

Raw Materials and Services Working Group

The Food Network for Ethical Trade



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 Q2 call – 17th July, 1-3pm

Time	Duration	Items	Speaker
1pm	10 mins	Welcome Ashleigh and introductions	Surmaya Talyarkhan, FNET
1.10pm	15 mins	Reframing WG plan – proposal	Pete Fletcher, Yeo Valley
1.25pm	10 mins	Driving collective action	All
1.35pm	25 mins	Focus on haulage: RTDD report Haulage pilot – report back Collective action?	Surmaya Talyarkhan, FNET Pete Fletcher, Yeo Valley Ashleigh Horn, Cook Victoria Browne, Westbridge
2pm	5 mins	Break	
2.05pm	30 mins	Warehousing – Stronger Together - Issues - Resources - Opportunities for collaboration?	Anna Norgett, Stronger Together
2.35pm	15 mins	Procurement training update	Surmaya Talyarkhan, FNET
2.50pm	10 mins	GNFR – toolkit – volunteers?	Leads

Welcome Ashleigh!



Head of Sustainable Food, Cook

Leads Raw Materials and Services working group

Ashleigh has over 10 years' experience in sustainability, responsible sourcing, and food systems. With a background in commercial, technical and impact roles, she focuses on embedding ethical and environmental practices into supply chains as well as improving internal operations. Ashleigh takes a pragmatic, solutionsdriven approach to influencing change and enjoys collaborating closely with leading industry experts and academics to promote a more healthy, sustainable, and equitable food system.



Ice-breaker...

Is Die Hard a Christmas movie?



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Planning for Q3-4

RAW MATERIALS AND SERVICES WORKING GROUP

Raw Materials & Services Working Group – original plan

Group Objectives: Increased supplier understanding about human rights risks in FNET RM supply chains. Increased number of RM suppliers to FNET members actively managing human rights risks.

Planned Activity and Outputs

Q1

Activity

- Members pilot the haulage checklist and feedback to finalise in O2.
- · Procurement training: Feedback and input from the group
- Session on workwear (including cotton) from high-risk countries)

Output

Slide deck and video for procurement

Summary on workwear

Q2

Activity

- Engagement with GNFR and services leads.
- · Developing a HR strategy on GNFR
- · Report back from pilot on haulage checklist
- Gap analysis of intermediaries e.g. maintenance/poultry catchers

Webinar: Spices

Output

Finalise haulage checklist Briefing on what to include in a HR strategy

Q3

Sedex Services SAQ feedback Session on warehousing & cold-storage,

04

Review - has this enabled better Raw Material progress? Session on cleaning, IT (tbc) Webinar:

Output

Summary on warehousing and cold-storage

Output

Summary on cleaning



Impact: FNET Benchmarking Survey - Businesses understand raw material and services risks and implement responsible business practices - 9.1, •FNET members are aligned on managing High Risk sectors using their leverage for collective action and adoption of best practice learning - 16.2, More members engage and understand the risks in raw materials and services - 9.1, 10.1, 10.2, 10.3,

Members adopt aligned effective raw material & services risk management and transparently report progress on changing risks. 13 & 14

Raw Materials & Services Working Group - updated

Group Objectives: Increased supplier understanding about human rights risks in FNET RM supply chains. Increased number of RM suppliers to FNET members actively managing human rights risks.

Planned Activity and Outputs

Q1

Activity

- Members pilot the haulage checklist and feedback to finalise in Q2.
- Procurement training: Feedback and input from the group
- Session on workwear (including cotton from high-risk countries)

Output

Slide deck and video for procurement teams
Summary on workwear

Q2

Activity

- Engagement with GNFR and services leads.
- Developing a HR strategy on GNFR
- Report back from pilot on haulage checklist
- Gap analysis of intermediaries e.g. maintenance/poultry catchers
- Session on warehousing

Webinar: Spices

Output

Finalise haulage checklist
Briefing on what to include in a HR strategy
Summary on warehousing

Q3 – in person

Sedex Services SAQ feedback Session on warehousing & cold storage Developing a HR strategy on GNFR

Webinar:?

Output

Summary on warehousing and cold-storage Briefing on what to include in a HR strategy

Q4

Review – has this enabled better Raw Material progress?
Session on cleaning, IT (tbc)

Webinar?

Output Summary on cleaning



Impact: FNET Benchmarking Survey - Businesses understand raw material and services risks and implement responsible business practices - 9.1, •FNET members are aligned on managing High Risk sectors using their leverage for collective action and adoption of best practice learning - 16.2, More members engage and understand the risks in raw materials and services - 9.1, 10.1, 10.2, 10.3, 18.1

Members adopt aligned effective raw material & services risk management and transparently report progress on changing risks. 13 & 14

Presenting Workplan

- Lower awareness of human rights risks + low leverage
- Changes to quarterly plan
- Member participation diverse engagement
- Webinars So what? Driving collective action. Which priority topic for next webinar?
 - Dairy, fishing, fresh produce South Africa, sugar cane
- Overall framework for GNFR? (Indirects) proposition in person development?



Driving collective action

- What can members practically do to make change in low-leverage supply chains?
- Opportunities for collaboration?
- Associations? Membership of Stronger Together?
- One-many queries to suppliers? E.g. use of Microsoft forms for all hauliers? Supplier webinars?



Haulage and human rights

RAW MATERIALS AND SERVICES WORKING GROUP

What are your ethical concerns about road haulage?

"They fall outside of our scope of labour standards currently meaning there is no requirement for them to be registered on SEDEX, to complete the SAQ or undertake audits. There is no visibility of their awareness of human rights or what strategy they may have."



2023 findings

June-July 2023: Survey Results: Road haulage

9 respondents

Haulage companies in common across the network: Gist, Spiers & Hartwell and Fowler Welch

Many other companies including; <u>Culina, Gs</u> Fresh, <u>Huntapac</u> Produce Ltd, Good Logistics, DTW Lineage, <u>Langdons</u>, JHP Transport, Menzies Distribution, EV Cargo, <u>2Excel Logistics</u>, Moran Logistics, Reed <u>Boardall</u>, Americold, DFDS, AIM logistics

Also secondary transport (from warehouses/depots to stores): Wincanton <u>Containerised</u> transport (from port to warehouses): Maritime



Member engagement with hauliers

3 respondees have tried to engage with haulage companies

"Not interested due to other requirements and we are a small fish in a big pond."

"We have sent details of ethical standards - including our Supplier code of conduct but not had any response",

"Current climate protecting drivers from illegal immigrants entering trucks on breaks. Trying to sort driver shortage crisis"

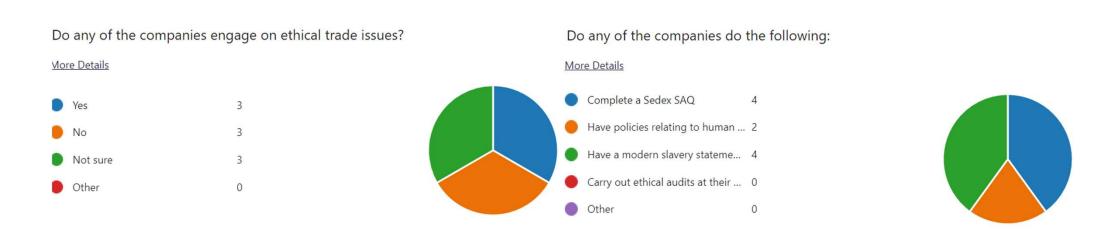


FOOTER

OOD NETWORK FOR ETHICAL TRADE – Confidentia



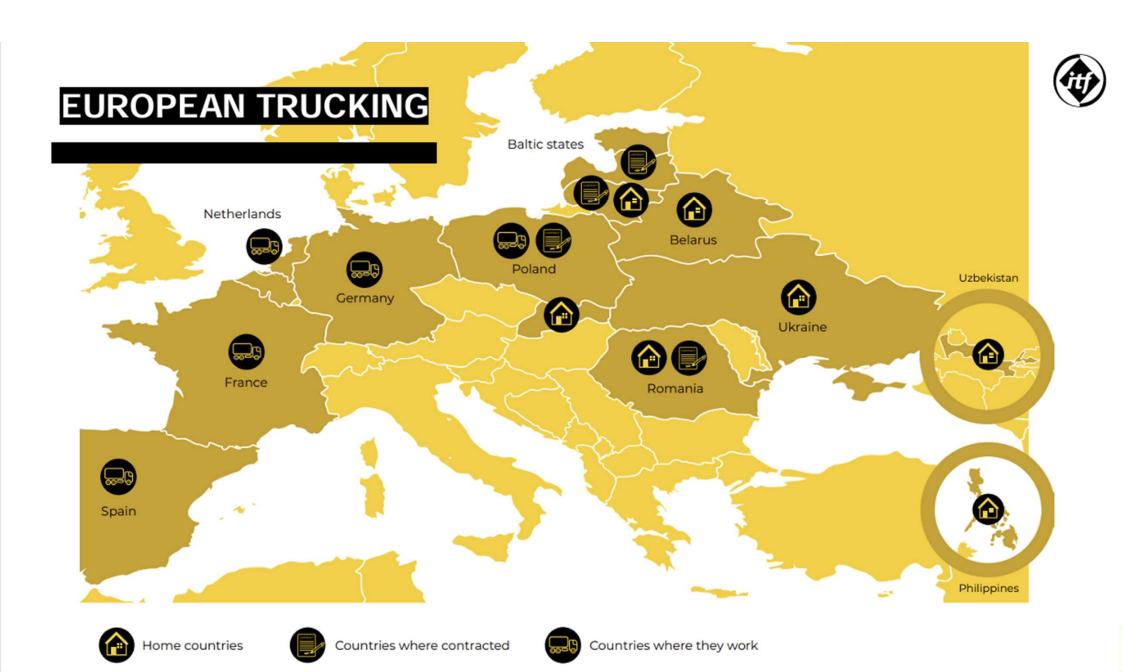
Haulier engagement



More detail on haulier engagement

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





Road Transport Due Diligence – 2023 report

1. Exploitative Recruitment Practices

Drivers from Kyrgyzstan, Uzbekistan, Tajikistan, and Kazakhstan often pay between \$500 and \$4,500 in recruitment fees.

Many are misled about job conditions and incur **debt before employment** begins. Recruitment often involves **informal agents** or **unregulated agencies**, with little transparency or legal oversight.

2. Deceptive Employment and Residency Arrangements

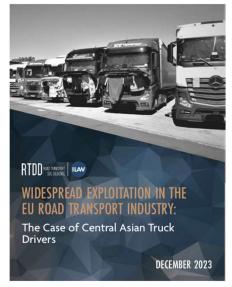
Drivers are **formally employed in countries like Lithuania or Poland** but work almost exclusively in Western Europe.

Employment contracts are often **incomprehensible**, and drivers are unaware of their legal rights.

Employers **retain control over visas and documents**, creating dependency and fear of deportation.

3. Abusive Working Conditions

Drivers **live in their trucks for months**, often without access to proper sanitation, heating, or rest facilities. Weekly rest periods, which must legally occur outside the vehicle, are routinely spent in the truck. Employers **falsify hotel receipts** and instruct drivers to lie to inspectors.



REPORT-Widespread-Exploitationin-the-EU-Road-Transport-Industry.pdf



Road Transport Due Diligence – 2023 report cont'd

4. Wage Theft and Financial Abuse

Drivers receive partial or delayed payments, often only after returning to the country of employment.

Unexplained deductions are common, and pay slips are often handwritten or missing.

Many drivers are **paid below legal minimums**, with no clear breakdown of wages or allowances. They are entitled to higher rates of pay if operating in western Europe but often only paid the minimum wage from home country.

5. Legal and Regulatory Failures

Despite clear EU regulations (e.g., Mobility Package, Posting of Workers Directive), **enforcement is weak**. Some countries, like Belgium, have taken legal action, but others, like the Netherlands, **fail to investigate or prosecute**. **Multinational companies** at the top of supply chains often lack due diligence or ignore violations.

6. Human Rights Violations

The report identifies **indicators of forced labour**: debt bondage, restriction of movement, deception, and withholding of wages.

Some cases involve **human trafficking**, with drivers forced to work under threat of deportation or financial ruin. At least one driver **died due to unsafe conditions**, highlighting the life-threatening nature of the abuses.

Organisations such as IKEA, Unilever, PepsiCo, Mondelez and Danone have for the last 2 years been working with RTDD to interview truck drivers to better understand the scale of the issue and to hold logistic firms and their subcontractors better to account.





FNET Road Haulage Checklist: Pilot

Pilot resources

- Haulage checklist
- Haulage checklist feedback form
- Can be found on FNET website and in the Teams folder.
- ❖ Pilot 3 months to approach haulage supplier and request completion feedback in next working group meeting.

Name	Business
Pete Fletcher	Yeo Valley
Victoria Browne	Westbridge
Ashleigh Horn	Cook



Haulage checklist - January 2025

The Raw Materials & Services working group members have developed a short checklist for member companies to use to engage haulage suppliers. This is intended as a basic checklist and a starting place for further risk assessment and understanding/mitigation on human rights risks in the haulage sector.

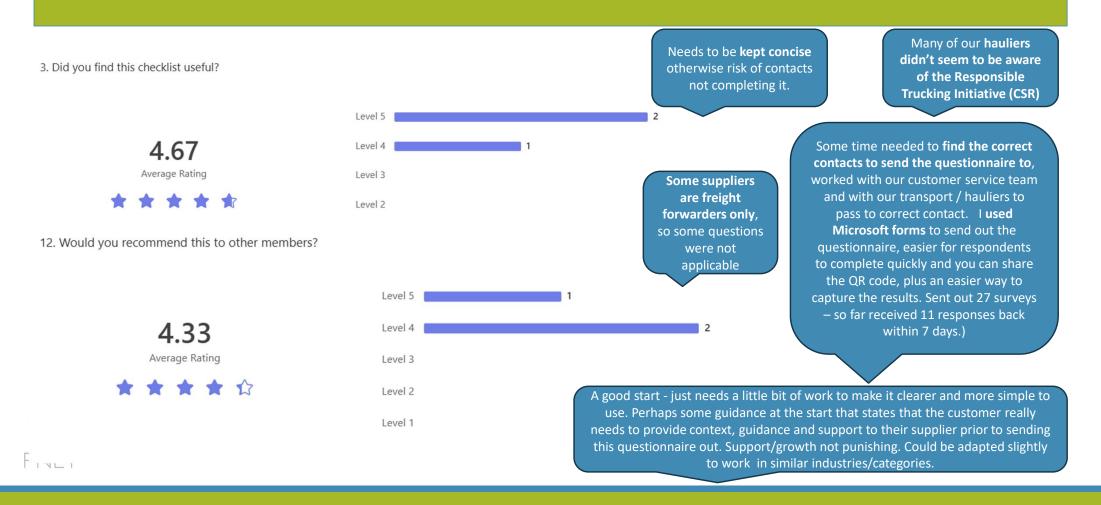
Categories

Risk assessments

- · Do you internally audit your operations and processes to identify risks?
- Do you use 3rd party assessment/auditing e.g. SEDEX/SMETA or Ecovadis?



Feedback summary on haulage checklist



Next steps on haulage?

Updates to the checklist?

Other volunteers to trial? Larger businesses?

Practical collaboration – third parties e.g. RTDD, CSR Europe, International Transport Workers' Federation (ITF)

Are there others?



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Warehousing

RAW MATERIALS AND SERVICES WORKING GROUP



Responsible recruitment | Fair work | Free from exploitation

Warehousing

Anna Norgett, UK & ROI Programmes Manager July 2025

Agenda and scope



Agenda

- Context setting
- Spotting the signs
- Due diligence tools
- Industry change
- Opportunity for collaboration

By warehousing, we mean:

- Any premises which stores goods for redistribution
- Any premises which picks and packs goods for redistribution
- May be attached to a manufacturing site or a standalone Distribution Centre (DC)
- Any size





Responsible recruitment | Fair work | Free from exploitation

Our Vision is a world where all workers are recruited responsibly and have fair work free from exploitation.

Our Mission is working together to enable organizations to embed responsible recruitment and employment practices and mitigate labor exploitation in their operations and supply chains



















Consumer Goods Programme























Construction Programme

















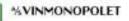












Responsible Recruitment Toolkit Programme







































UK Apparel and General Merchandise Programme (Fast Forward)













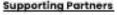








































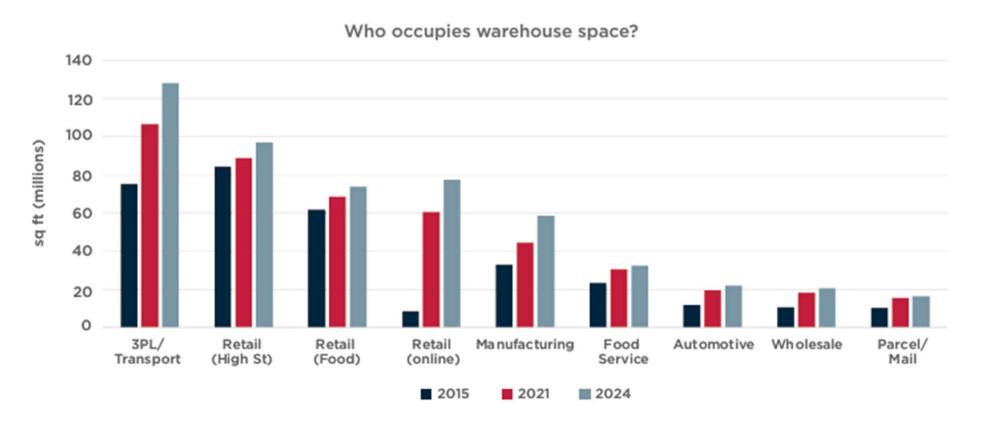




UK warehousing workplace context



Rapid growth in scale of sites

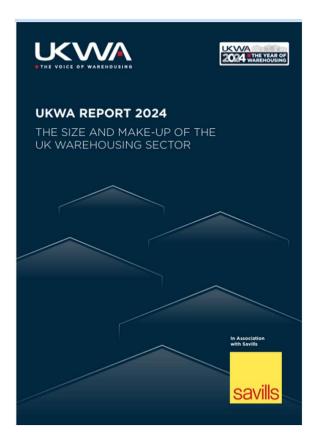




UK warehousing workplace context

The Voice of The UK Logistics Industry

Rapid growth in scale of sites



In the decade since our first report, warehousing has grown by

61%

and in the last three years alone by

22%

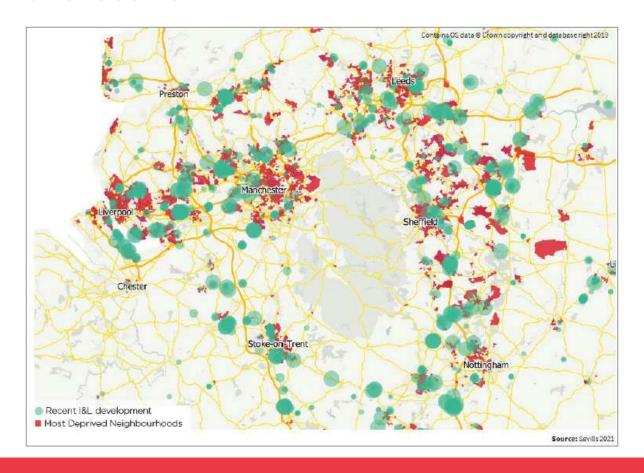
The UK Warehousing Sector

Our 2015 report identified just over 1500 individual warehouse units used for storage and distribution, which accounted for almost 428m sq ft of warehouse space. By 2021 this figure has risen by 32% and stood at 566m sq ft, a rise of 138m sq ft over six years, and made up of 746 new units. In the three years since our last edition in 2021 the market has grown by 22%, a rise of 124m sq ft and now stands at just shy of 690m sq ft.



UK warehousing workplace context

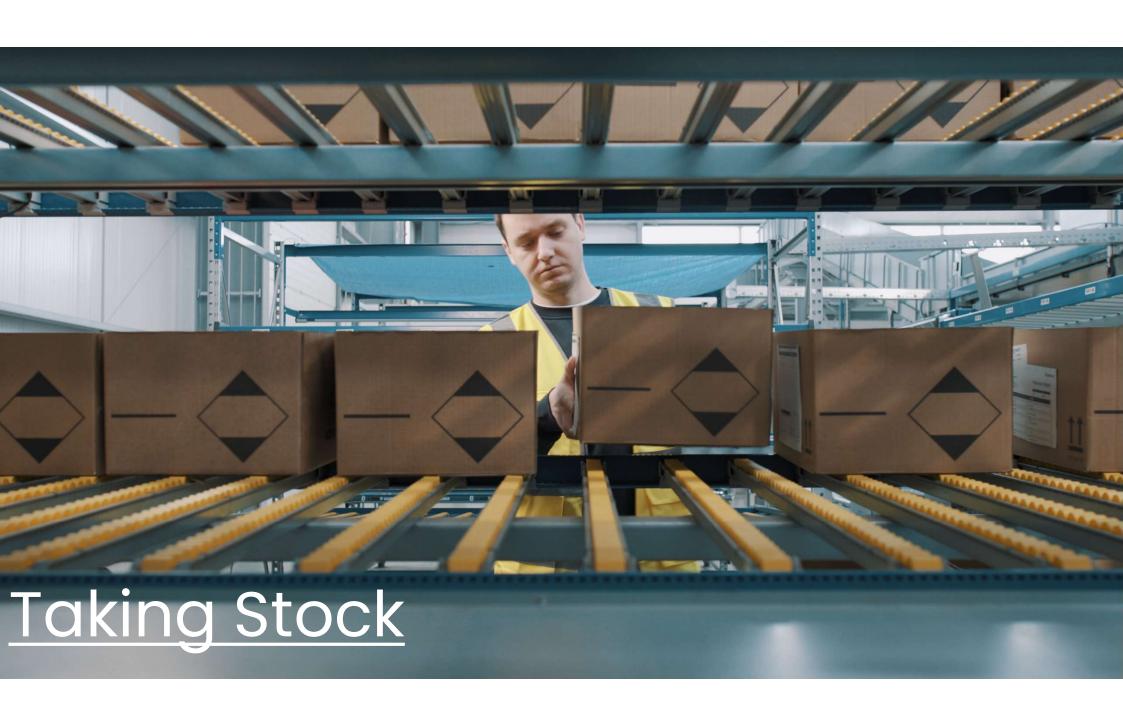
Site location





'Levelling Up - The Logic of Logistics' report from British Property Federation & Savills supported by UKWA.





Risks in UK warehousing

GLAA and Director of Labour Market Enforcement

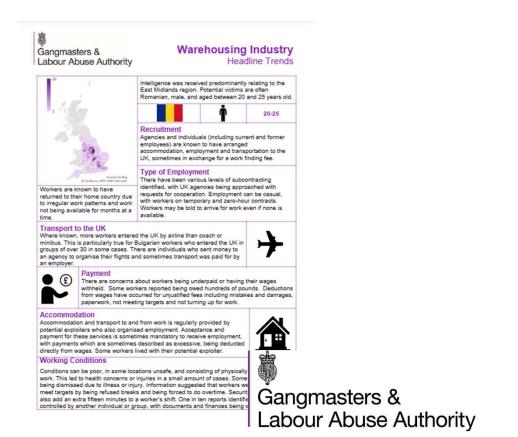


Figure 1.1 - Sectors/areas at highest risk of labour market non-compliance

Sector SIC	Description	2023 Impact of non-compliance	Trend	2022 Impact of non-compliance
01 Crop and animal production, hunting and related service activities	Agriculture	Α	Decreasing	Α
41 Construction of buildings	Construction	Α	No change	Α
43 Specialised construction activities	includes interior construction activity	Α	No change	А
81299 Cleaning services (other than disinfecting and extermination services) n.e.c.	Hand car washes	А	No change	А
86-88 Care sector	Care sector	В	Increasing	В
Models		В	No change	В
Online recruitment fraud		В	No change	В
10 Manufacture of food products	Food processing and packaging	B/C	Decreasing	B/C
96020 Nail bars		B/C/D	No change	B/C/D
52 Warehousing and support activities for transportation		C	Decreasing	В

Source: ODLME analysis; Notes: The list presents the highest risk in term of the impact of non-compliance which ranges from A (includes proportion of modern slavery), B (Deliberate non-compliance), C (Serious non-compliance), D (Interpretation, non-compliance) to E (Error).

Source: UK Labour Market Enforcement Strategy 2024/25



Risks in UK warehousing

Modern Slavery & Exploitation Helpline Data

Table 30 – Potential victims by location type*

location type		%
Location type	Potential victims*	Potential victims**
Private house	557	23%
Business	553	23%
Construction site	343	14%
Restaurant/take away/pub	317	13%
Farm	277	11%
Residential facility	241	10%
Nail bar	125	5%
Factory	92	4%
Hotel/motel	60	2%
Shop	53	2%
Marina/port/seacoast	20	1%
Website/internet location	18	1%
Lorries/vans	16	1%
Religious site/church	14	1%
Hair salon	13	1%
Warehouse/distribution centre	10	0%
Street	9	0%
Educational facility	5	0%
Travellers/caravan site	3	0%
Ship/boat	1	0%
Other	252	10%
Multiple location types***	583	-
Unknown	416	5
Total	3,978	123%

Labour exploitation cases and potential victims by industry*

		Victims Victims	
Industry	Cases		
Care sector	107	586	
Construction	105	492	
Services	102	309	
Hospitality	88	307	
Various	50	191	
Agriculture/farm	37	189	
Retail	34	99	
Logistics	12	54	
Manufacturing	6	47	
Domestic work	23	46	
Janitorial/out-call cleaning services	14	31	
Tech	2	31	
Entertainment	7	20	
Landscaping	5	7	
Transportation	2	7	
Maritime industry/boat/shipping	2	2	
Other	15	36	

*Excludes 75 'unknown' cases and 143 'unknown' potential victims'



Risks in UK warehousing

Key risk factors

- Complex supply chains
- Intense seasonal peaks
- High proportion of agency/temporary workers
- Labour shortages
- Lone working
- Limited grievance mechanisms
- 'Organised Immigration Crime'



How GLAA Licensing applies to UK warehousing



- Weighing packaged food and drinks products
- Labelling packaged food and drink products
- Breaking down pallets of food and drink into cases or part pallets
- Putting already packed food items into other containers/packets.
- Repackaging in a different location from where the product was previously packed

For those involved in warehousing activities which don't fall into the regulated categories, it is important to remember that:

- The GLAA still have the power to investigate labour exploitation in non-food and drink packaging work, and should be engaged in the case of a suspected or reported forced labour.
- There is an increased need for due diligence on your labour supply chains.



Potential indicators

Recruitment and workplace observations



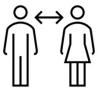
Physical

- Malnourished
- Unable to care for hygiene
- Wearing the same clothing unclean, inappropriate for working conditions
- Under the influence of drugs or alcohol
- Exhausted
- Signs of injury



Possessions

- No money
- No personal items (phone, wallet jewellery)
- Little or no food to eat
- No passport



Control/isolation

- Anxious, fearful
- Avoid eye contact/social interaction
- Allow others to speak for them
- Travel is controlled
- Reluctant to ask for help
- Out of character behaviour
- Wants to work all hours available

Our resources



Tackling Labour Exploitation in UK Warehousing

A toolkit for Warehousing



<u>Tackling Labour</u>
<u>Exploitation in UK</u>
<u>Warehousing Toolkit -</u>
<u>Stronger Together</u>



Good Practice
Implementation Checklist
for UK Warehousing Stronger Together



<u>Taking Stock. Tackling Labour Exploitation</u> <u>in UK Warehousing (with English subtitles) -</u>



<u>Identifying Labour Exploitation: Animation (with English subtitles) - Stronger Together</u>



Industry change

- Renewed focus on transparency in supply chains following new statutory guidance – including case studies involving warehousing supply chains
- Momentum regarding responsible recruitment practices including EPP
- Emphasis on continuous improvement – supported by UKWA
- Use of third party logistics to reduce cost, improve responsiveness and service levels

Case study

A global cybersecurity service provider that sells products worldwide via tens of thousands of distributors and resellers, making the company's operations and supply chains complex. The company's workforce is employed within their offices, labs, and product development centres across multiple worldwide regions. They also have a multi-layered supply chain that includes hardware manufacturers, component suppliers, distribution centres, warehouses and recruitment agencies. They also have a multi-layered supply chain that includes thousands of third-party suppliers, including hardware manufacturers, component suppliers, distribution centres, warehouses and recruitment agencies.

To address these challenges and achieve transparency in supply chains, the company developed a risk management framework to identify, assess, and manage risks to workers. A specific team, overseen by the company's Board, implements the risk assessment framework. The team also engages external advisors to help identify risks and inform the framework.

As part of this framework, and to specifically tackle the difficulties in overseeing a high number of suppliers 'actions, the company has placed obligations on each of their suppliers to commit to identifying, assessing and managing modern slavery risks. For example, the supplier's contract with the company requires them to complete a Slavery and Trafficking Risk Template and Conflict Minerals Reporting Template. These templates assess the supplier's adherence with international standards and measure how suppliers identify, assess, and manage risk. The company then undertakes further due diligence measures to monitor adherence to these standards.



Opportunities for collaboration



Stronger Together Workshop, Events and Webinars



Tackling Labour

Exploitation in UK

Warehousing - Stronger

Together



UK Warehousing Association

30 May, 2025

UKWA Speaks Out on Modern Slavery in Warehousing, warning of 'Employers Targeted by Criminal Gangs'



Modern slavery continues to cast a long shadow over the warehousing sector, an industry particularly vulnerable to exploitation by organised criminal networks.

"This vulnerability stems from the nature of our sector," explains Clare Bottle, Chief Executive of the UK Warehousing Association (UKWA).

"Seasonal demand means businesses often rely on agency labour, whilst entry-level roles do not typically require fluent sett. English and often demand no formal qualifications. At the same time, warehouse work is relatively well paid, making the sector an attractive target for exploitation."

To help tackle this issue, UKWA has issued Modern Slavery Guidelines and developed an exclusive Modern Slavery Policy for its members. The Association works closely with Stronger Together, a not-for-profit delivering training, resources and collaborative programmes aimed at combatting labour exploitation.

Speaking at Stronger Together's recent Thematic Session on Effective Human Rights Due Diligence of Goods and Services Not For Resale Clare Bottle emphasised that modern slavery doesn't just harm individuals, but also poses a serious threat to responsible employers.

"Human traffickers can infiltrate legitimate businesses, undermining trust, damaging operations and ultimately causing harm to all involved," she said. "Criminals who manipulate the system can deceive even diligent warehouse operators, slipping through the crack-

- Talk about warehousing
- Raise industry standards
- Build community
- Help members
- Regular communications





info@stronger2gether.org



www.stronger2gether.org



/stronger-together/

Thank you!

Procurement training

RAW MATERIALS AND SERVICES WORKING GROUP



FNET Member Procurement Training



Working Group update – 17th July 2025

Quick recap

Objectives for procurement teams:

- Embed understanding of what human rights in supply chains means for a business
- Highlight the *potential risks for businesses* regarding exploitation of people
- Provide some clear and actionable guidance to use in their roles in order to support better human rights practices
- Offer *real-life examples*
- Start or continue a conversation on the topic with colleagues.



What will it look like?

- 1. Set of slides for businesses to use
- 2. Speaker notes elaborating on the slides for a trainer to use
- 3. 1-hour recorded webinar available to member companies.

NB. Discussion on-going regarding delivery by third party trainer

What it will cover

A clear and pragmatic look at:

The basics

Legislation, policies and risks

Responsible purchasing practices

What these are, the positive impact that can be had on people if done well

What does that mean for you?

How this can be implemented in your business

Examples and best practice



Learn from others

What we need from you

Suppliers who would be able to provide a short case study on how their procurement teams have managed, changed or learnt from doing any of the following things, with more ethical sourcing in mind:

- Tendering
- Responsible contracting
- Production planning
- Price negotiation

Ideally member of procurement team

2-3 minutes self-filmed video OR short written case study

During August/ start September

Briefing and support from Inherently Human team



Please contact Laura Falk at laura@inherentlyhuman.co.uk for more information – thank you!

Next steps...

- Suppliers to indicate interest in contributing case studies ASAP
- ☐ Films/ case study material gathered by early Sept
- ☐ Inherently Human to finish content by mid-Sept to review with small group of suppliers for feedback
- ☐ Materials available from end of September.

We will update after September on opportunities for third-party training of materials.



Pulling together an approach on GNFR

RAW MATERIALS AND SERVICES WORKING GROUP

Developing a GNFR Toolkit

https://foodnetworkforethicaltrade.co m/download/76/guidancetools/3194/decision-tree-for-ethicalconsideration-may-2018.docx



Q3 proposal

Develop in person?

What to include in a Human Rights Strategy on GNFR?

Decision Tree? Access to resources e.g. haulage checklist and top tips?

Host the in-person session? 30 people?

You are Stage 3 Involvement GOOD NEWS – you're moving nicely out of a developing culture into a higher engagement culture.

There is still more to do but lets break it down into easy steps to get you onto the ladder of full participation

What's Next'

Stage 4
Partnership

What does an employee partnership culture look like?

Workers are fully informed and consulted in the decision-making process, with outcome resulting from negotiations and shared decisions



TOP TIE

- Involving forums / committees and / or union reseparation at early business planning stages to ensure that employee voice has been heard including actions related to worker surveys and negotiations have taken each parties decisions into consideration.
- Employee recommendations acted upon in collaboration with the management and progress can be tracked and feasibility / implementation and execution.
- Mechanism for workers to raise a query at any time and the management protocols for response timeframes and method of communication, for example mediation between the business the employee and an independent party



- Mystery 'shopper' quarterly test of mechanisms available
- Tracker for recommendations updated monthly with status (closed / in progress / open) and communicated to senior management team



OLS & TRAINING

- Grievance Mechanism Toolkit | Oxfam GB
 (Target ESTABLISHED in toolkit)
- * FNET Worker Representative Training

 Manual
- * Acas Code of Practice on time off for trade union duties and activities | Acas

NOTE:

FNET Guidance please login to your account before clicking the link & refer to HRDD Reporting Framework – Taking Action Line 7





Notes / actions from the call

Item	Action	Who	When
Haulage checklist	Members who piloted will update the checklist for sector-agnostic use	Pete Fletcher, Yeo Valley Ashleigh Horn, Cook Victoria Browne, Westbridge Emma Henry, Berryworld	By early September
	Members will test this with their supply chains in September and feed back	Ellie-May Turner, Innocent Saiqa Aslam, Cranswick Sandra Cantwell, PrepWorld Anam Bashir-Ghafoor, Sainsburys	Early September
Procurement training	Pete Fletcher, Yeo Valley Anam Bashir-Ghafoor, Sainsburys Potentially interested in contributing to the procurement training	Surmaya to put Pete and Anam in touch with Laura	ASAP





