

FNET Fortnightly Call



Competition Law and Safe Space Statements

Participant Identity:

Please display your name and the business name

Competition Law Statement

"We are meeting to discuss issues raised in the forum of the Food Network for Ethical Trade.

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 the chair believes that discussions are in breach of competition law"

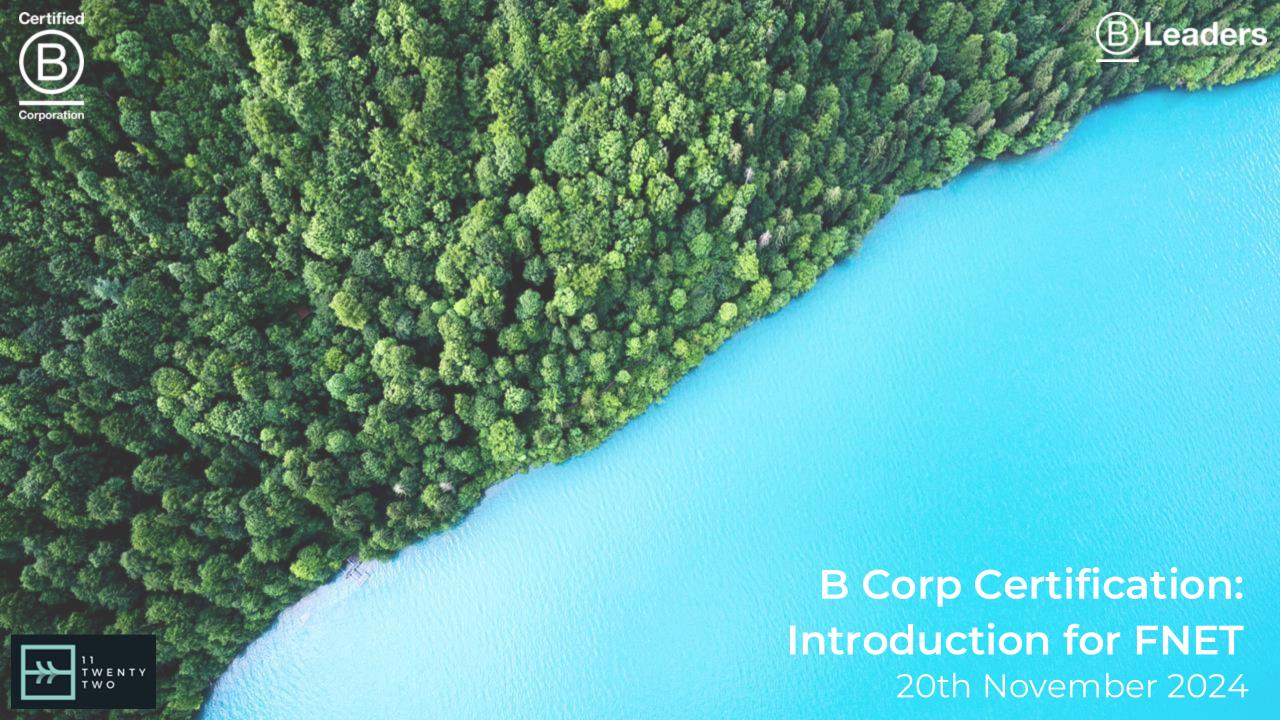
Safe & Brave Space Statement

The fortnightly members call is a **safe & brave** space for members to discuss and exchange ideas on human rights risks and improvement actions and all are reminded to please always respect this principle.

Agenda 20th November 2024

Timing	Item
10.00 – 10.05	Welcome & Competition Statement
10.05 – 10.20	B-Corp Introduction by Sally Burtt-Jones – Founder and Director - 11 TwentyTwo
10.20 – 10.30	COOK's B Corp Journey by Ashleigh Horn – Responsible Sourcing Manager - COOK
10.35 – 10.45	FNET Request for Volunteer support follow up from All member Day – Louise Nicholls
10.45 - 11.00	FNET Member Questions Forthcoming Meetings – including FNET Webinars AOB







Agenda

- 1. 11 TwentyTwo Intro
- 2. What is a B Corp?
- 3. Who is a B Corp?
- 4. Why be a B Corp?
- 5. How to be a B Corp!

- 6. B Corp Actions for today
- 7. Cook & B Corp
- 8. Why it works
- 9. How it works?
- 10. Q&A



About Me



Hi, I'm Sal :-)

- Independent Impact Consultant, with my own B Corp certified consultancy business, 11 TwentyTwo & Kent B Local Co-Chair
- Background 20yrs in media and tech, with time at the Guardian, Huffington Post and Japanese tech giants, Rakuten
- Studied at Cambridge University's Institute of Sustainable Leadership where I am also a mentor for startups
- B Leader, having trained with B Lab in 2021 plus IEMA qualifications in carbon footprinting, GRI Impact reporting and currently training in CSRD Double Materiality Assessments
- Supported over twenty businesses over the last twelve months, including Vivo Barefoot, Bruichladdich Distillery, CRU Kafe, Ecosurety
- Co-Founder of campaign group SOS Whitstable, fighting sewage pollution







What is a B Corp?



Certified 'Benefit for All' Corporations (B Corps for short) are businesses that meet the highest standards of verified social and environmental performance, public transparency and legal accountability.







DECLARATION of INTERDEPENDENCE

We envision a global economy that uses business as a force for good.

This economy is comprised of a new type of corporation – the B Corporation – Which is purpose-driven and creates benefit for all stakeholders, not just shareholders.

As B Corporations and leaders of this emerging economy, we believe:

That we must be the change we seek in the world.

That all business ought to be conducted as if people and place mattered.

That, through their products, practices, and profits, businesses should aspire to do no harm and benefit all.

To do so requires that we act with the understanding that we are each dependent upon another and thus responsible for each other and future generations.





Who is a B Corp?





























The B Corp Transformation

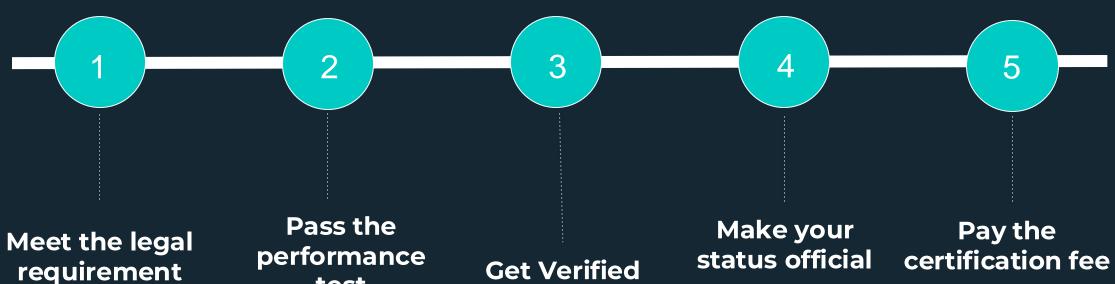


- Join a **community** of business leaders who want to Be the Change
- Attract and keep the best talent with people first policies
- Access new kinds of **investment** & reassure investors on future risk
- Grow up to 28x faster than other businesses (research <u>here</u>)
- Engage new customers who are drawn to Good businesses



The Process





Agree to amend your company's constitution to reflect stakeholder objectives

(1-2)

-months)

Score 80+ on the B Impact Assessment and complete Disclosure Questionnaire to submit

test

(6-12 months)

Get Verified

Pay the submission fee & complete your Standards verification

(1-2 months)

status official

Sign the Term Sheet and B Corp declaration of interdependence to show your commitment

certification fee

According to annual revenue

(1 week) (1 week)



The Legal Change



1

What is the Legal requirement?

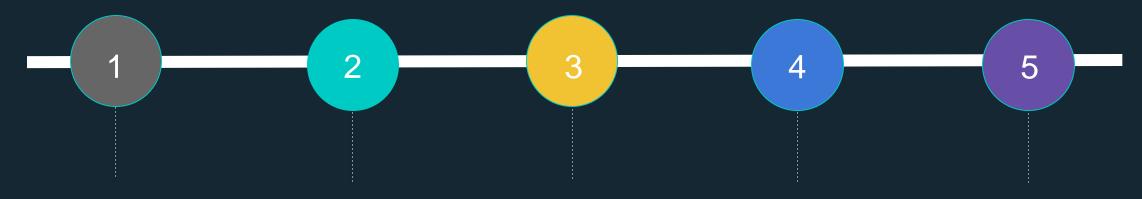
Commitment to the **triple bottom line.** UK uses Companies Act Article 172 as legal basis to ensure a B Corp enshrines commitment to:

- creating a material positive impact on society and the environment through its business and operations
- **considering 'stakeholder interests'** including shareholders, employees, suppliers, society and the environment (the triple bottom line)
- commit to **measuring and reporting your impact** in an annual report



Impact Topics





Governance

Mission, Ethics, Transparency & Accountability

Workers

Considers
employees'
financial, physical,
professional and
social well-being

5

Evaluates
positive impact
on communities,
including DEI,
Charities &
Supply Chain

Environmental Stewardship, including managing all environmental impacts

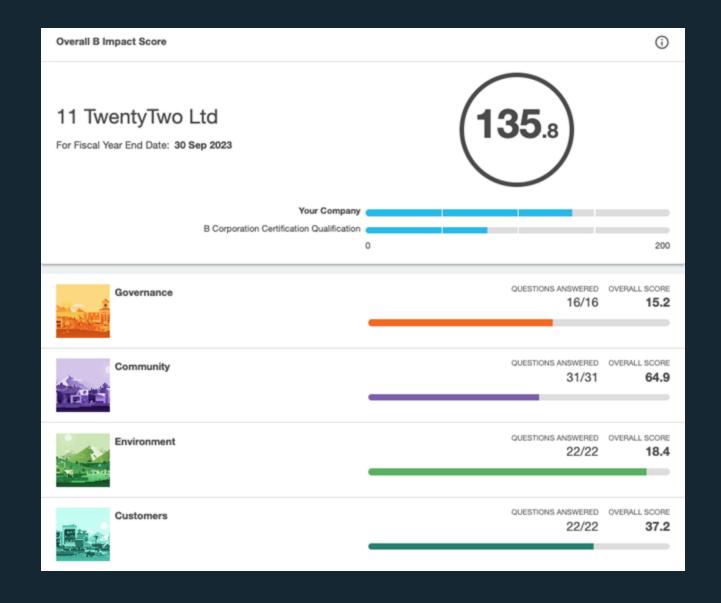
Community Environment Customers

How does the company create & maintain value for its customers



BLeaders

Business Impact Assessment (BIA) dashboard





Operations & Impact Business Models





This management tool, used by over 50,000 businesses worldwide, including over 3,000 Certified B Corporations, helps companies assess their impact on various stakeholders, including their workers, community, customers, and the environment.

OVERALL SCORE COMPLETION

135.8 100%

OPERATIONS SCORE IBM SCORE N/A SCORE

59.6 64.4 11.7



Impact Business Model Examples

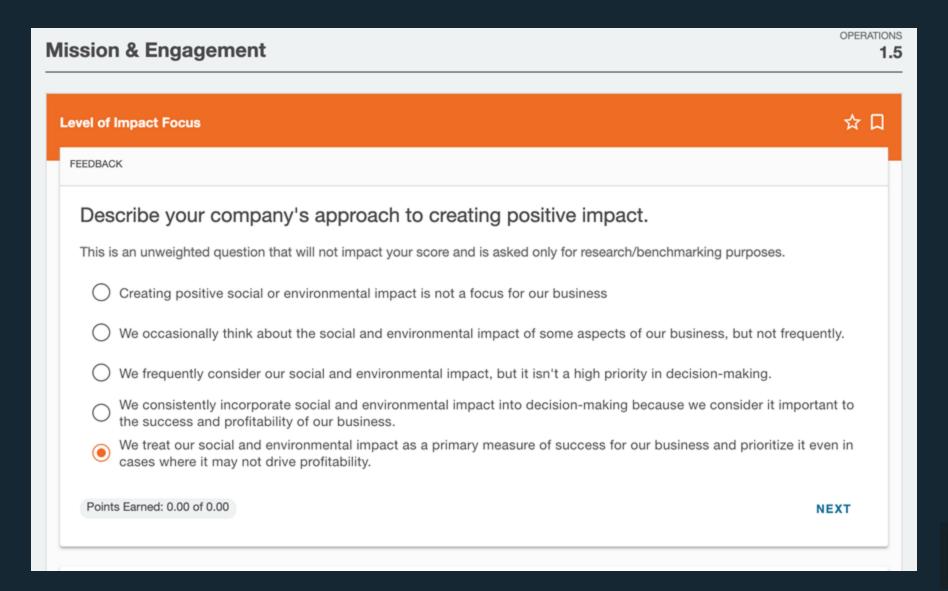


- **Governance:** Mission Lock
- Workers: Workforce Development, Employee Ownership
- **Community:** Designed to Give, Supply Chain Support & Investment
- **Environment:** Land, Wildlife or Resource Conservation, Toxin Reduction
- **Customers:** Impact Improvement, Health & Wellness



Question Example







V7 & Human Rights



The B Corp standards will be changing from 2026. The new standards have minimum requirements, meaning less flexibility across the assessment topics. Human Rights is a key topic, not currently included as a standalone focus in V6, so there are four new considerations:

- **HR1:** The company commits to respecting Human Rights:
 - Publicly commits to respecting human rights (e.g on the company website or within its impact reporting, and the company has a Human Rights Policy
- **HR2:** The company understands its Human Rights issues and has a strategy to address them:
 - Identifies issues, discloses them publicly, shares strategy for improvements and progress towards goals
- HR3: The company assesses, prevents and mitigates actual and potential HR impacts
 - Carries our Human Rights assessments and collects, prioritises and escalates information on actual and potential human rights impacts
- **HR4:** Company works with suppliers to achieve Human Rights objectives and attain traceability in its supply chain:
 - Considers HR impacts in sourcing and procurement decisions, including types of raw materials and location, company engages and audits suppliers

10 Immediate B Corp Aligned Actions



- Change your <u>mindset</u>
- Consider your <u>purpose</u>
- Reflect on your <u>people</u>
- **Examine your <u>footprint</u>**
- Give back to your <u>community</u>





COOK's

B Corp Journey



-COOK-

"To cook using the same ingredients and techniques you would at home, so everything looks and tastes homemade."

Founding Statement 1997







Why did COOK become a B Corp?

Membership benefits and advice



Good in every sense







Thank you

Ashleigh.horn@cookfood.net

www.cookfood.net

FNET Request for Volunteers

FNET Supply Chain Due Diligence Project

Following on from suggestions from the team at Gs, please find a <u>concept note</u> for work to reduce the current duplication of due diligence across FNET.

The main objective of the project would be to create a member owned, subscription-based service, to provide due diligence for members, with a RAG rating of suppliers.

Please contact FNET by **22nd November** if you would like to participate in an initial discussion on this work.



Thursday, 14 November 2024



FNET Supply Chain Due Diligence Concept Draft

Curent Situation:

Across the food network, businesses are duplicating ethical due diligence to ensure compliance with the ETI base code and ever-changing customer requirements by reviewing SEDEX, SMETA audits, GRASP audits and Global GAP. This leads to duplicated questions for the supplier, reduced capacity and duplicated cost.

The Concept:

This concept aims to reduce the current duplication of due diligence across the food network. The main objective of the project is to create a member owned, subscription-based service, to provide due diligence for members, with a RAG rating of suppliers. Leaving the individual business to make their own supply decisions, informed by the RAG rating and supporting information.

Approach:

- Create a working group of interested parties.
- Design a supply chain due diligence system which completes members supply chain due diligence on their behalf and provides a RAG rating of the supplier in comparison to ETI Base Code standards and customer requirements. (E.g. similar to the current FNET country risk rating)
- In addition, the system could include providing suggestions on how the supplier can improve their RAG rating.

The expected outcomes of this project are:

- A reduction in the amount of time members spend on supply chain ethical due diligence.
- A bank of suppliers already assessed, resulting in quicker supply decisions.
- Reduced duplication of requests to suppliers, resulting in better compliance when requests are made.
- Cost reduction as a result of all the above.

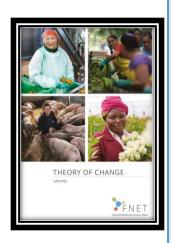
Would your business be interested in being in the working group? If yes please confirm to FNET secretariat by 22nd November and the FNET team will facilitate the first call to agree if this is a project members want to progress further.

Reminder from the All - Member Meeting









Contribute to collective problem solving, innovation and understanding emerging trends in the field by doing ALL of the following:

- Sign Membership agreement
- Attend one all member meeting per year
- Engagement in at least one working group or project per year
- Committed to not bring FNET into disrepute and comply with all legal

Support industry convergence on key responsible sourcing topics by

- Make progress on implementation of FNET Human Rights due diligence framework or equivalent
- Adopt common approaches using FNET guidance tools
- Support collaboration through sharing a case study or hosting a meeting or collaborating in joint action

Members are to use all reasonable endeavours to promote the FNET objects and support development of collective insights on approach, organization and current practices

- Complete annual survey between 1st February and 15th April 2025
 - Provide timely payment of annual membership fees

Our commitment to you

- To deliver detailed analysis for first all member meeting of the year
- FNET
- Challenge the length of survey to minimise resource to complete We are still looking for some volunteers to join 1 meeting this month to review survey content for 25/26 to help make it shorter

Member Questions

- Indonesia Resources Does any FNET member have any resources on Indonesia that they are willing to share? Or any resources for doing site visits/interviewing workers?
- ➤ Whistleblowing Lines Does any member have experience on how to rebrand / refresh their whistleblowing lines who is willing to share their approach to activation around it for success? We are looking at more than just a newsletter reminder.
 - Also please share experience on how to drive awareness, how to drive contacts into the lines and how to manage stakeholders? How do we measure effectiveness?
- ➤ Women's Day Has any member done events/promotion of gender using International Women's Day. Please share some examples of events/work.

On all questions, please share your responses or resources with Technical team to pass on to member concerned.



Opportunity to collaborate on Peru Water Crisis

Piura is facing a water crisis that could leave the region without sufficient supplies in a month. The Poechos dam, the main water source, is at only 2% of its capacity, with just 14 million cubic metres of water. This significant shortfall has led authorities to consider declaring a water emergency and calling for immediate action from the Central Government.



The situation is critical, and the limited reserves will only be distributed to the towns of Piura, Sullana, Talara, and Paita, expected to last only a month and reserved for essential public services. This crisis will significantly affect small producers, while our suppliers are self-sufficient in their water needs.

This situation will greatly impact small producers, while our suppliers remain self-sufficient in terms of water resources.

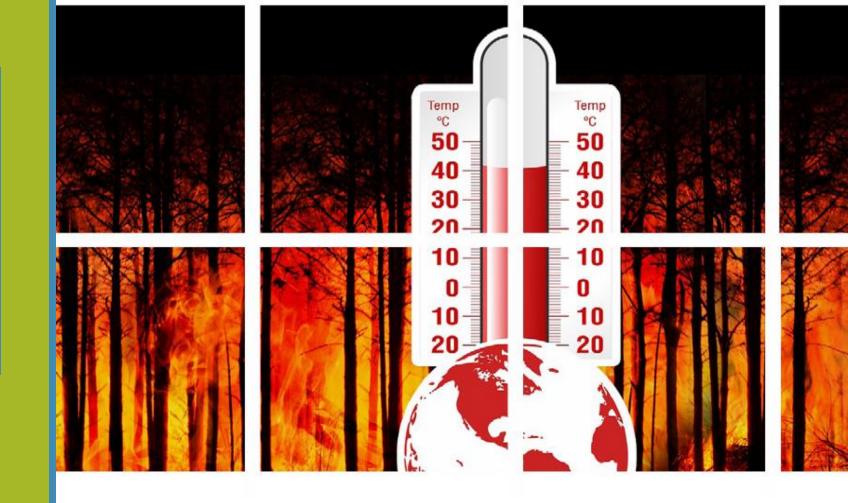
Overall, Piura region is facing severe challenges including impact on local growers, workers and communities.

Other FNET members sourcing from the region may be affected, creating an opportunity to collaborate to reduce duplication and improve shared learning.

Anyone interested in collaborating please reach out to FNET team in the first instance.



Launch of <u>Heat</u> <u>Stress Guide</u>



Extreme Heat: Impacts on People Working in Food Supply Chains

A guide for FNET members, November 2024

ETI/FNET webinar on security – 27th November 11-1

The ETI and FNET are holding a joint member-session on human rights impacts of security services in agricultural, food processing and retail sites

The objectives of this session are:

- to provide an overview for members on the key human rights concerns for security deployment in the UK and internationally
- •to share some case studies to illustrate how some businesses are conducting human rights due diligence for security operations within their operations and supply chains.

Please contact Suzanne if you would like specific information covered in this session, and if you have any case studies to share.





Webinar on Xinjiang – 5th December 12 - 1pm

Thursday 5th December 12-1 Title: Xinjiang – mapping raw material suppliers and developing an aligned approach to indirect links

Please join us to hear from FNET member World Wise Foods on a case study on mapping and screening raw material suppliers in partnership with <u>Bendi</u>, with a focus on understanding exposure to Xinjiang

There will be a chance to ask questions and discuss how other members are approaching handling 'indirect' links to Xinjiang i.e. via parent companies or state ownership. What are customers' expectations on levels of responsibility where these indirect links are found?

FNET secretariat have sent a zoom invitation, let us know if you have not received it and would like to attend.



Upcoming FNET meetings



- ➤ Joint ETI/FNET webinar on security services Wednesday 27th November 11-2
- Webinar on Xinjiang Mapping Raw Material Suppliers Thursday 5th December 12-1pm
- Raw Materials & Services working group Thursday 16th January 2025 1-3pm
- Empowering Work working group Wednesday 22nd January 2025 10-4pm
- Climate Change & Human Rights working group Thursday 30th January 2025 1-3pm