taking in connection with the energy transition (both transition 'in' and transition 'out')?
- Is the company engaging with carbon trading schemes that may impact human rights (for example, affecting forest or land use)?
- How might the transition to green transport, packaging and recycling affect the company's human rights risk landscape?

Ensure leadership, governance, coordination and capability support a better-connected approach:

- Find terminology that resonates across the business for example, the language of 'resilience' or 'the doughnut model'.
- Ensure senior management understand the need for the people, planet and good governance dimensions of sustainability.
- Bring human rights and climate colleagues together to develop a shared vision and cross-fertilise knowledge.

Natura & Co integrated materiality assessment



Source: Natura &Co Annual Report 2022

https://api.mziq.com/mzfilemanager/v2/d/67c3b7d4-64ea-4c2f-b380-6596a2ac2fbf/f23fdc83-caac-c047-6074-595a69d5549a?origin=1

The Body Shop -HREDD in Modern Slavery Statement

Our modern slavery risk assessment and management

How we assess modern slavery risks

At The Body Shop, we take identifying and addressing modern slavery risks in our operations and supply chain very seriously. In 2020, the external consultancy Ergon assessed our risks in these areas. In 2021, working with Elevate, we conducted a group-wide risk assessment that informed the 2022 Natura &Co Human Rights Statement and prioritised human rights risks.

In 2022 we continued to actively participate in industry working groups and collaborate with other organisations, such as ETI, Sedex and the International Transport Workers Federation, to stay informed of emerging supply chain risks. We strive to keep abreast of the latest trends and best practices in identifying and addressing modern slavery risks, and to continuously improve our own risk management practices.

We also work extensively with our suppliers to identify and mitigate any labour exploitation risks in their own businesses and supply chains, in line with our Global Supplier Code of Conduct. In addition, we require suppliers in categories requiring higher levels of due diligence to complete a Sedex selfassessment questionnaire. Suppliers in the highest risk sectors undergo an ethical audit before we contract them, and regularly thereafter. We also incorporate social and environmental criteria in our high-value tendering

Where appropriate, The Body Shop also applies enhanced due diligence in

THE BODY SHOP | Modern Slavery Statement 2022

indirect sourcing categories (such as labour providers, facilities management, cleaning, logistics, and waste and recycling services) to develop tailored approaches to risks.

We regularly review our strategic commercial suppliers using a balanced scorecard approach. And we commission specialist firms to conduct independent ethical audits of our suppliers in locations or sectors identified as high risk for labour exploitation. In 2022, 61 audits were conducted among the 175 active suppliers that fall under our highest level of due diligence. We also worked to align our ethical auditing programme across Natura &Co, moving from a three-year to a two-year audit cycle.

As site visits to some suppliers for ethical trade audits remained challenging in 2022 because of COVID-19 restrictions and backlogs, we continued to use additional approaches to assess risks in our supply chain. These included desktop assessments, the Sedex Radar risk assessment tool and other virtual third-party assessments to gain as much insight as possible into working conditions.

Our social audits in 2022 did not uncover any instances of modern slavery. However, we continue to take appropriate actions to address any risks we identify. If, through these social audits, we uncover links to labour exploitation anywhere in our operations or supply chains, we will take appropriate action, in line with our policies.

Overview of highest risks: materials and processes4



Logistics & shipping Low pay, health and safety. precarious work, forced labour US, Mexico, Hong Kong, UK, EU



Child labour, forced

labour, low wages, health

impacts and pollution

from pesticide use and

and working conditions

crop burning, poor living

Deforestation, land rights abuses, illegal harvesting, water and air pollution China, EU



Child labour, forced labour, low wages, discrimination, sexual harassment, access to water, severe health impacts (including deaths) linked to pesticide use Bangladesh, Brazil, China, India, Turkey, US



Global

Facilities management (including waste & recycling, recruitment, shopfit) Low pay, discrimination, health & safety,



precarious work, forced labour, unethical recruitment Brazil, US



Child labour, forced labour, low pay, land rights abuses, health & safety, deforestation



Child labour, forced labour, health & safety, illegal mining



Manufacturing (including all goods for resale) Child labour, working conditions, discrimination, greenhouse gas emissions. water use and pollution Bangladesh, India, China



Poor working conditions, health impacts from use of toxic chemicals and lack of protective equipment, land disputes/displacement, low wages, excessive hours, deforestation, air and water pollution, biodiversity loss Malavsia, Indonesia

Managing potential risks of modern slavery

The Body Shop uses a human rights due diligence approach to understand relevant labour risks and prioritise due diligence efforts in areas of higher risk.

We have full end-to-end transparency of goods and materials in our Community Fair Trade programme. We know that several commodities, sectors and regions pose high risks of labour exploitation (see map above),

so we focus increased attention in our operations and supply chains in these areas (including tier 2 and beyond) to avoid and mitigate these risks. In 2022, we applied the highest level of due diligence to 61 of our 147 tier 1 in-scope suppliers, including all of our direct suppliers. We also mapped 27 tier 2 or tier 3 suppliers that deliver materials or services to these tier 1 suppliers.

Based on desktop research of common global risks

Source: The Body Shop 2022 Modern Slavery Statement

https://www.thebodyshop.com/en-qb/about-us/our-commitment/modern-slaverv/a/a00030

The Body Shop HREDD in Modern Slavery Statement in detail

Overview of highest risks: materials and processes4

Ethanol



Logistics & shipping Low pay, discrimination, health and safety, precarious work, forced labour US, Mexico, Hong Kong, UK, EU



Paper
Deforestation, land
rights abuses, illegal
harvesting, water
and air pollution
China, EU



Cotton

Child labour, forced labour, low wages, discrimination, sexual harassment, access to water, severe health impacts (including deaths) linked to pesticide use Bangladesh, Brazil, China, India, Turkey, US



Facilities
management
(including waste
& recycling,
recruitment,
shopfit)
Low pay,
discrimination,
health & safety,
precarious
work, forced
labour, unethical
recruitment
Global



Child labour, forced labour, low wages, health impacts and pollution from pesticide use and crop burning, poor living and working conditions Europe



India

Mica Child labour, forced labour, health & safety, illegal mining



Manufacturing (including all goods for resale) Child labour, working conditions, discrimination, greenhouse gas emissions, water use and pollution Bangladesh, India, China



Child labour, forced labour, low pay, land rights abuses, health & safety, deforestation Brazil, US



Palm oil

Poor working conditions, health impacts from use of toxic chemicals and lack of protective equipment, land disputes/displacement, low wages, excessive hours, deforestation, air and water pollution, biodiversity loss Malaysia, Indonesia

Source: The Body Shop 2022 Modern Slavery Statement

https://www.thebodyshop.com/en-gb/about-us/our-commitment/modern-slavery/a/a00030

Natura &Co Critical Materials policies – combined social and env risk

natura &co

Natura &Co *Sustainable Ethanol* Procurement Policy for suppliers

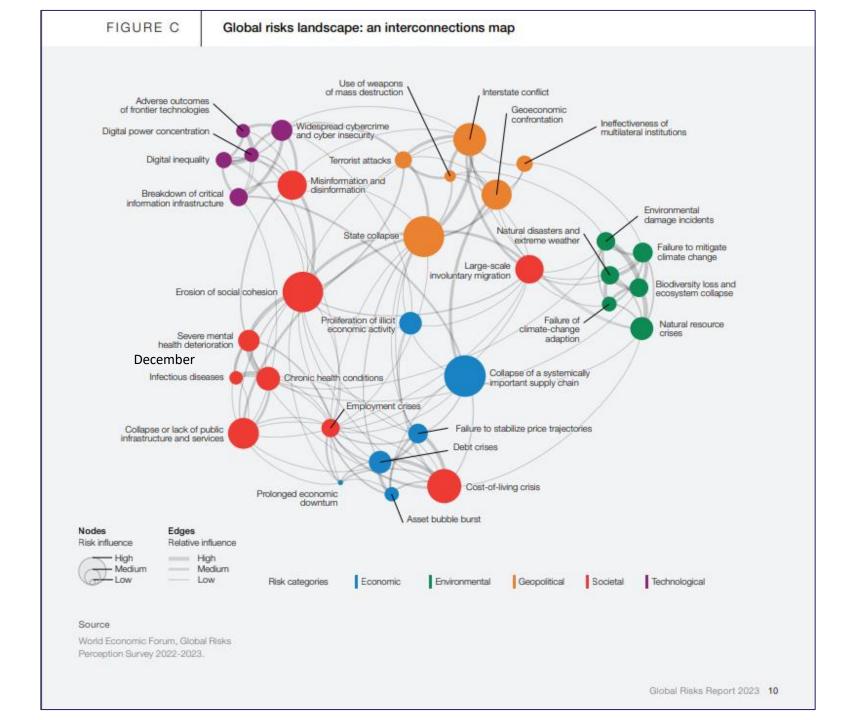
Approved in November 2022

1. Introduction

- Commitment to Life target: At Natura &Co, our sustainability vision calls for an approach to business that gives back more than it takes, including in our procurement activities. As part of our Commitment to Life, we recognise that some materials we use have significant social or environmental impacts. We therefore aim for full traceability and/or certification of our critical supply chains (palm, soya, ethanol, mica, cotton, and paper) by 2025. We are also committed to source only from non-deforested or non-natural converted areas as defined by the Accountability Framework Initiative and to supporting forest conservation solutions for high conservation landscapes. We also expect support from suppliers to help us meet the Natura &Co commitment to become Net Zero by 2030 and set a carbon reduction pathway in line with the SBTi requirements.
- Key social and environmental risks: Ethanol can be made from sugarcane as well as other plant-based feedstocks, such as sugar beet, grains, and agricultural wastes. Regarding Human Rights, in sugarcane-based ethanol where mechanization isn't universally applied to field tasks, manual harvesting, seed cutting, and irrigation work brings the severe risk via the premature death of sugarcane workers from heat stroke and heat stress driven chronic kidney disease (CKD)¹which is driven by poor labour protections in. For mechanized sugarcane and non-sugarcane crops, the main risks are negative environmental impacts on climate and biodiversity associated with heavy use of agrochemicals and water, especially for sugar beet production. Traceability, certification, and joint projects with suppliers are tools Natura &Co is using to manage and eliminate these risks in our supply chains.
- Scope: Natura &Co uses ethanol primarily in fragrance products, as well as in homewares and as a component in
 cosmetic raw ingredients. All ethanol, finished goods and ethanol-containing ingredients supplied to Natura &Co
 must meet the sustainability requirements set out below. These requirements will be applied in Natura &Co
 tender, supplier, and material approval processes, and are applicable to all ethanol used in goods for resale or
 indirectly, whether manufactured internally or by third parties. Should we find that any purchased goods or
 materials do not meet these requirements, we will engage the supplier to improve practices and/or revaluate our
 relationship with them.
- Traceability and certification requirements in brief: All Natura &Co suppliers must provide accurate information
 on the plant feedstocks and geographic origin of the feedstock for all ethanol materials in scope. All ethanol used
 as an added ingredient in fragrance products under a Natura brand must be certified to an acceptable organic
 third-party standard by the end of 2025. All other ethanol supplied for use in fragrance products, homeware
 products, or as a component of finished cosmetic ingredients, for all Natura &co brands (Natura, Avon andThe
 Body Shop), must be certified to either an organic or another acceptable certification standard as set out in
 Appendix 1.

Source: Natura & Co Critical Materials policies https://www.naturaeco.com/critical-supply-chain-policies/

World Economic Forum integrated risk 2023





HARD GOVERNANCE

1.UNLOCK STRATEGIC SYNERGIES

2. RESTRUCTURE TO INTEGRATE

3.LEVERAGE FORMAL PROCESSES

SOFT GOVERNANCE

4.SHOW VISIONARY
LEADERSHIP
5.CREATE A COLLABORATION
CULTURE
6.LEVERAGE INFORMAL
POWER

GOVERNANCE AGENDAS ISOLATED Core Business Depts. LEADS TO Traceability & Core Business Depts. INTEGRATED Core Business Depts. IS A KEY **ENABLER FOR** Core Business Depts.

Figure 1: A visual representation of what we mean by isolated and integrated governance, and isolated and integrated agendas.

Coffee



Skills Carousel – Session 1

Option A

Responsible business practices

Building on recent issues in Ukraine, Israel



Option B

Human Rights Impact Assessments

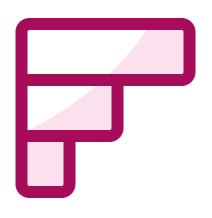
Key themes from recent studies



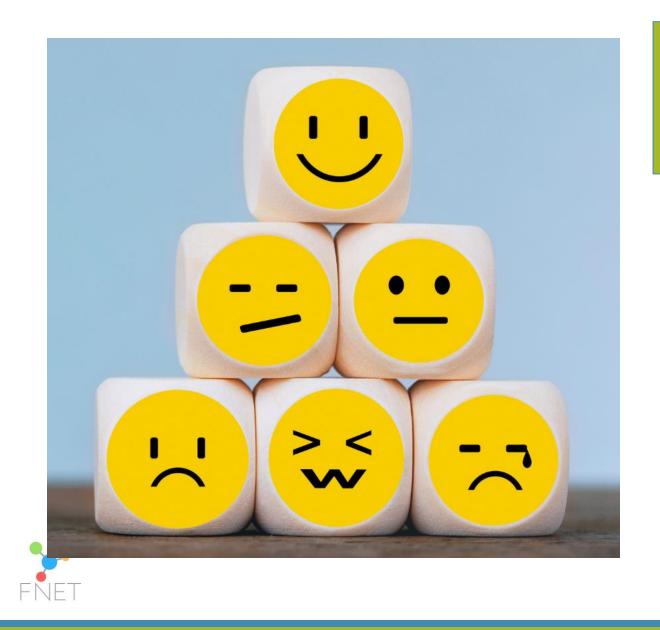
Responsible Business practice — managing issues



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Compared to 2022, has your business dealt with an increase in ethical issues?



Breakout discussion questions

Do you have an internal incident plan for serious and/or high profile human rights issues in the supply chain?

In what areas could this be improved?

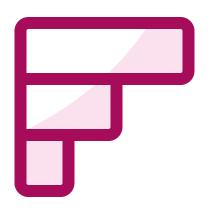
Where do you go to get further information about an issue?

How can FNET better support your business on these issues, particularly when they are being dealt with collaboratively?

Human Rights
Impact
assessments –
what are we
learning?



slido



Has your business plans to complete a human rights impact assessment in 2024?



HRIA Carousel November 2023





HRIAs: a recap

- What: a "context specific process for identifying, understanding, assessing and addressing the adverse effects of a business project, activities or operations on the human rights enjoyment of impacted rights-holders such as workers or community members"
- Why: UNGPs expectation of human rights due diligence: assessment of human rights impacts critical step and HRIAs can be key element a range of approaches may be appropriate for assessing human rights impacts

How:

- Based on internationally recognised human rights standards and principles
- Focus on **participation of rights-holders**, **duty-bearers** and other human rights stakeholders
- Attention to equality and non-discrimination
- Focus on accountability, including transparency, access to information and access to remedy





BEHIND THE BARCODES CAMPAIGN

- Shines a spotlight on conditions of people producing food in global value chains
- Low wages, vulnerabilities, brutal working conditions, risk of exploitation and abuse
- Calling on supermarkets to use their power for change



Race to the top

- Significant progress since 2018 new commitments, policies, increasing transparency
- Tesco, Lidl, Aldi, Sainsbury's, Morrisons all improved their scores year upon year
- We did not compare Walmart 2018 scores with Asda 2022 scores

HOW DOES YOUR SUPERMARKET CHECK OUT?

We analysed these leading supermarkets' policies and practices on human rights in their supply chains. We asked whether supermarkets are transparent and accountable in the ways they ensure that workers' rights are respected, small-scale farmers are prosperous and the women who produce our food are treated fairly.

* * * * * * * * * * * * * *

SUPERMARKET	TOTAL SCORE 2018	TOTAL SCORE 2022	
TESCO	23%	61%	
E-DE	5%	59%	
//≜ ALDI	1%	56%	
Sainsbury's	18%	55%	
Morrisons	5%	42%	
ASDA*	_	9%	

^{*}Asda was part of Walmart in 2018. The 2022 assessment is of Asda as the company independent of Walmart.





Call to action: Meaningful Human rights due Diligence Processes

 Without a robust human rights impact assessment, companies cannot formulate accurate action plans, and without a strong commitment to address the issues through effective action, the HRIA process will not be meaningful



FNET's collation of HRIAs

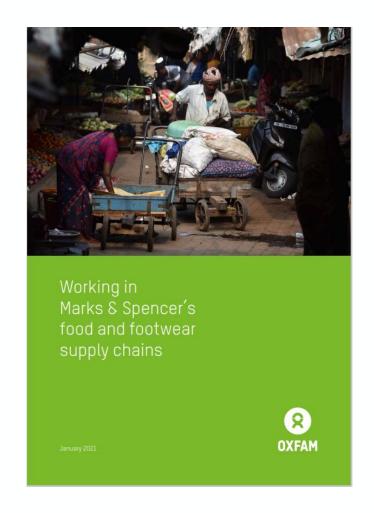
- 28 in total, across 15 product categories
- Approx. 20% were commissioned jointly by two or more organisations (typically retailer or brand)
- 50% were undertaken by Ergon
- Over 90% published, with c.50% publishing detailed reports and timebound action plans
- Average length to complete: 6-12 months
- Cost variable / not disclosed: determined by scope, complexity and scale of stakeholders engaged



A FEW M&S REFLECTIONS

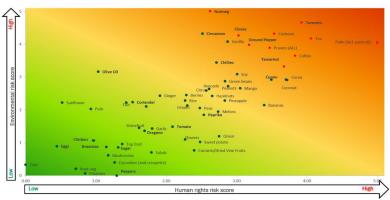












"HRIAs are an expensive waste of time ..." Discuss

Yes!

What hasn't worked?

(method, content and more)

No!

What has been useful?

(method, content and more)

In small groups, share your **examples** of both **yes** and **no**Jot down on stickies, group into **common themes**... and nominate someone to **feed back** in plenary



No	Product	Country	Brand	Implementation partner	Published
2	Citrus	Spain Morocco	Aldi Nord Coop Sweden	Ergon Oxfam	2022 HRIA report 2022 HRIA report
3	Coffee	Brazil Brazil Peru	Aldi South Morrisons Morrisons	Ergon Ergon Ergon	2022 HRIA report 2023 HRIA report 2023 HRIA report
1	Avocado	Peru	Aldi South	Ergon	2022 HRIA report
2	Brazil nuts Hazelnuts	Bolivia Turkey	Aldi South Unilever	Ergon Shift/Impactt	2022 HRIA report 2021 HRIA summary
3	Tea	India Kenya Kenya	Aldi South Lidl M&S and Waitrose	Ergon Ergon Partner Africa	2023 HRIA report 2020 HRIA report 2023 HRIA report
1	Tuna	East pacific & Indian ocean	Aldi Nord	Ergon	2021 HRIA report
2	Banana	Belize, Colombia, Costa Rica, Dominican Republic, Honduras Columbia	Fyffes Lidl	BSR Ergon	Summary in 2019/2020 Sustainability report 2021 HRIA report
2	Fresh produce	Spain (berries) Spain (salads, veg)	Lidl M&S & Fresca	Ergon	2020 HRIA report TBC 2023
1	Beans & Pulses	Argentina	Princes	Ergon	2023 HRIA report
2	Prawns	Vietnam Thailand Vietnam	Tesco Unilever Coop, Sainsburys, Lyons seafood	Impactt Shift/Impactt	2021 HRIA report 2021 HRIA summary 2022 HRIA report
1	Pork and Lamb	UK	Pilgrims, Waitrose & Coop	Impactt	2023 HRIA report
1	Poultry	UK	Moy Park and Sainsburys	Ergon	TBC 2023
2	Processed Tomatoes	Italy Italy	SOK Corporation CBL Dutch Food Retail Association/Lidl	Oxfam ImpactBuying bv	2019 HRIA report 2022 HRIA report
3	Wine	Italy South Africa South Africa	Systembolaget AB Ahold delahaize Lidl	Oxfam ICCO Ergon	2021 HRIA report 2021 HRIA report 2023 HRIA report
1	Palm oil	Indonesia	Nestle	DIHR/TFT	2018 HRIA report

Nestle HRIA summary

report

What are some of the new insights found?



Root Causes



What are the typical types of recommendations



So what next?

What would maximise the positive learnings / minimize the negatives?

Where are our opportunities to collaborate more as FNET members?

How can we use this to improve HRDD approaches?



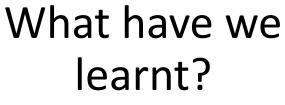
Skills Carousel - Session 2

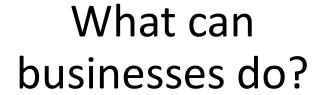
Option A Worker Voice 2023



Option B Attracting and **Retaining Talent**

learnt?







Worker Voice – What are we learning works?

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How many times were workers in your organisation asked to complete a worker survey in 2023? tick all that apply

⁽i) Start presenting to display the poll results on this slide.

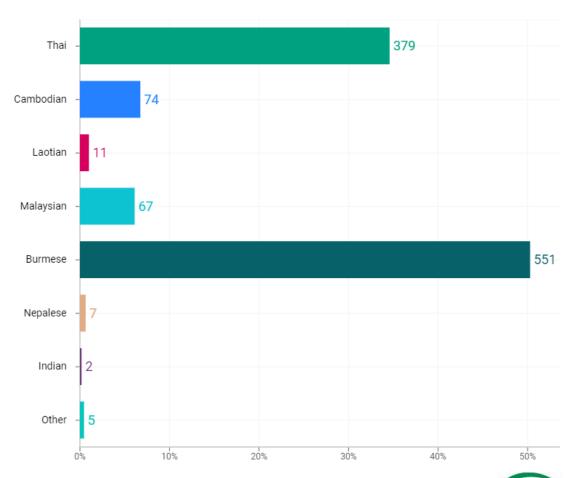


World Wise Foods Worker Survey Pilot – Summary



Key headlines:

- Partnered with Labor Solutions
- Paid £12,500 for unlimited surveys at 5 sites for 1 year (minimum 2-year contract)
- 4 sites in Thailand, 1 site in Malaysia
- Survey #1 1,085 responses across all 5 sites
- 7+ Nationalities
- >25% of workers engaged per site, representative sample
- #1 had 24 questions (5 demographic)
- #2 (follow-up survey) had 11 questions (1 demographic)



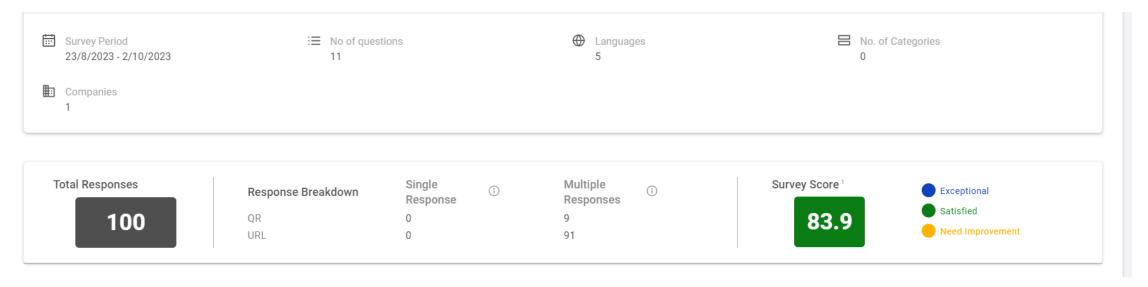




How we deployed the survey:

- Initial questions drafted by World Wise Foods in English and Thai, utilised Labor Solution's 'question bank'
- Feedback obtained from suppliers on the questions and revisions made
- Translated to all relevant languages
- Questions uploaded to the WOVO platform
- QR codes generated
- Workers briefed in advance of survey aims
- Survey deployed on-site during work hours with independent facilitator and translator, workers randomly selected



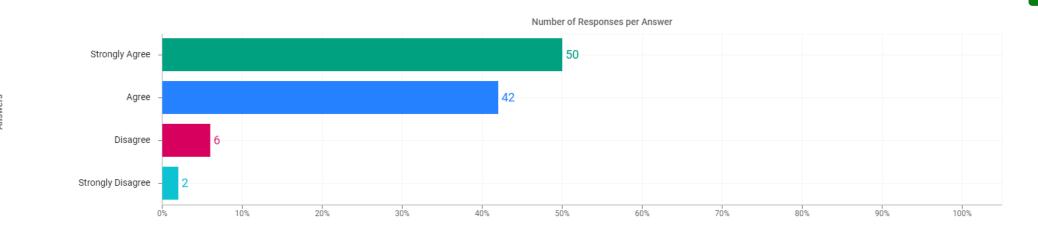


3.I feel that my co-workers treat me with respect



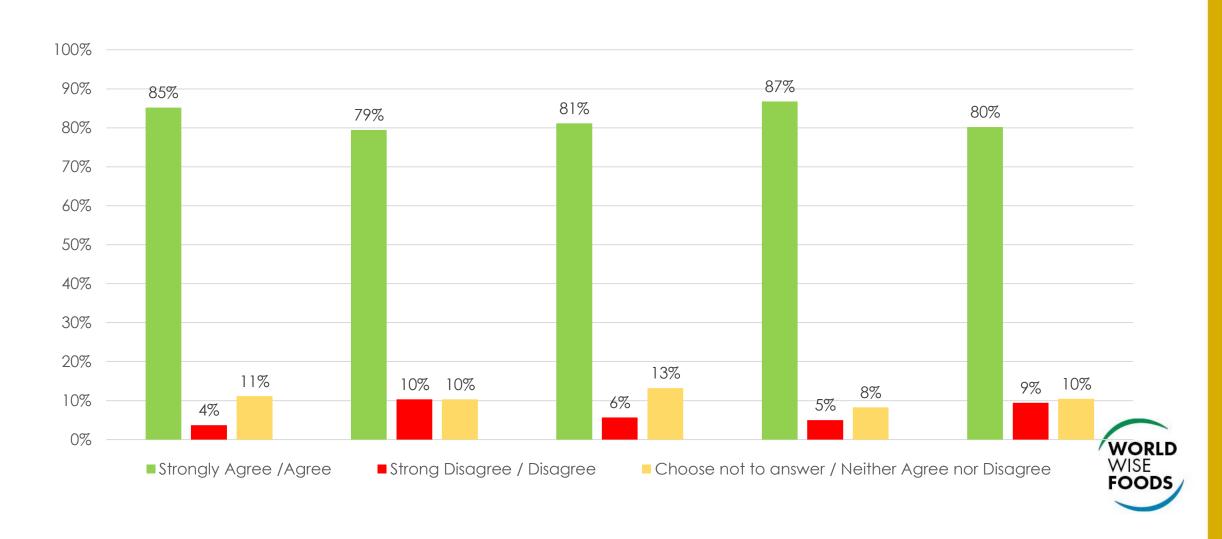
Question Score²

85.0



Percentage of Total Responses

22. I feel safe at my workspace



What went well:

- Pre-survey briefings for all sites, delivered by Labor Solutions
- Independent facilitator and translator
- 'I feel' rather than 'I have' questions
- Real-time results
- Valuable insight into workers experiences
- Ability to conduct follow-up surveys with ease

Findings:

 For all sites, the survey highlighted good practices in relation to Health & Safety and correct pay/payslips being correct





Learnings:

- Providing feedback is unfamiliar
- Understanding and trust needs to be built up over time
- Workers may never have used a laptop before
- Having the buyer present is unhelpful
- 20 questions is too many
- Don't ask questions if you can't implement any next steps e.g. pay
- Don't ask questions that you already know the answer to e.g. have you been trained on X
- Negative responses should be discussed pragmatically

- I would recommend my factory as a place of work to my friends or family
- I feel free and comfortable to use the toilet or get drinking water whenever I need to

- My salary allows me to support my family
- I have received health and safety training that means I can do my job without risk of injury
- I can chose whether or not to do overtime
- I experience yelling or bad language in the workplace that makes me feel uncomfortable



Worker surveys food pilot

Sarah Picasso, Human Rights Manager FNET all member meeting, November 2023





Worker surveys help make sure our strategy is informed by workers' own experiences









Challenge #1: engaging with suppliers & avoiding duplication



We are delighted to invite you to participate in our worker voice programme for the UK berries and cherries sector. As a valued supplier to Sainsbury's, we have selected you and a number of other suppliers to invite you to participate in this collaborative opportunity to improve working conditions. We believe that hearing from workers directly can bring significant benefits to workers, to our suppliers, and Sainsbury's.



Challenge #2: preserving IP and not influencing survey results

20

max number questions

Illness due to heat

Safe transport

Recruitment fees

Discrimination

Rest areas Grievance mechanisms

Safe accommodation

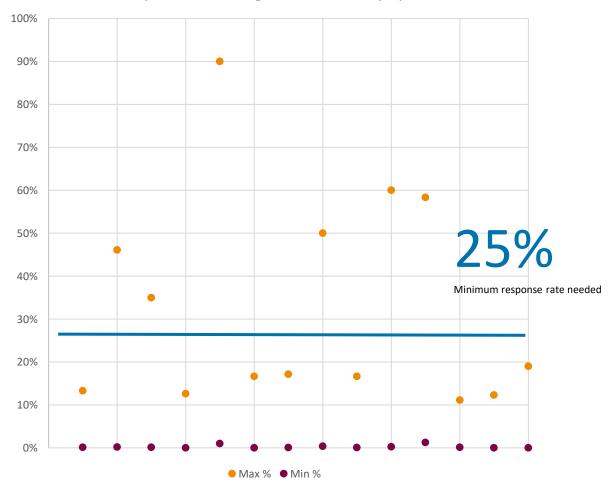
Access to water

Contracts in native language

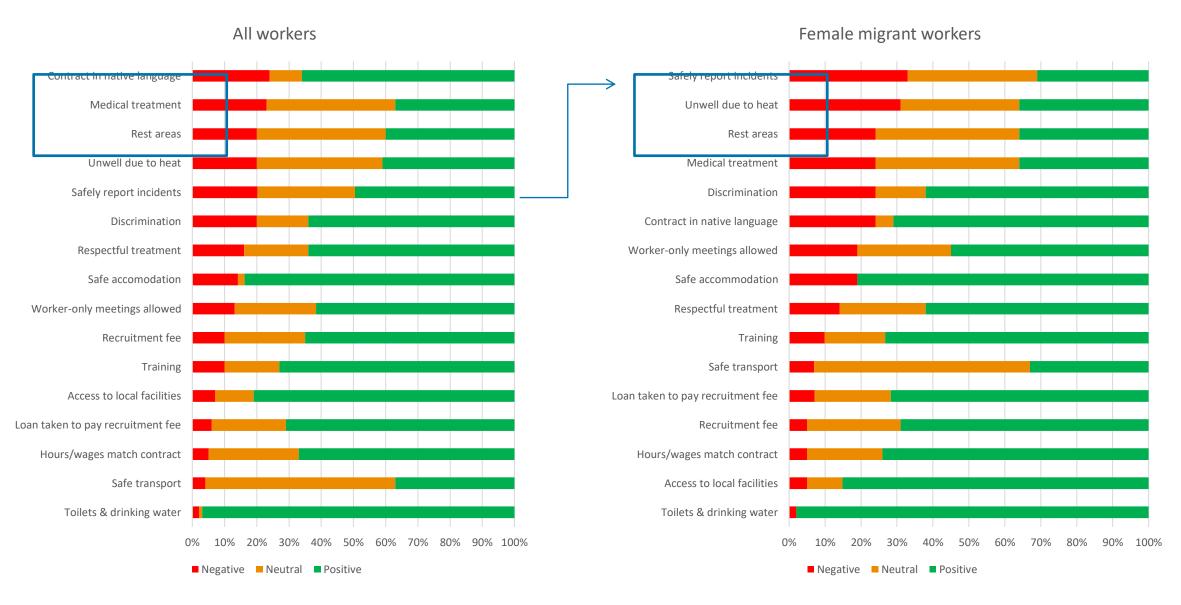
Challenge #3: getting high enough response rates to be able to infer results



Response rate range for first survey cycle

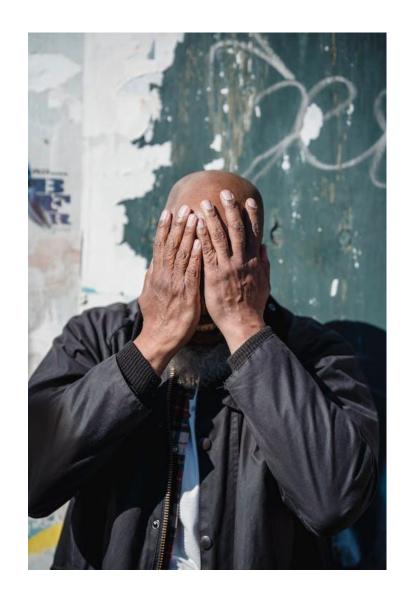


Example of site level results

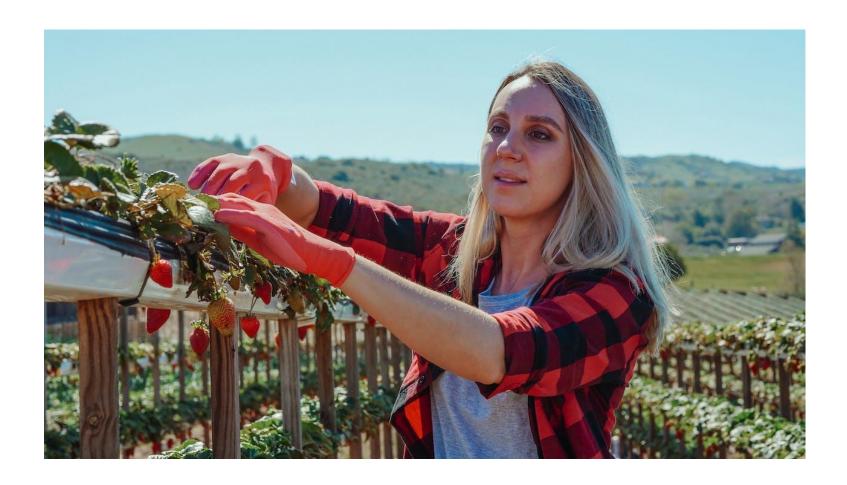


Challenge #4: growers' responses to the survey were varied





Challenge #5: taking the next steps



What did we learn?

- 1. Worker surveys are hard to implement!
- 2. Having a clear purpose is key
- 3. The results can be insightful but it takes time
- 4. Bringing growers onboard is key
- 5. Expect duplication and avoid survey fatigue
- 6. Listen to growers about how to improve
- 7. Take next steps

Thank you





Sainsbury's
Helping everyone eat better



Breakout discussion questions

- •What should we include in best practice guidance for conducting worker surveys?
- •What does the future look like for surveys in terms of collaboration to avoid duplication, how to incentivise can surveys be used instead of SMETA audits?

Attracting and Retaining Talent – What can a business do?



slido

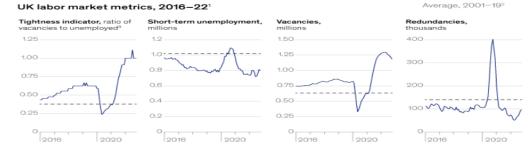


What is the single most important factor for attracting and retaining talent?

External Picture

- Top 3 Global and European reasons are poor compensation, lack of development and uncaring leaders
- Labour market tight as ever with redundancies decreasing but vacancies increasing
- The War for Talent is still very much on!

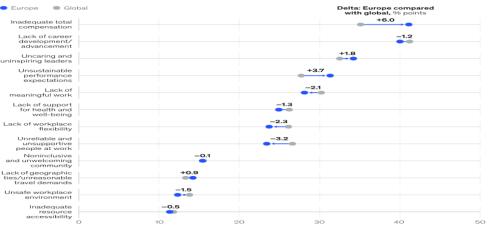
The UK labor market is showing signs of cooling but remains historically tight, with high vacancies and low unemployment.



Vacancy data up to and including the three-month period Oct to Dec 2022; other data up to and including the three-month period Sept to Nov 2022.

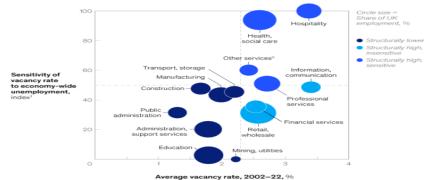
McKinsey & Company

Employee experience factors spurring attrition, % of respondents



The information and communication, retail, and financial sectors could see high vacancy rates even if overall unemployment increases.

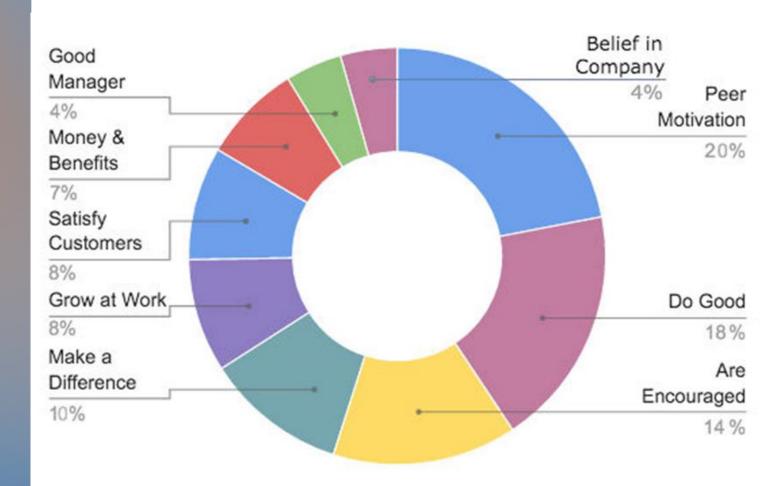
Average vacancy rates and sensitivity of vacancy rates to economy-wide unemployment, by sector



Source: UK Office for National Statistics; McKinsey analysis

Post COVID Picture

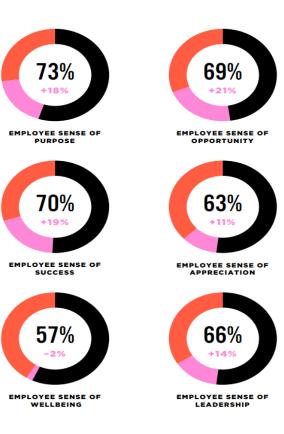
- Safety should be a priority: Whether it's ordering enough PPE and hand sanitiser for all of your staff members or encouraging them to take days off when they don't feel well your staff's safety and well-being should be at the forefront of your business.
- Empathy goes a long way: The past year has affected people differently in all aspects of their life. Take some time to talk to your employees and listen to their needs. They might need more flexibility, a period of rest or just some helpful resources.
- Communication is key: If the business is undergoing some changes, you should let your employees know. That way, they can trust you and your company, and feel slightly more secure knowing you'll keep them informed.



OC Tanner report findings

- Talent magnets seen an increase in all but EE wellbeing
- The 4 pillars that colleagues want to see are Balance, Purpose, Growth and Belonging
- What can HR do?





How Can HR Make A Difference?

Four Steps to Improve Employee Engagement

Gallup defines engaged employees as those who are highly involved in and enthusiastic about their work and workplace.

To move your employees from simply "putting in their time" to being committed to their work:

1. Measure what matters most for employees' performance.

Leaders often focus on metrics that don't tie strongly to employees' psychological needs and ultimate performance. View the 12 elements of employee engagement that predict high team performance.

2. Act quickly.

Employees who strongly agree that their organization acts on survey results are 1.9 times more likely to be engaged. If you're not using a survey that provides a framework for taking action, now is the time to switch.

3. Make it an ongoing process.

One of the most common mistakes that leaders make is to approach engagement as a sporadic exercise in making their employees feel happy. Employees need ongoing purpose and development, not biannual perks, to achieve more for your organization.

4. Empower managers to drive engagement.

Engagement isn't just an "HR thing." Managers account for 70% of the variance in team engagement. There are no quick fixes when it comes to human relationships. It is essential that managers effectively interact with and develop each team member over time

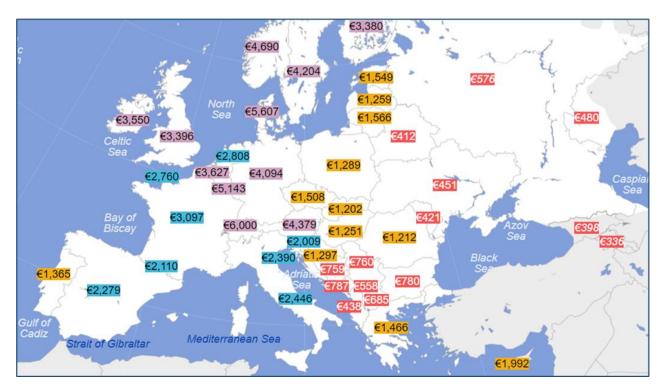


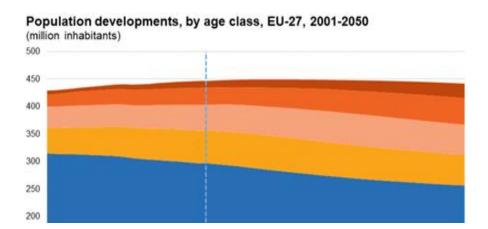
HILTON FOODS RETAINING TALENT

Kealey Burbidge November 23

CONTEXT FOR HILTON FOODS HRIS & LEARNING ACADEMY

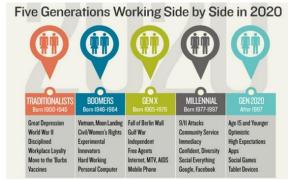
COMPANIES FACE THE CHALLENGES OF A SHRINKING LABOUR MARKET WITH CHANGING EXPECTATIONS OF WORK

















Gap Analysis

- Our people and leaders increasingly expect:
 - greater self-service with ready access to the information they need to do their jobs and to grow

Recruitment

High agency dependency and lack of analytics

Onboarding

Lack of consistent information & mainly after joining

Performance

Paper based with lack of connection to strategy and compliance

Learning

Lack of learning opportunities for all with poor paper and excel based records

Reward

Managed on excel with sensitive data shared via email

Succession and Capability

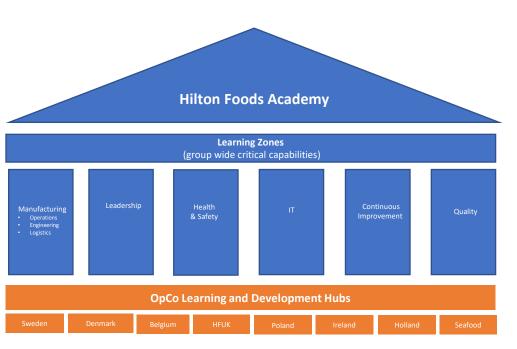
Manual process with data difficult to collate and analyse

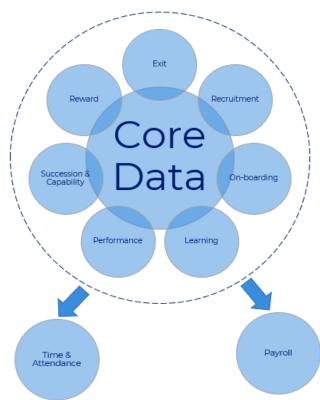
Exit

Inconsistent
ly managed
with no
analysis

HRIS VISION

A common Hilton Foods HR system supporting a Hilton Foods Learning Academy and People and Culture Shared Services where this makes sense





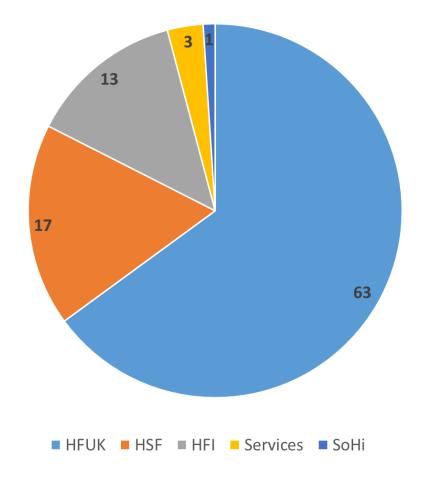


My development journey through the Academy



Manufacturing Excellence Academy

MEP Academy Participants - 97 People



Title – Reduce Sleeve Waste on the Steak Lines



- · Sleeve printing SOP updated and trained out
- · Target yield calculator now in use on lines
- · Printer control settings template in place

IMPROVEMENTS RESULTS



- €300 euro potential savings per week
- 12 step process completed
- · Over printing main cause of sleeve waste

Red Tear

FOODS IRELAND



Sonia , Daniela , Tomas , Shane , Marcelli

Vidas ,Anna , Sergio , Dermot , Luis , Tiago

CI TEAM





Leadership Academy

Strategic

For potential successors Executive Leadership Team and MD roles

Readiness review by Wickland Westcott tailored to specific roles

Individually tailored development plans supported by Group HR

Exploring

For potential successors to Senior Management roles

Readiness development centre to provide foundations for personal development

12-18 month programme every 2 years (10 to 20 participants) using Exec sponsored business projects to build relevant experience

Emerging

For potential successors to site management or specialist roles

Specialist graduate programmes

Leaders of the future programme







RESEARCH PROJECT — EMERGING LEADERS



PROJECT: BECOMING AN EMPLOYER OF CHOICE

An employer of choice is a company that candidates want to work for!

Some of the defining characteristics of employers of choice are:

- Strong leadership
- Competitive pay
- Engaged workers
- Meaningful work,Attractive company



Why does Hilton need to be an employer of choice?

To attract and retain (top) talent

- "90% of all employees are open to new opportunities"
- "30% of people switched to a new job in 2022"
 PageInsights 2023

To comply with the Strategic Compass

- Partnership
- To be responsible
- Agile

To apply to the coming trends & demographics

- Aging Population
- Birth Rates plateauing
- Migration will continue to increase





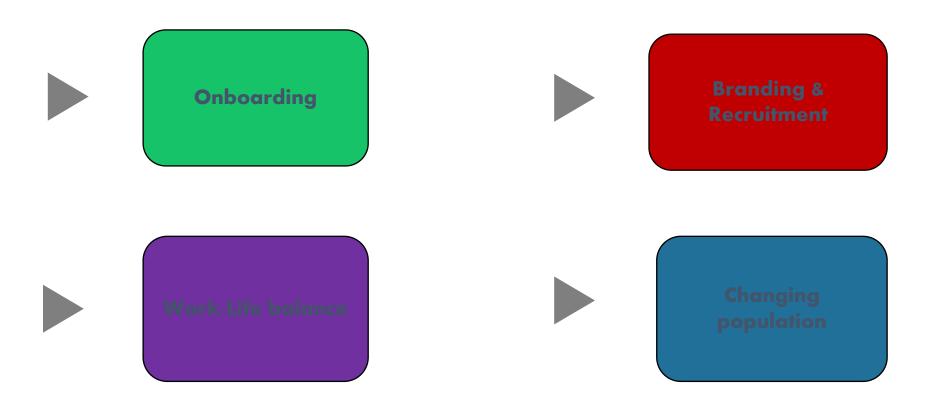






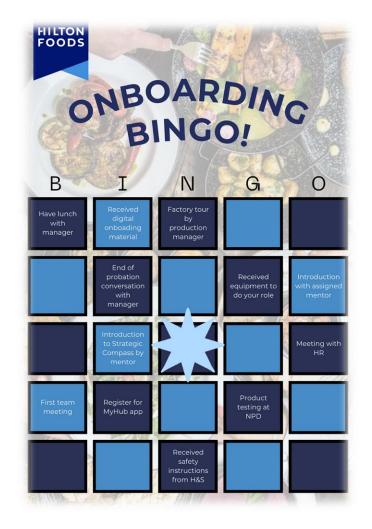


Where does Hilton needs to improve to become an employer of choice



Onboarding Recommendations

- Just-in-time pre-boarding
- General onboarding material for every site
- Assign HFF (Hilton Friend Forever)
- Onboarding bingo
- Ready to g(r)o(w) package
- General survey after first half year



Employer Branding Recommendations

- Create an Employee Value Proposition that fits our target audience -> what do they actually value)
- Focus on corporate communications
- Merchandise
- Social Media Presence
 - > Demonstrate the benefits of working at Hilton (propagate EVP).
 - > Employees speaking in a video (telling real stories about their job at Hilton).
 - > Tour of the workplace in pictures or videos (show off our great sites)



Work Life Balance Recommendations (Non)-Monetary Benefits & External Activities

- Implement a vitality policy
- Provide more flexible working schedules/conditions
- Offer employees time to volunteer
- Support social activities
- Provide sport facilities





Changing population Recommendations

- Mentorship Programme
- Phased Retirement
- Graduate programme



Workforce split by demographic

Generational Profiles



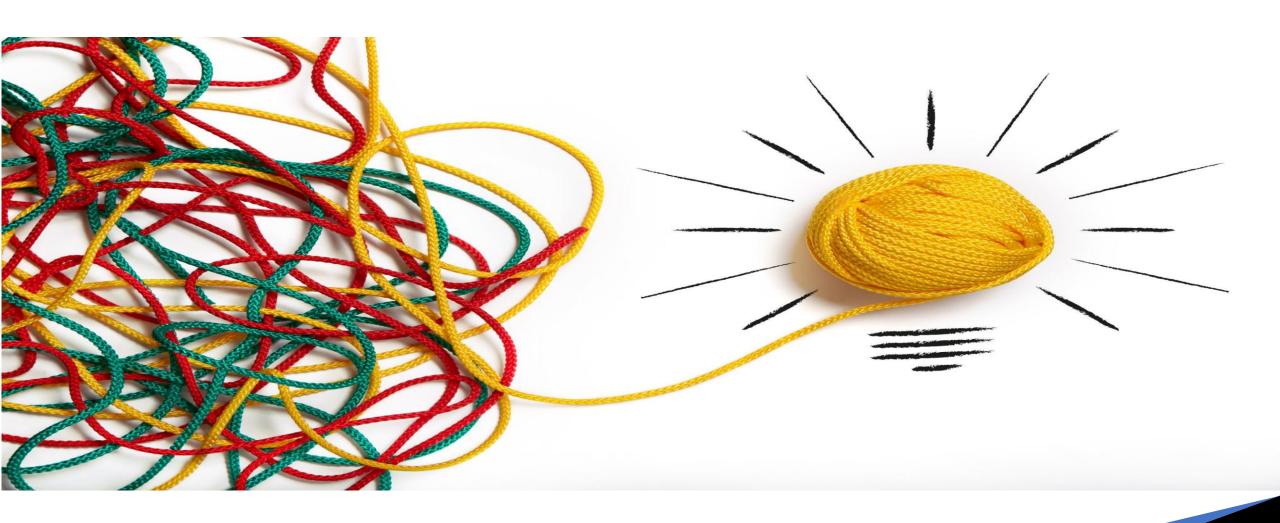
By 2025 Gen Z will be 23% of the workforce alongside millennials who will make up 39%. And as we hit the late 2020's, Gen Alpha (2010-2024) will be joining us

All generations must work together and find common and shared goals

Generational workforce priorities

18-24	25-34	35-44	45-54	55+
Fair pay	Fair pay	Fair pay	Fair pay	Fair pay
Manager who cares	Manager who cares	Manager who cares	Manager who cares	Manager who cares
Wellbeing	Flexible working	Flexible working	Flexible working	Trust in leadership
Recognition	Wellbeing	Trust in leadership	Recognition	Open communications
Trust in leadership	Recognition	Recognition	Wellbeing	Flexible working

Thought Leadership Session



Group 1 - What are the challenges?

- Different attitudes
- 'Banter'
- Assumptions certain ages to have children, to retire etc.
- Phrases 'early careers' replace with emerging and changing careers...
- Our industry, business, may be more tricky

Group 2 - What are the opportunities?

- Leading edge employer research suggests that employers that support employees with their life experience see 21% increase in number of high performers.
- Hilton proposition employer of choice
- Celebrating multi-generational teams
- Applicable benefits that excite and retain
- Supporting careers
- What are other companies doing?

Group 3 – Brainstorm reward/benefits

- Who are you looking to attract, retain, engage?
- What benefits can we consider to apply to all generations?
- How can your people thrive?
- How does our EVP support and inspire employees what benefits them and the business?
- Demonstrate the FULL reward package Total Reward Statements
- Traditionalists post retirees/recognition from CEO, baby boomers bonus for certain tenure milestone and impact they've had, Gen X professional development books/podcasts and recognition/others celebrating, Millennials Professional Development conference, favourite restaurant vouchers, Gen Z social media access, volunteering...

Lunch and Networking





Workstream update











Climate Change and Human Rights Working Group – Elevator Pitch

The Food Network for Ethical Trade - 22nd November 2023



Climate & Human Rights Working Group

The focus of this group is on increasing understanding and building capacity to tackle the joint impacts of human rights and climate change that include migration, water and extreme heat.



Natalie McWilliam
Group Head of Sustainable Sourcing
DPS



Ed Brent
Sustainability Manager - Carbon
M&S

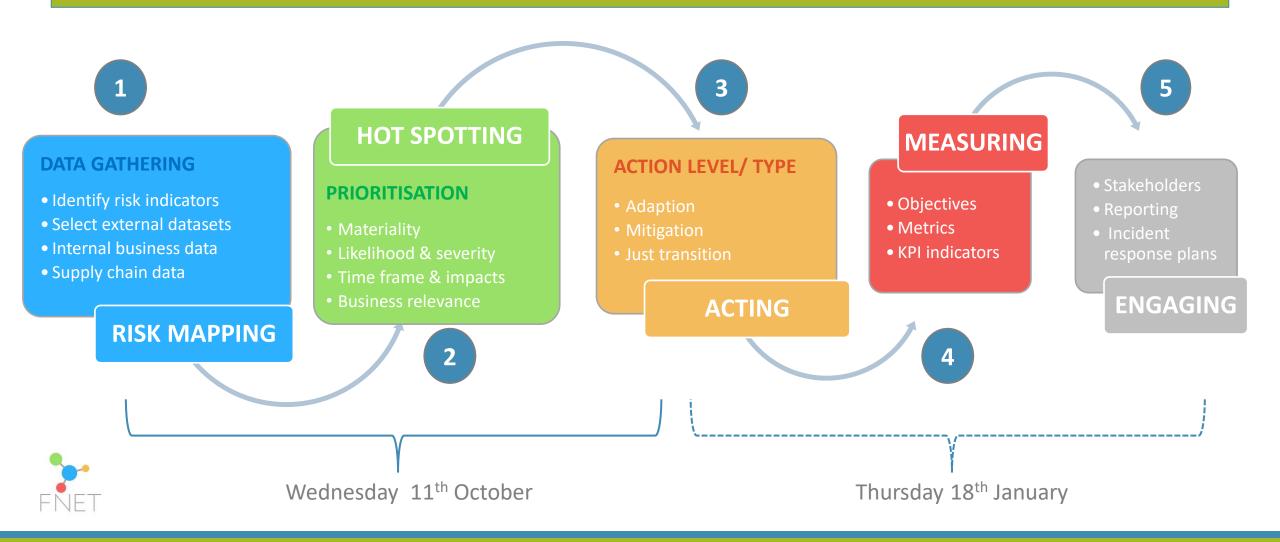


Climate & Human Rights Working Group Objectives

- 1. Increase understanding of climate change related impacts through a human rights lens.
- 2. Increase FNET members ability to <u>map human rights</u> and <u>climate change related risks</u> and create targeted adaptation, mitigation and/or diversification action plans.
- 3. Support cross-departmental collaboration, accelerating progress towards de-risking.



FNET Human Rights & Climate Risk Assessment Framework



Wednesday 11th October



What we covered on the day



Reviewing risk assessment tools to identify how to best use them to identify climate impacts on people.



Aligning on issues to prioritise for company action.



Identifying actions available to address some of the issues raised in the risk assessment.



Gathering company input and information needed for the FNET assessment framework, to be completed by the end of the year.



Next Steps

Month	Framework	Working group review	
November	Framework drafted	FNET begins review of 2023 and collects input for 2024 workplan	
December	Framework circulated to members for comment	Working group workplan developed and drafted	
January	Framework finalised	Workplan finalised	

18th January: working group meeting 1-3pm

- Action plans de-risking & mitigations
- Measuring
- Engagement







What would members find it useful for the climate working group to focus on in 2024?



Would an FNET Climate Risk Rating be useful for members?



Developing Common Due Diligence Working Tools Working Group – Elevator Pitch

The Food Network for Ethical Trade - 22nd November 2023



1. Developing Common Due Diligence Tools Working Group

"The key strength of cross-functional working groups lies in their ability to break down silos, promote collaboration, and generate well-rounded solutions that consider the broader context"

What else does a working group offer?

- Networking
- Knowledge
- External speakers
- Diverse approaches and opinions, perspectives and skills



2. Developing Common Due Diligence Tools WG objectives

- 1. To review & update identified FNET resources FNET Resolution of Ethical audit issues guidance, the FNET Mitigation guidance and create a signposting library of FNET mitigation guidance. Also input into the regular updating of the FNET RAT tool.
- 2. To develop a maturity framework' that FNET members can use with suppliers down supply chain & to gain a common understanding of how FNET members measure supplier performance.
- 3. To develop guidance on how to engage in complex parts of the supply chain where low leverage e.g., smallholders, commodity supply chains. Explore how responsible sourcing and procurement practices can be adapted to enhance leverage.
- 4. To **identify Cost effective enhanced due diligence** options (HRIA, others) to address salient issues and & identify how members can collaborate to implement these.

3. ... some points on meetings this year

4 meetings in 2023

- 3 on-line, 1 in person (February, April, July & September)
- Average 20 attendees per meeting

Aspirations for 2023

- Complete outstanding workstreams
- Prioritise workstreams based on member feedback, keeping workload manageable
- Deliver!

Output

- Mitigation Guidance document Live
- Resolution of Ethical audits Live
- FNET HRDD tool approved, review due in Q2 2024



4. Two Key Resources Tools Launched in 2023

FNET Mitigation Guidance

V2 February 2023 FNET Mitigation Guidance

1. Introduction

What is mitigation?¹ This document uses a working definition of mitigation as the action of reducing the severity or seriousness of a potential human rights issue. Mitigation refers to activities that reduce the impact when an adverse impact does occur (OECD, Pg 78).

At what stage in a company's ethical trade strategy should mitigation take place? The Ethical Trading Initiative's Human Rights Due Diligence Framework (see Figure 1 below) recommends that mitigation takes place after a company has undertaken a risk assessment and identified their ethical trade or human rights priorities by determining where they have leverage and are able to take substantive actions.

Figure 1: Ethical Trading Initiative's Human Rights Due Diligence Framework



Steps one and two should identify a 'reasonable' number of priorities, that the company can manage with their internal resources and/ or through partnerships with local organisations. This is likely to be in the range of 5-10 priorities which may be defined by product, country, ethical trade issue or a combination.

Companies' risk assessments and priorities should be reviewed at least annually and factor in changes to external risks and internal purchasing practices. Factors such as a change in political regime or moving of sourcing country might require re-prioritisation.

FNET Resolution of Ethical Audit Issues Guidance

Version 3 March 2023

CONFIDENTIAL - NOT FOR WIDER DISTRIBUTION

Food Network for Ethical Trade (FNET) - Resolution of ethical audit issues guidance

Background: The following guidance has been developed by the members of FNET's Workstream 1 (Risk Assessment and Mitigation) to support all FNET Members working with their own sites and their suppliers' sites to close off common issues raised in ethical audits. The guidance is intended to provide short, medium and long-term steps which sites can take to resolve common ethical audit issues and ensure that they do not reoccur. This document is a working document which has been developed using a combination of best practice* and member experience. The document has been reviewed and updated incorporating member views after 3 years of being in use.

Issues were selected that either commonly occur in ethical audits or are particularly sensitive and difficult to resolve. The table which follows then provides potential resolution steps - short, medium and long-term depending on which are applicable. Separate columns are provided for resolution steps for processing facilities, large farms and small farms. The steps outlined in the table are intended to support users of the document to provide advice to their own sites and suppliers' sites to resolve the relevant ethical audit issue.

*Best practice documents drawn on for this document include: <u>Stronger Together toolkits</u>, <u>Anti-Slavery International guidance on forced labour</u>, <u>ILO guidance on child labour</u> and <u>UNICEF guidance</u> on tackling child labour in business.

Please note the disclaimer at the end of this document. The document is solely advisory and does not constitute legal advice.

Definitions:

We are aware that different metrics may be used to define farming and business scale, for the purposes of this document we have defined large and small farming based on number of employees.

Large Farm/Processing Facility – A facility/farm with more than 15 workers. Small Farms – A site with under 15 workers.

1. Audit issue: Child Labour

Audit issue example: Substantial evidence of Child / Underage labour

Resolution steps	Processing facilities/ Large farms	Small farms
Short Term (1-3 months)		



5. Maturity Framework – HRDD Tool



nplate ve identified x raw mater	Date of completion Organisation Sustainability Reports/Modern Slavery Statement Links: rials, or operations or countries as higher risk. Please simply descriptions.	ribe the process you used to do this.
ve identified x raw mater	Sustainability Reports/Modern Slavery Statement Links:	ribe the process you used to do this.
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e.g. we have identified x raw materials, or <u>operations or</u> countries as higher risk. Please simply describe the process you used to do this.		
undation/ on/ Intermediate/ d*	Summary of the 3-5 identified actions to close months*	e the gaps towards next level in next 12
	on/ Intermediate/	on/ Intermediate/ months+



^{*} Some members may wish to score this applying 1- Below Foundation, 2- Foundation, 3- immediate, 4-advanced. This needs to be balanced with encouraging a honest conversation on supplier maturity as they will be at different stages of their journey and what will work to drive internal integration in FNET members businesses. What we would encourage though is a focus on encouraging and rewarding suppliers to take action. Our suggestion is to encourage 3-5 actions in total – suppliers do not need to have an action in every box

6. What's Next for 2024

- In person meeting 17th January 2024
- In Melton Mowbray
- All Day In person Event
- Agenda
 - To tackle outstanding 2023 plans
 - To discuss 2024/25 WG strategy

To develop guidance on how to engage in complex parts of the supply chain where low leverage

e.g., smallholders, commodity supply chains.

Explore how responsible sourcing and procurement practices can be adapted to enhance leverage

To identify Cost effective enhanced due diligence options (HRIA, others)

To address salient issues and & identify how members can collaborate to implement these.





Empowering Work Working Group – Elevator Pitch

The Food Network for Ethical Trade – 22nd November 2023



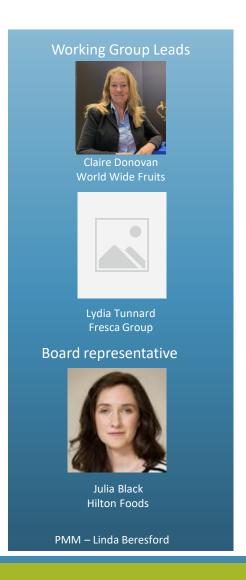
Empowering Work Working Group – 2023 Plan

Summary

To engage and empower employees and supply chain to speak about their experience of work and what matters to them

Outputs:

- ➤ Define best practice on in-work poverty alleviation. Adding value for employees and supporting the business case for living wages
- Aligning member requirements on **grievance and worker voice** to reduce duplication and improve impact
- ➤ Pilot worker representation tools in 2 source countries (S. Africa and South America)
 - further explore how outputs of WR project can be utilised



... some points on meetings this year

Focus on "OWN OPERATIONS"

3 meetings in 2023

- 2 on-line, 1 in person (April, July & October)
- Better engagement through the year WG as the plan developed with 33 attendees
- 24 attendees for the in person meeting on Grievance Mechanisms

Aspirations for 2024

- Develop Grievance Mechanisms into Supply Chains
- Worker Voice development
- Secure continuous support for the Working Group for the full year's activities

Output

- In Work Poverty tools and support for business and employees
- Effective Grievance Mechanisms Practical tools to make them Effective





3. Deliverables – In work Poverty

What drives in-work poverty?

There are a range of trends in the labour market which contribute to the problem of in-work poverty, including:

- Low pay
- Part-time work and insufficient working hours
- Insecure work



HOW WE HELP

Grocery Aid – Help offered

GROCERYAID HELPLINE: 08088 021 122

Providing emotional, practical and financial support to everyone who needs us.



JRF

Areas for action



We recommend taking action holistically through looking at:

- · Boosting pay and incomes
- Providing more secure and predictable work
- Investing in training and progression
- Offering flexible working
- Building a compassionate culture
- · Making fringe benefits go further



4. Delivered – Effective Grievance Mechanisms Workshop









2. Grievance mechanisms pilot:

Grievance mechanisms are implemented, with increased accessibility and use by North and West African workers

1. Situational analysis:

Increased understanding of the problems and needs of North and West African migrant workers, ensuring the projects scope, design and delivery is needs-based and migrant-worker-centred.

3. Modern slavery prevention

Awareness of and capacity to communicate access to remedy, ethical recruitment practices, and emerging risks to migrant workers is increased

6

GRIEVANCE MECHANISMS TOOLKIT

Practical guidence for compenies in supply chains on how to implement effective grievance mechanisms





staped by pullbutters. tools faculties

Oxfam Business





Benefits from using the toolkit

Engagement with users in design

- · Ensures it meets users' needs
- Accessible to all workers

Users involved in governance

- Independence of the grievance mechanism from management
- Perceived as legitimate by workers

Clear step-by-step process for handling grievances

- Process is predictable and easy to understand
- Increased transparency

Effective management system

- Allows to track grievances and solutions
- Enables organizational learning

Advisory Service **UX**

Benefits to the business

- Tool for dialogue between management and workers
- Issues become visible
- Systemic solutions
- Improved productivity
- Reduced turnover and absenteeism

ъ



Responsible Recruitment Working Group – Elevator Pitch

The Food Network for Ethical Trade - 22nd November 2023



Responsible Recruitment Working Group

"WG ambition is to enable members to take 'one step forward' in their journey to embedding responsible recruitment principles, including the embedding the Employer Pays Principle (EPP), in their own-

operations and supply chains"

Ways of working of RR WG – to achieve ambition

Focus areas:

- Industry updates/external knowledge
- Risk assessment
- Policy development & implementation
- Labour providers
- Remediation

Capacity building

Safe space

Collaboration

Industry progress/EPP

UK recruitment fees sub-group

- Just Good Work SAW scheme app pilot
- EPP/GLAA standard
- Recruitment process mapping for visibility of fees being paid
- Labour provider due diligence
- Ukraine specific risks
- SAWs scheme learning 2022 & actions 2023

2. Responsible Recruitment 2023 Roadmap

Q1- Feb Online meeting

- Finalise new resources
 (Business case 1 page and recruitment process flow)
- Review WG workplan
- Agree agenda for Q2 meeting

Q2 – end of May/June In-person workshop

- Review of MSS's through a RR lens to include:
 - Transparency
 - KPI's
 - Case studies from other sectors

(To consider external speaker)

Q3 - Sept Online meeting

- Review outputs from SWS workstream and consider application for wider supply chain
- Member case studies and/or external speakers
- Updates from other projects e.g. Tuna

Q4 - Jan Online meeting

 Emerging methodology in delivering RR
 (To consider external speaker e.g. Verite)



3. UK Responsible Recruitment sub-group objectives

- 1. To support further development of the Seasonal Worker Scheme module of the Just Good Work app, focusing on content improvements and wider dissemination.
- 2. To align expectations regarding the Employer Pays Principle vs. the current GLAA standard, to support mapping of costing models
- 3. To improve visibility of what fees are being paid end to end in recruitment supply chain into the UK, by whom and why.
- 4. To reduce Audit / Assessment duplication on scheme operators / labour provides, improve effectiveness and quality of the assessment and to increase supply chain transparency to enable more targeted due diligence.
- 5. Facilitate and deliver capacity building on SWS for growers working with FPC, ALP & S2G
- Implementing effective and transparent supply chain due diligence for growers

4. Responsible Recruitment –Our Highlights





Reviewing Modern slavery Statement with a Responsible Recruitment lens – Bev Hall



Responsible Recruitment Toolkit and Recruitment Trends - Bethan Hunt & Mariana Gomezgil,



stronger t@gether

At RRT, we believe good work starts with responsible recruitment.

We define responsible recruitment as:

Recruiting all workers' **lawfully** and in a **fair** and **transparent** manner that **respects and protects their rights** throughout their **recruitment, work** and **post-termination**.



RAT RESPONSIBLE RECRUITMENT TOOLKIT.ORG



Industry Progress of EPP – Neil Wilkins IHRB





5. RR WG Performance Indicators - Review

You tell us.....

What does success look like for Responsible Recruitment Working Group?

And then

How do we measure performance?







2024 – The Plan

- 1. We meet on Tuesday 30th January 2-3.30pm
- We will discuss priorities for 2024 and beyond for this working group
- 3. What does the future look like ?

..... Its ours to shape

RAW MATERIALS & SERVICES WORKING GROUP UPDATE

Leads: Rachel Hackett - 2SFG & Louise

McCafferty - Joseph Robertson

Board Sponsor: Andy York - Pilgrims

Project Manager: Suzanne Natelson

- 1. Improve understanding of RM human rights risks for members
- 2. Increased supplier understanding about human rights risks in FNET RM supply chains
- 3. Increased number of RM suppliers to FNET members actively managing human rights risks





2023 Overview – Waste & Logistics

In 2023-24 this working group focused on 2 topics; waste management and logistics. In addition, each meeting has included a "deep dive" on another subject areas

Waste management

Q1 meeting on waste management (Feb 9^{th)}

Discussion on member knowledge and experience of human rights in their waste management processes.

Presentations from Galvanised and Reconomy

Member survey found Forced labour/labour exploitation in the recycling sector, and poor health and safety standards as human rights concerns

TWaste management to be addressed in Q4 meeting in 24th January 2024



Logistics

Q2 Introduction to human rights issues in logistics from ITF and member case study

Agreed focus on road haulage

Agreed survey of member haulage companies used and their engagement on human rights

Q3 Shared results of survey:

 Some companies produce modern slavery statements, some are linked to Sedex and complete a SAQ, some comply with Members Ethical sourcing policy, some union member ship in workforce.

Agreed action to invite road haulage suppliers to attend a virtual meeting to build capacity and opportunities for collaboration (29th November)

FNET

Member presentations on human rights in GNFR and ethical trade in logistics



Deep dive areas



Q1 HRIA in Lamb and Pork



Q2 China



Q3 UK Fishing

Q4 TBC



Outputs and Indicators

Planned Outputs

- 1 Guidance/Best practice note on waste management
- 1 Guidance/Best practice note on logistics

Add resources developed by the group to the Members pages

Indicators

Increased knowledge of human rights issues in waste management systems

Increased knowledge of human rights issues in logistics

Increased capacity of members to tackle human rights issues on waste and logistics





What raw material and/or services would you like the RMS working group to focus on in 2024?



Thanks Rachel for your fantastic contribution to the Raw Materials & Services working group

Questions to WG







FNET strategy 2024-27

Blueprint roadmap on strategy development



What are the issues today 2023-2027

What you said.....

- Political environment
- Shortage of Labour/Cost pressure resulting in churn of suppliers
- Sourcing from new countries traceability, transparency
- Climate impacts
- Food insecurity (competition)
- Cost of living crisis
- Living wage
- Volatile buying practices having unintended consequences
- Al
- Understanding regulation and legislative framework
- Moving from compliance to beyond compliance Articulating the why, engaging hearts and minds rather than ticking boxes.
- Avoiding 'green wash' doing activity but no impact
- Lack of consumer interest/awareness in how food is made
- Health and safety
- Cost of meeting requirements for growers on the ground

Further defining what we mean.....



Corporate action is falling short



Uncertainty on regulation and compliance



Emerging market growth & influence



A common understanding of the emerging Issues



Corporate action is falling short

- >Exposes highlight current mitigations are ineffective/ inadequate
- >Duplication, poor data analytics and lack of impact measurement
- SMEs still not participating
- Unequal distribution of costs and poor buying practices
- Narrative slow to shift to regenerative/ thriving/ net positive and genuine Purpose led businesses
- Senior leaders resistant and young people lack influence to drive change



Uncertainty on regulation and compliance

- Growth and acceleration of ESG requirements and legal obligations
- Rising ESG backlash
- More scrutiny over claims
- Over reliance on social audits and ineffective grievance mechanisms
- Growing expectations on traceability & transparency
- Poor enforcement and criminals faster to evolve business practices
- SME struggling to meet requirements



Emerging market growth & influence

- Rising inequality and cost of living
- Geopolitics and Geoeconomic confrontation- tighter controls on migration, focus on resource security and self sufficiency
- Erosion of social cohesion and societal polarization
- Growing South to south trade plus rising population and consumption – declining influence for UK business
- Declining power of TU and INGO's – workers and producers less able to collectively bargain



Changing world of work

- Accelerating climate heat stress and disruption
- Mental health 'always at work'
- Shortage of workers/ talent
- Aging population
- Rise of Social justice
- Increasing regional flows of migration
- Acceleration of AI and automation
- In work poverty
- Gig economy and job insecurity
- Changing Culture, experience, purpose of work

What are the blockers stopping members making headway

What you said.....

- Lack of board engagement and understanding
- Limited resources too stretched
- Struggling to Horizon scan and prioritize of risks
- Complexity of Legislation understanding short, medium and long term impacts
- Improving communication top level information v's ownership. How to get SME's to be accountable
- Business priorities are not consistent with human rights focus
- Procurement/ buying practices -Pressure for innovation/initiatives not rewarded
- Duplication and 'noise' of asks how to elevate to being strategic and transformative for supply chains. Better manage issues.
- Elevating issues on behalf of the membership on common issues e.g., Sedex
- Not effective M&E data/KPI/trending/benchmarking (sharing within FNET) and knowing how to use insights to manage/mitigate risks
- Short term not holistic systems thinking/approach
- Lack of transparency
- Engagement issues/cultural norms
- Lack of leverage
- Denial/ignorance/blind spots

Further defining what we mean.....





Accelerating aligned action



Building capability



Clarifying a common understanding of focus areas



Effective due diligence

- Transparency on member resource, approach and opportunities for alignment
- Quarterly Horizon scanning
- Guidance on key regulation and impact for members
- Define best practice on M&E; new tools for monitoring, evaluating data and reporting impact
- Maturity framework/ benchmarking
- Establish escalation report framework
- Define 'Meaningful' stakeholder engagement



Accelerating aligned action

- Identifying companies, we need in the membership to increase leverage
- More collective action on managing 'issues'
- Elevating concerns on behalf of the membership e.g., Sedex
- Widen visibility and use of local NGO's
- Identify and formalise relationships with key external partners working on areas of mutual benefit for sharing of information and best practice.



Building capability

- Increase member networking and best practice sharing
- 'How to' guidance on implementation: Board engagement, Procurement, SME supplier capacity building
- 1:1 Member consultancy support with Risk prioritisation and strategy development
- Supporting Professional capacity of our members teams; Skills matrix, mentoring and coaching.



Focus on issues that matter

- Living wage/Living incomes
- Social Justice- increasing vulnerable worker and producer share of power
- Just transition and supporting Climate resilience
- Tackling 'colonial' hierarchy
- Tackling drivers of inequality
- Social cohesion and inclusion
- Health and wellbeing

How does a Theory of Change help prioritise where we focus?







1. Communication: to better articulate FNET's strategic aims and the change FNET is seeking to create.

2. Measuring our impact to demonstrate the business value which is essential for member retention and expansion

3. Align strategic goals to deliver impacts intended



Draft Theory of Change

FNET's vision:

A fair and equitable resilient food system where people are able to realise their human rights

Impact:

Positive change in the lives of people within, and communities affected by, our supply chains & global food systems

What assumptions are we making about how these outcomes contribute to this impact?

Outcomes /results:

Responsible business practices are implemented & transparent

Greater alignment & collective impact

Systemic issues are addressed

FNET activities & Outputs:

What assumptions are we making about how these activities will lead to these outcomes?



+ Contributions of other stakeholders?

FNET creates a safe, precompetitive space for a wide range of member activities designed to contribute to the outcomes above

Your thoughts on this draft ToC

- ➤ What do you like about what this communicates re FNET?
- ➤ Is there anything you don't like?
- ➢ Is anything important missing
- ➤ What are the right impact measures?



FNET's vision:

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Outcomes /results:

FNET activities & Outputs:

collective impact

+ Contributions of other stakeholders?

What assumptions are we making about how these activities will lead to these outcomes?

Responsible business

practices are implemented

& transparent

FNET creates a safe, precompetitive space for a wide range of member activities designed to contribute to the outcomes above

Your input into 2024 workplan

Q1 What 3-5
Topics would you
find most helpful
FNET worked on in
2024 and why?

Q2 What could the technical team STOP, CONTINUE or START to improve your member experience





Quick fire questions







Which session have you found the most useful?



What else would you like to see in future FNET All Member Day meetings?



Please share any additional feedback.