



Raw Material & Services Working Group Packaging Introduction

The Food Network for Ethical Trade – 10th October 2024



Competition Law Statement

“Today we are meeting to discuss 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 she believes that discussions are in breach of competition law”

10th October 2024 Agenda

Approximate timing	Item
13.00 – 13.30	Haulage checklist workshop
13.30 – 13.45	Packaging overview - <i>Louise McCafferty, Head of CSR, Joseph Robertson</i>
13.45 – 14.00	Cardboard supply chains - <i>Paul Lomas, Head of Sourcing Operations, TMS Global</i>
14.00 - 14.15	Tetra Pak supply chain - <i>Francis West, Director of Social Sustainability, Tetra Pak</i>
14.15 - 14.30	Women workers and packaging/waste - <i>Tania Espinosa Sánchez, Coordinator for Latin America, Women in Informal Employment: Globalizing and Organizing (WIEGO)</i>
14.30 - 14.45	Discussion
14.45 - 15.00	Update on security webinar/next session in January – highlights of 2024 and plans for 2025?

Haulage ethical checklist – group discussion

What categories should be included?

Health and well-being – long hours leading to inappropriate resting places/periods, adequate facilities at stops e.g. drinking water, shelter – can ergonomics driving and sleeping (including additional passengers?)

Hands free comms device

Free PPE as required

Lone working – any checks during journey, likely but to ensure on time rather than well-being

Safety / emergency – emergency 24/7 contact? how to ensure not driving unsafely, taking rests – alarm for driver sleeping, monitors eyes of drivers to avoid use of phones, breathalyser pre-engine start

Injuries/accidents - duty of care to driver, how to report, how to access care, medical treatment – NOK/emergency contact

Contracts / wages – real living wage? Hours worked, working overseas, tatics for road driving but what about additional hours – bonuses for deliveries or payments docked?

Recruitment – adequate contract, aware of rights and right to join a union

Training – risks at border crossings, human trafficking awareness, driving rules in each country

Licence – appropriate for vehicle

Work permits for different countries, is this checked and by who? Costs should be paid by organisation / recruitment fees?

Sub-contracting – how manage this? who checks licence/training etc. Agencies taking high fees, who pays for training?

3rd party assessment/auditing e.g. SEDEX/SMETA or Ecovadis

Add to contracts?



10th October 2024 Agenda

Approximate timing	Item
13.00 – 13.30	Haulage checklist workshop
13.30 – 13.45	Packaging overview - <i>Louise McCafferty, Head of CSR, Joseph Robertson</i>
13.45 – 14.00	Cardboard supply chains - <i>Paul Lomas, Head of Sourcing Operations, TMS Global</i>
14.00 - 14.15	Tetra Pak supply chain - <i>Francis West, Director of Social Sustainability, Tetra Pak</i>
14.15 - 14.30	Women workers and packaging/waste - <i>Tania Espinosa Sánchez, Coordinator for Latin America, Women in Informal Employment: Globalizing and Organizing (WIEGO)</i>
14.30 - 14.45	Discussion
14.45 - 15.00	Update on security webinar/next session in January



Raw Material & Services Working Group Packaging Introduction

The Food Network for Ethical Trade – 10th October 2024



WRAP – Paper Recycling

Exports of recovered materials for recycling overseas have grown at a rapid pace over the past decade. In 2007, 4.7 million tonnes of recovered paper and half a million tonnes of recovered plastics were exported.

The principal destination for these exports was China. The environmental benefits of domestic recycling are well understood. However, one question often asked in respect of exports is whether the benefits of recycling are outweighed by the emissions associated with transporting the material to China.

To provide guidance on the subject, WRAP recently commissioned a study to quantify the carbon dioxide (CO₂) emissions associated with the transport of recovered paper and plastic bottles from the UK to China.

What are the human rights risks of exporting paper waste to China?
What level of oversight can be achieved?

Plastic Packaging - Breakdown

The plastic figure is built up using a variety of components, based on the key sectors for plastic packaging:

estimates UK plastic 2019 to be **2290k tonnes**.

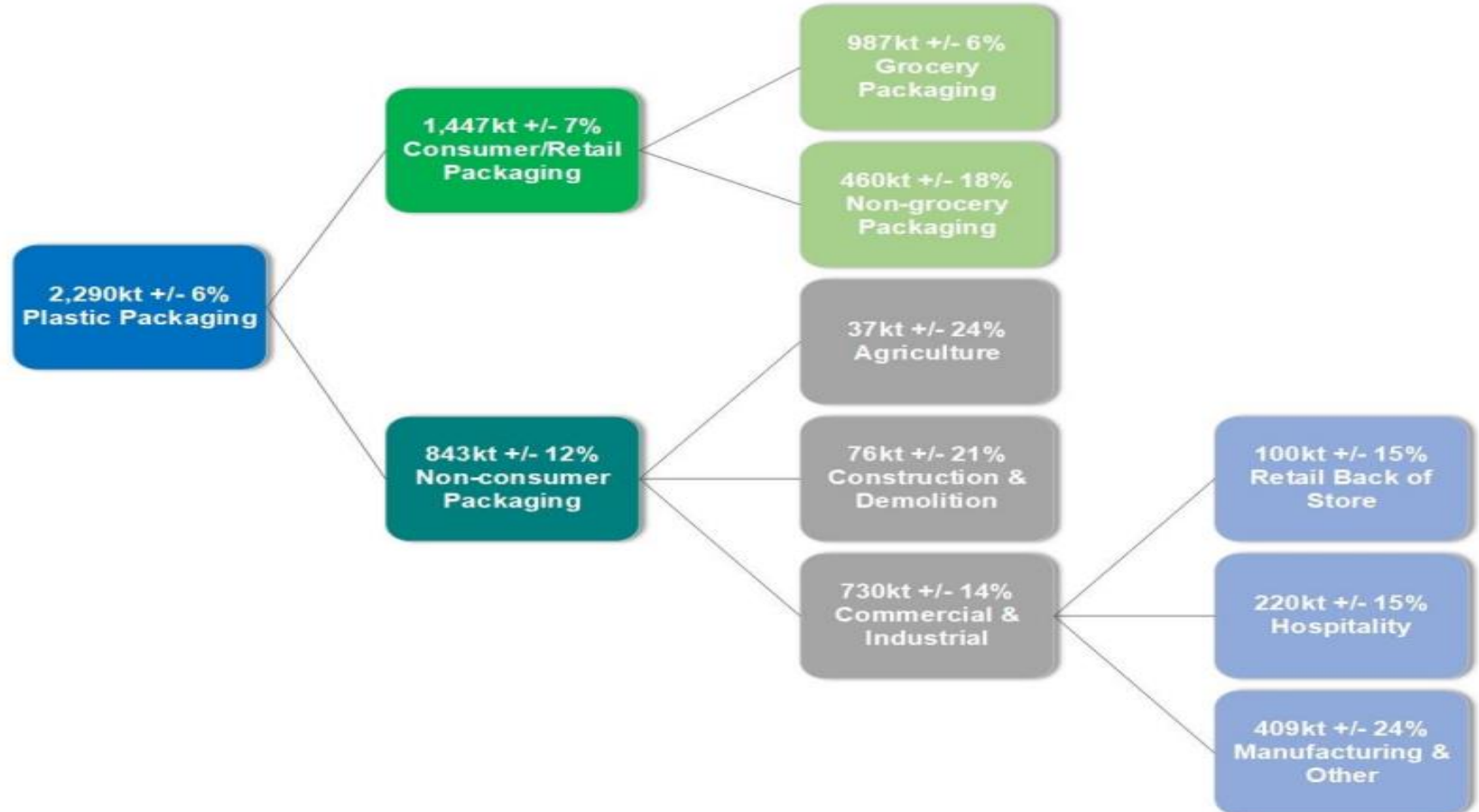
This represents a potential small decrease of 71k tonnes from 2017.

It is likely that increased product sales have been offset by packaging material light-weighting.

Plastic packaging in the consumer retail sector is estimated to be 1447k tonnes +/- 7% in 2019.

Plastic packaging in the non-consumer sector is estimated to be 843k tonnes +/- 12% in 2019

Figure 1 – Plastic Packaging POM by Sector, 2019





2,200kt

Over 2,200kt of plastic packaing was placed on the market (POM) in the UK in 2021

[Plastics Market Situation Report 2022 - key themes.pdf \(wrap.ngo\)](#)

1100kt of 2200kt = recycled

Reprocessing capacity UK only 730kt

What happens to the rest?

c1100 not recycled – landfilled or energy from waste?

c1470kt plastic with no option for reprocessing in UK

Exports & Trade

c470kt of all plastic packaging types exported in 2021

- c26% sent to Turkey
- c41% split between Netherlands*, Poland and Spain
- c16% to 6 other European countries
- c1% to Malaysia (largest non-European destination – down from 12% in 2020)

c40% of plastics exported = packaging film

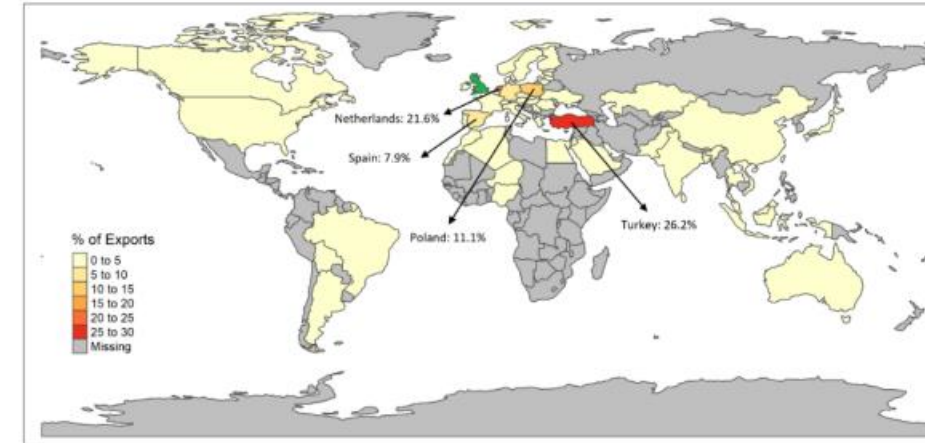
c60% of all packaging film sent overseas

209kt of rigid plastics sent overseas (c40% of total)

How much oversight do FNET members have of where their packaging waste ends up for treatment?
 Do you follow the waste after waste management operator collects? Is it possible to track through supply chain?

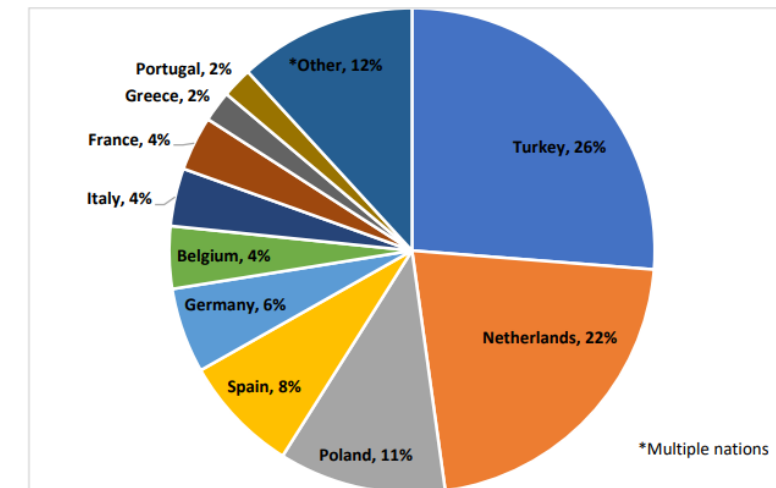


Figure 5: Recovered plastic export destinations (map), 2021, %



Source: UK Trade Info

Recovered plastic export destinations (graph), 2021, %








Source: UK Trade Info






*strong indication of transshipments from Netherlands to other destinations

Further Investigation / Reading



The Fair Circularity Initiative brings businesses together around the aim of ensuring the human rights of workers within the informal waste sector are respected and their critical role in circular value chains is recognised.

- 1 Recognize the critical role of informal waste sector workers¹ in plastics waste and recycling value chains². 
- 2 Acknowledge the responsibility to respect the rights of informal waste sector workers by preventing and addressing human rights impacts experienced by those workers, in line with the nature of the company's involvement. 
- 3 Engage all partners in plastics packaging recycling value chains towards coherent and comprehensive approaches. 
- 4 Engage government actors to create enabling environments for rights-respecting business practices. 
- 5 Engage meaningfully with informal waste sector workers. 

- 6 Apply a gender lens in efforts to address human rights impacts in the informal waste sector. 
- 7 Drive local approaches, tailored to local contexts. 
- 8 Advocate for the inclusion of informal waste sector workers as relevant stakeholders in policy-making processes that may affect their livelihoods. 
- 9 Promote greater integration of the informal waste sector into formal value chains. 
- 10 Identify and address barriers to promoting rights-respecting practices in the informal waste sector. 



Further reading: <https://faircircularity.org/> and <https://faircircularity.org/app/uploads/2022/11/Principles-for-Corporate-Engagement-on-Human-Rights-with-the-Informal-Waste-Sector.pdf>



TMS Global

Simplifying your retail journey

Modern Slavery & Human Rights Risk Mitigation Process

October 2024

DS Smith Global Operations



£8,221m
Revenue 2023



30,000
Colleagues



97
Operating Markets



400
Manufacturing Sites



A FTSE 100 Company
Located across Europe, Americas & AMEA



Who are TMS

TMS are a global retail marketing, packaging & design solutions business.

TMS is a wholly owned subsidiary of DS Smith.

TMS operates within the corporate structure but remains a standalone operation in terms of its commercial & operating model.

We leverage our expertise working with the world's leading brands to manage and deliver every aspect of retail and packaging activity, from design to sourcing to delivery.



TMS Global 



A little bit more about TMS

\$300MM

REVENUE 2023



300

EMPLOYEES



2000+

SUPPLY PARTNERS



97

OPERATING
MARKETS



24

CURRENCIES
MANAGED



31

LANGUAGES SPOKEN



32

TRADING ENTITIES



Global

CONSULTANCY



Transparency

IT'S WHAT WE ARE
BUILT ON



Products



People & Communities

Respecting human rights

The transition to the circular economy, like any systemic change, must be just and fair, meaning that the benefits are shared widely and support human rights and livelihoods when economies shift. As the circular economy ramps up, the spotlight is placed on sourcing and supply chains, bringing into focus where and how products and materials are made, and by whom. A sustainable circular economy is economically and socially inclusive, treating everybody that makes it work with respect.

Now

- By 2025, complete SEDEX Self-Assessment Questionnaire roll out to all sites and perform appropriate auditing of SAQs.

Next

- Continue to improve human rights due diligence each year.



100%
of
operational
sites

Improving our human rights due diligence

Modern Slavery & Human Rights Committee

- Senior stakeholders
- Meet quarterly
- Input on Group policies and procedures
- Discuss areas of potential risk
- Agree improvements to be made across DS Smith to mitigate risk and further embed this ethos

Modern Slavery & Human Rights Working Group

- Meet monthly
- Drive delivery of the annual Modern Slavery Statement commitments
- Identify and propose improvements
- Supplier risk management
- Due diligence reporting
- Incident /breaches reporting

Sedex

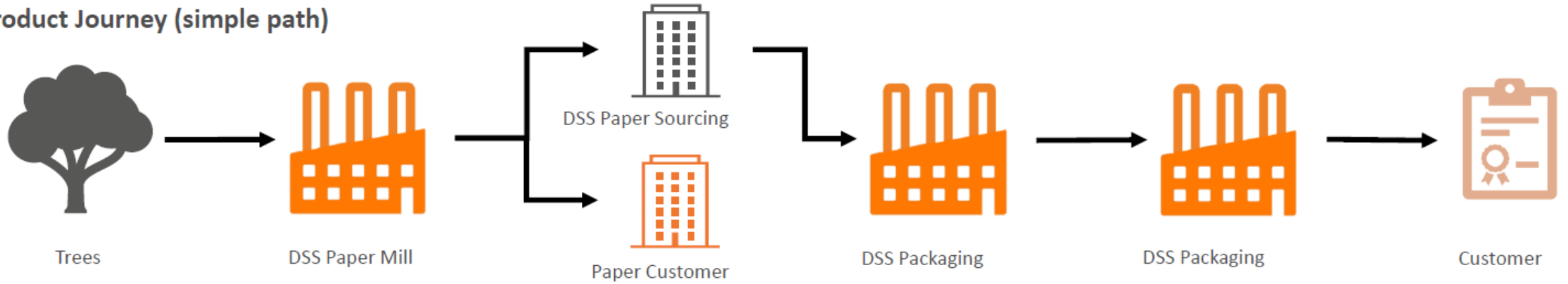
- Annual completion of Self-assessment questionnaire by all operational sites
- Risk assessment
- Review of any potential "hot spots" for discussion at Working Group

Audits

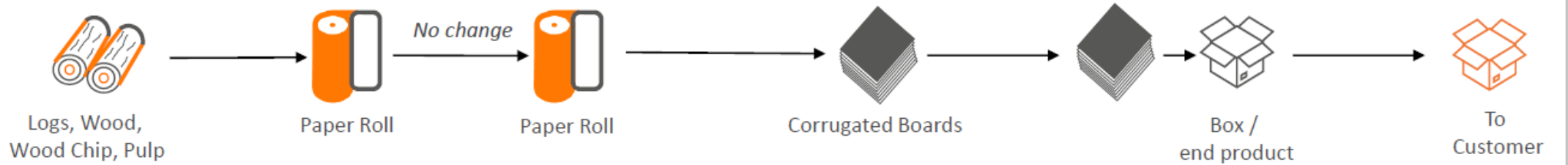
- Internal Audit - to check understanding against Group policies and actions against SMETA non-conformances
- SMETA – customer driven externally delivered audits at site level to check "walking the talk"

Production Process

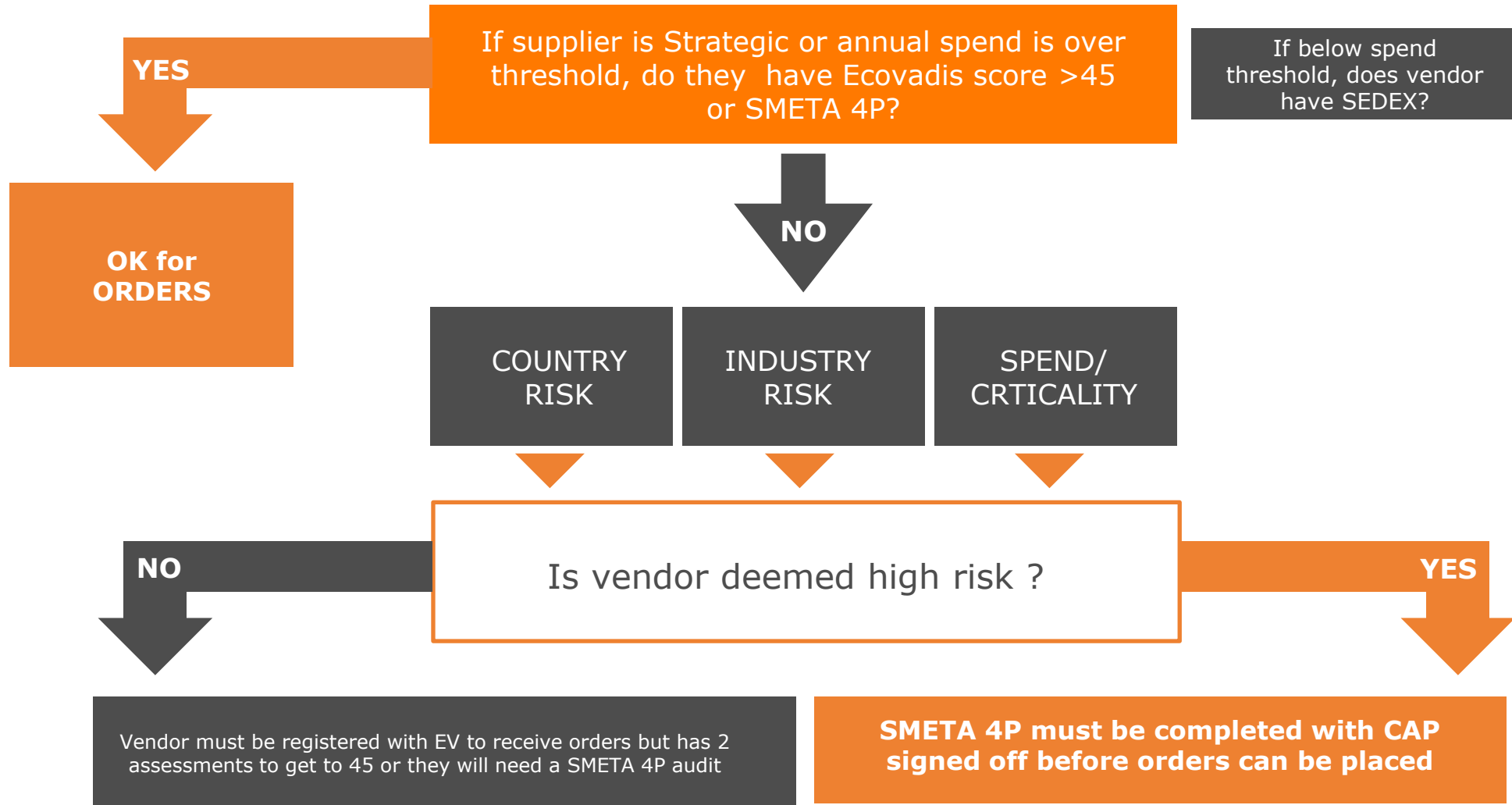
Product Journey (simple path)



Product Pathway



Vendor CSR Process - Top Line



Ecovadis

EcoVadis is a globally recognized assessment platform that rates businesses' sustainability based on four key categories:

ecovadis

Assessment Methodology

Sustainability Criteria Covered by the EcoVadis Assessment

EcoVadis Ratings evaluate corporate performance on up to 21 sustainability criteria across four themes: Environment, Labor & Human Rights, Ethics and Sustainable Procurement. The criteria covered in each assessment are based on their relevance to a company's industry, size and operational locations. These factors are defined during a company's registration on the EcoVadis platform and shape the questionnaire it receives.

21 Sustainability Criteria

Environment

Operations

- Energy Consumption & GHGs
- Water
- Biodiversity
- Air Pollution
- Materials, Chemicals & Waste

Products

- Product Use
- Product End-of-Life
- Customer Health & Safety
- Environmental Services & Advocacy

Labor & Human Rights

Human Resources

- Employee Health & Safety
- Working Conditions
- Social Dialogue
- Career Management & Training

Human Rights

- Child Labor, Forced Labor & Human Trafficking
- Diversity, Equity & Inclusion
- External Stakeholder Human Rights

Ethics

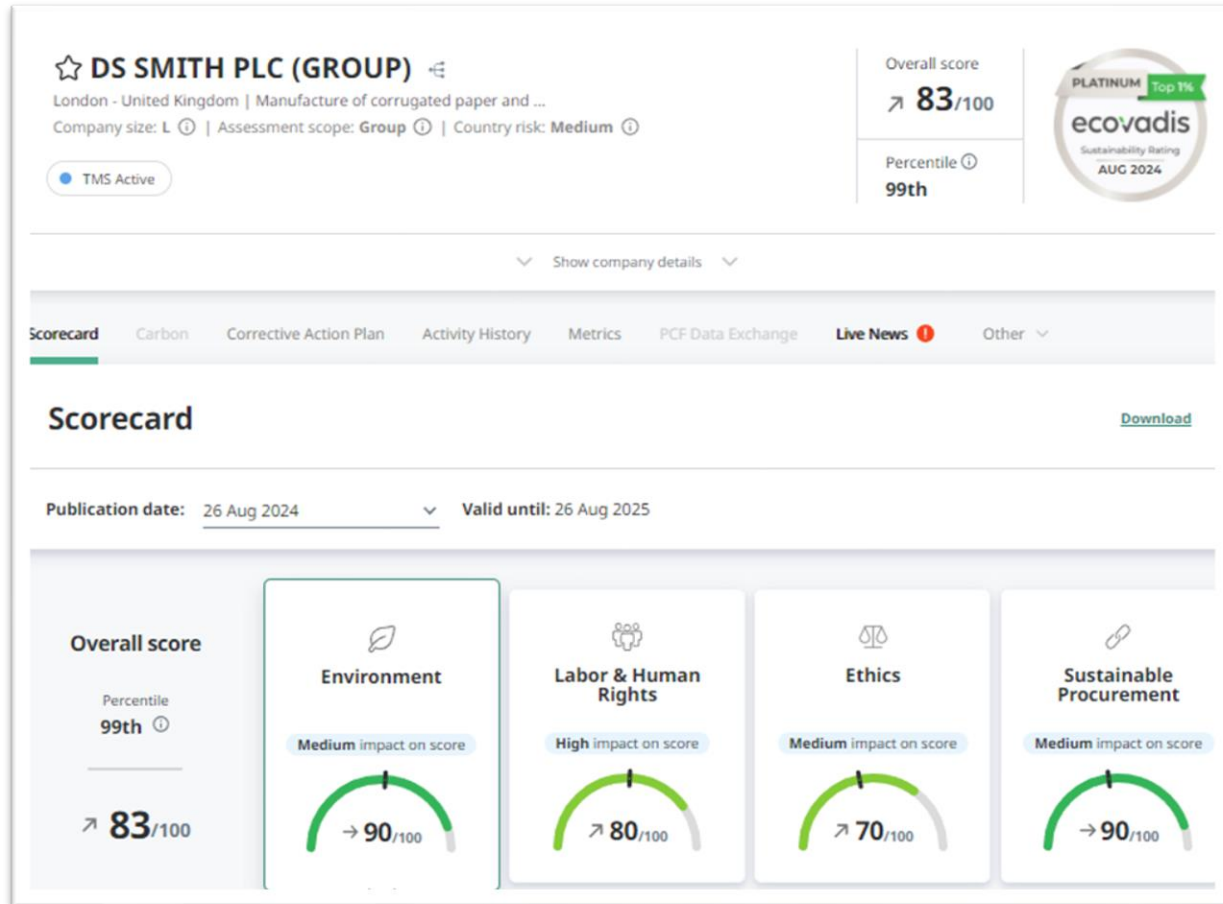
- Corruption
- Anticompetitive Practices
- Responsible Information Management

Sustainable Procurement

- Supplier Environmental Practices
- Supplier Social Practices

Ecovadis

Suppliers pay a fee and complete SAQ which is tailored to their size, industry and country. They are scored out of 100.



Network overview

All Partners Assigned to Me

Sustainability performance

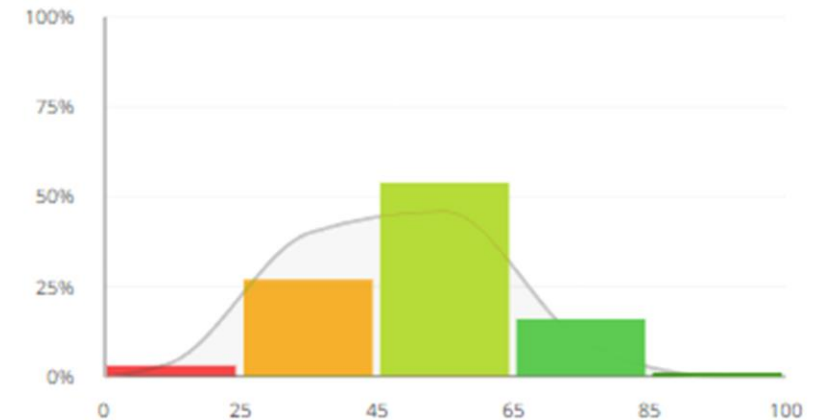
Rated

596

In progress

122

Overall score distribution



All companies rated by EcoVadis

Ecovadis IQ (Risk Assessments)

Use IQ Plus to guide your sustainability strategy

Step 1: Holistic sustainability risk analysis

IQ Plus

Contactless risk mapping of all suppliers based on country and industry inherent risk and company-specific risk

Step 2: Deep sustainability assessment

EcoVadis Ratings

Validated evaluation of your most important suppliers

Step 3: Improvement

Corrective Action Plans

Concrete instructions for action, automated and traceable

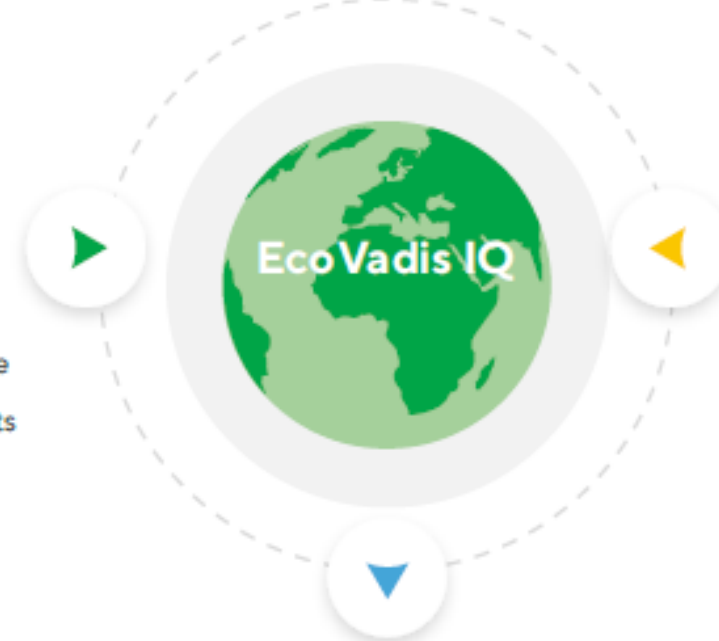


EcoVadis IQ screening process

How It Works

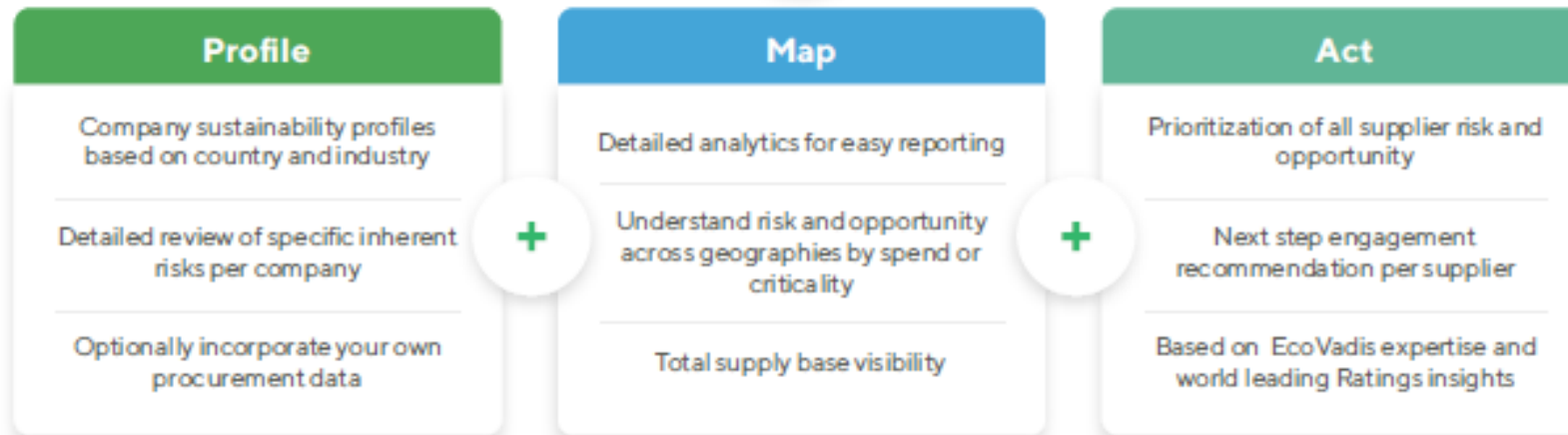
EcoVadis Inputs

- ✓ Inherent risk data
- ✓ Deep sustainability expertise
- ✓ Ratings performance insights



Your Custom Data

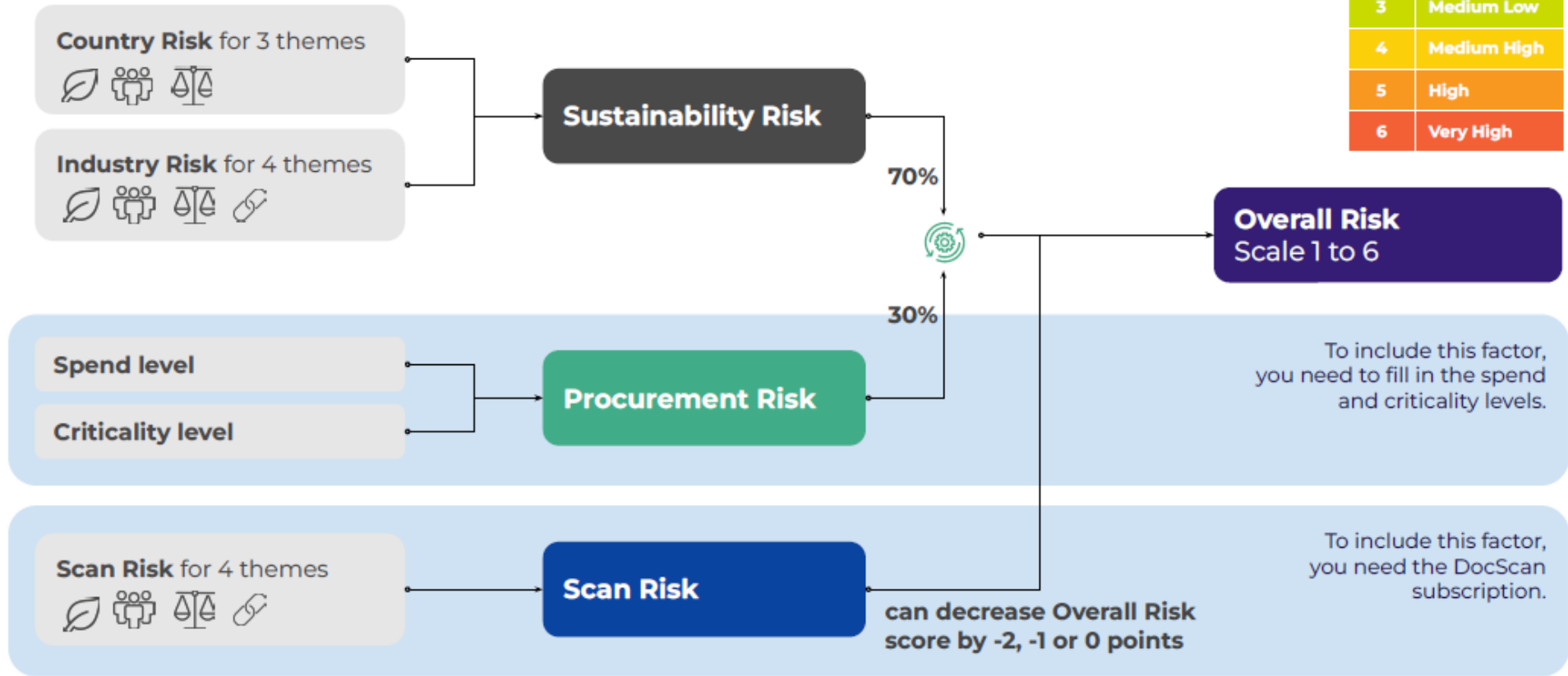
- ✓ Supplier information
- ✓ Supplier spend
- ✓ Supplier criticality



Ecovadis IQ

Overall risk calculation

When partner **DOES NOT HAVE** valid EcoVadis Ratings Scorecard



CSR Policy – High Risk Supplier Process

If a supplier is in a high-risk country and a high-risk industry, they are high risk regardless of spend level.

High risk = SMETA audit required

High Risk Industries

Perm - Manufacture of furniture

Plastic Products

Glass - Manufacture of glass and glass products

Packaging - Tape/Adhesives - Manufacture of rubber products

High Risk Countries

CHINA

EGYPT

INDIA

INDONESIA

KENYA

LEBANON

PAKISTAN

PHILIPPINES

TURKEY

IRAQ

SMETA (Sedex Members Ethical Trade Audit)

SMETA audits are designed to help protect workers from unsafe conditions, overwork, discrimination, low pay, and forced labor. Conducted by approved auditor companies and include: A self-evaluation form, a site visit or remote audit, a Corrective Action Plan (CAPR), and a detailed audit report.

Top 10 sub-categories (74 in total)	Count of NCs
1 Chemicals	149
2 Fire Safety - Fire alarms & Evacuation	106
3 Worker Health	89
4 Health & Safety Management	80
5 Fire Safety - Fire exits	71
6 Machinery	66
7 General Environmental Permits, & Mana	61
8 Personal Protective Equipment/Clothing	61
9 Site's Awareness of Code/Legal Require	59
10 Electrical risk	52
	794

- 2 or 4 pillar audits (Labor standards, Health & Safety, Environment, Business Ethics)
- Audit report and CAPR uploaded into Sedex portal
- 151 audits / 1665 NCs (75% closed so far)
- We work with the suppliers to close their NCs

Business Critical NCs	Count	Finding Type
Audit process	2	Allow the auditor to conduct and complete the audit without obstruction to all requested documents
Health & Safety Training	4	Provide and record health and safety training to all new workers, prior to exposure to risks.
Machinery	2	Ensure all machinery is installed, maintained, and used in a safe manner.
Retention of ID Papers	2	Not retain workers' original passport, travel or identity documents. In cases where workers fear the theft or loss of personal items (for example, at on-site or dormitory housing), provide a safe, documented, voluntary storage option, with unrestricted access for workers.
Young Workers - Hazardous Work	1	Ensure that workers under 18 (but above legal minimum age) only carry out age appropriate, non-hazardous work that is properly supervised.
Fire Safety - Fire exits	1	Implement effective processes to manage fire safety including, but not limited to, accessible evacuation routes, a fire detection system, fire fighting/suppression equipment, training and regular drills covering all shifts and warning systems.
TOTAL	12	





 **DS Smith**

TMS Global

Simplifying your retail journey

Thank you.



FRANCIS WEST, DIRECTOR OF SOCIAL SUSTAINABILITY, TETRA PAK
PLEASE CONTACT FRANCIS.WEST@TETRAPAK.COM FOR MORE INFO



TANIA ESPINOSA SÁNCHEZ, COORDINATOR FOR LATIN AMERICA, WOMEN IN INFORMAL EMPLOYMENT: GLOBALIZING AND ORGANIZING (WIEGO)

PLEASE CONTACT TANIA.ESPINOSA@WIEGO.ORG FOR MORE INFO

Discussion

What are the key points that have stood out for you from this meeting?

What would be helpful in terms of your further work on packaging?



2024 highlights from RMS working group

- Deep dives on including human rights in services/goods not for resale (GSNFR) tendering (Pilgrims) & solar panels (Tesco)
- Presentation from Responsible Trucking Initiative
- Presentations from Amfori, Ecovadis and Achilles on how they approach GSNFR and collect data on worker/human rights.
- Presentation by Gist and discussion on next steps for the working group on work with haulage companies.
- In-person meeting exploring GSNFR and sharing member approaches

Outputs

- Template on deep dives (54 downloads)
- Summary on including human rights in GSNFR tendering process: some best practice examples and practical insights (215 downloads)
- Workshop on Checklist for haulage companies – complete then trial January 2025
- Packaging meeting – covering range of materials and aspects – discussed next steps & summary document for network



Top tips on including human rights in Goods & Services Not For Resale (GSNFR) tendering processes

Some best practice examples and practical insights



16th January meeting on security

Proposed ETI/FNET joint webinar in November on security, then follow-up with a focus on security in working group meeting on 16th January 1-3pm.

Are there particular issues you would like covered in the webinar/FNET session?



Initial thoughts for 2025....?

Please share on the call or on email to Louise, Pete, Andy or Suzanne