

# FNET Risk Assessment Tool: webinar



The Food Network for Ethical Trade, 11<sup>th</sup> July 2025

# **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 – 11<sup>th</sup> July 2025, 10-11am

| Time        | Item   | Duration | Speaker   |
|-------------|--|----------|---|
| 10.00-10.05 | Welcome and introductions  | 5 mins   | Surmaya Talyarkhan, FNET  |
| 10.05-10.15 | Prioritising supply chain risks – what is the Risk Assessment Tool useful for? | 10 mins  | Rick Fletcher, Greencore<br>Graham Melbourne, Premier Foods                       |
| 10.15-10.25 | How do businesses use it?  | 10 mins  | Sarah Wadelin, MWW<br>Rick Fletcher, Greencore<br>Graham Melbourne, Premier Foods |
| 10.25-10.35 | Country risk ratings   | 10 mins  | Rick Fletcher, Greencore  |
| 10.35-10.45 | RAT – a basic guide  | 10 mins  | Rick Fletcher, Greencore<br>Graham Melbourne, Premier Foods                       |
| 10.45-10.55 | RAT – an advanced guide  | 10 mins  | Rick Fletcher, Greencore<br>Graham Melbourne, Premier Foods                       |
| 10.55-11.00 | Support available  | 5 mins   | Surmaya Talyarkhan, FNET  |



## Poll

What challenges have you had when trying to risk assess your supply chains?

Have you used the Risk Assessment Tool?

What would you like to get from this webinar?





## What can the Risk Assessment Tool help me to do?

**Prioritise risks** in complex supply chains

Help to decide where to start

Enhanced awareness

Good **Evidence-base** for decisions

Offers **legitimacy** when speaking to e.g. procurement or senior colleagues to justify risk mitigation activities

(E.g. why I need to insist these suppliers have SMETA audit, or why we need to take a different approach to different suppliers)

## Aligns with customer needs

(e.g. country risk ratings used by retailers including Tesco)



## How does the tool work?

### What the tool does

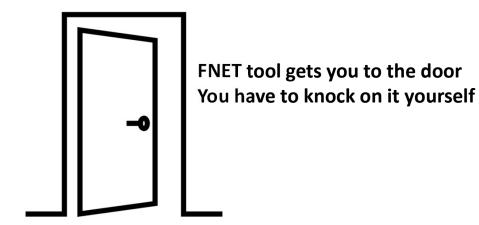
Uses data from a number of sources, collated by Anthesis, to calculate the risk for your ingredient based on:

- Country
- Ingredient category
- Direct or indirect supply
- Known industry risks
- Known labour risks



### What it does not do

 Take site-based data into account (unlike Sedex Radar)



# How I use the Risk Assessment Tool Rick Fletcher, Greencore

#### I've used the tool in different businesses, in different ways:

- **Country risk table** useful in settings where you only buy a small number of ingredients, but from a lot of different geographies. Using the country risk ratings can help you to prioritise where to focus your due diligence. This also aligns with some of our retail members who use the FNET country risk to inform suppliers where their priorities are.
- **Known human rights risks table** if you buy a lot of different ingredients, conducting a full risk assessment on all purchased items may be too time consuming. Instead you can use the data in the known risks table to identify where your highest risk ingredients occur, and target your work on those.
- **Full risk assessment** If you want to run a full risk assessment on all of your purchased ingredients, you can use the full functionality of the tool. This requires a lot of data, which will likely be stored on your internal specification or purchasing systems, but has the capability of scoring every purchased ingredient to enable complete oversight and prioritisation.
- Integration with existing systems It's also possible to integrate elements of the above, such as country risk scores, into your existing systems as another risk lens to form part of a wider assessment, e.g. if you already assess for things like environmental risk.



# How I use the Risk Assessment Tool Sarah Wadelin: MMW

#### **FNET** influence

- · Country risk rating
  - · Guiding perspective
  - · Key risk areas
  - Allows us to "Dig deeper"
- Risk areas
  - Known human rights supports saliency
  - Allows for conversation at the right level with the right tools

#### **MWW Risk assessment**

- MWW Additions
  - People management
  - Accreditations
  - Relationship and development
- Grower level
- 4 level Risk
- Detailed enough for risk response
- Allows direction of further development and actions

#### Action

- Allows for short, medium and long term development
- De-risking opportunities
- FNet discussion and action
- Allows focus

#### Limitations

- High risk countries limit de-risking
- SEDEX Risk Rating methodology changes

| No of<br>Worke | Value to MWW | Date of last | 3rd Party<br>Audit<br>Statu: | Country<br>Risk | Labour<br>Provider<br>Risk | SEDEX Risk<br>Rating | MWW Risk Rating |
|----------------|--------------|--------------|------------------------------|-----------------|----------------------------|----------------------|-----------------|
| 6300           | Primary      | Jun-23       | 1                            | 3               | 1                          | High                 | High            |
| 19             | Secondary    | Jun-23       | 1                            | 3               | 1                          | High                 | High            |
| 62             | Primary      | Sep-24       | 2                            | 3               | 1                          | Medium               | Medium 2        |
| 210            | Primary      | Sep-24       | 2                            | 3               | 2                          | Medium               | Medium 2        |
| 29             | Primary      | Mar-25       | 1                            | 3               | 1                          | Medium               | Medium 2        |
| 556            | Primary      | Dec-24       | 1                            | 3               | 1                          | Medium               | Medium 2        |
| 1430           | Primary      | Dec-24       | 1                            | 3               | 1                          | Medium               | Medium 2        |
| 84             | Primary      | Jun-23       | 1                            | 3               | 2                          | Medium               | Medium 2        |
| 30             | Primary      | Jun-23       | 1                            | 3               | 2                          | Medium               | Medium 2        |
| 694            | Primary      | May-25       | 1                            | 2               | 1                          | Medium               | Low             |
| 265            | Primary      | Feb-23       | 3                            | 3               | 2                          | High                 | High            |



# How we use the Risk Assessment Tool Graham Melbourne: Premier Foods

#### Tools used

- Technical Database (specification data)
- Volume Spend Data
- FNET RA

#### Methodology

- Data extract and formatting
- · Apply spend volume data
  - Focus on high spend/high volume
- Cross check against FNET country risks
- · Identify high risks
- Apply component % in final product to assist with priority order
- Initially identified top 5 priorities to focus on.
- (Internal HR Due Diligence Analysis Tool) using FNET, Ecovadis, and supplier discussions to give overall risk rating.

#### Considerations

- Suppliers often add additional countries to specifications to cover all eventualities.
- Sometimes "best fit" has to be adopted when comparing ingredients/components against FNET tool e.g. Rice Flour – Rice.
- Some commodities have more than one option e.g. there is a main commodity called Fruit, however some fruits are split out e.g. apples, blueberries oranges.
   Similar applies to vegetables.

| Ingredient                 | Grade Information (e.g. pH, aW, Physical state, Derived from etc)   | Supplier Name<br>(Manufacturer) | Country of Manufacture | Country of Origin           |  |
|----------------------------|---|---------------------------------|------------------------|-----------------------------|--|
| Tomato Paste               | Aseptic 36/38" Brix (Cold Break)                                    | Supplier 1                      | Spain                  | Spain                       |  |
| Tomato Paste               | Aseptic 36/38" Brix (Cold Break)                                    | Supplier 2                      | Portugal               | Portugal                    |  |
| Sea Salt                   | Fine Sea Salt   | Supplier 1                      | Israel                 | Israel                      |  |
| Sea Salt                   | Fine Sea Salt   | Supplier 2                      | Israel                 | Israel                      |  |
| Sodium Hexacyanoferrate II | Anti-Caking Agent   | Supplier 1                      | China                  | China                       |  |
| Sodium Bicarbonate         | Anti-Caking Agent   | Supplier 2                      | France                 | France                      |  |
| Spice Blend                | A Grey/Green Free Flowing Powder With a Spicy/Herby Aroma and Taste | Supplier 1                      | United Kingdom         | United Kingdom              |  |
| Dried Basil                | Ground  | Supplier 1                      | United Kingdom         | Egypt                       |  |
| Ground Black Pepper        | Ground  | Supplier 1                      | India                  | India, Indonesia, Sri Lanka |  |

| Country                | Sesame  | Shrimp  | Soy bean | Spices  | Spinach | Stones and<br>Gems | Strawberries | Sugar   | Sunflower | Sunflower oil | Sweet<br>Potatoes | Tea     | Textiles |
|------------------------|---------|---------|----------|---------|---------|--------------------|--------------|---------|-----------|---------------|-------------------|---------|----------|
| Haiti                  | Unknown | Unknown | Unknown  | Unknown | Unknown | Unknown            | Unknown      | Unknown | Unknown   | Unknown       | Unknown           | Unknown | Unknown  |
| Honduras               | Unknown | Unknown | Unknown  | Unknown | Unknown | Unknown            | Unknown      | Unknown | Unknown   | Unknown       | Unknown           | Unknown | Unknown  |
| Hong Kong              | Unknown | Unknown | Unknown  | Unknown | Unknown | Unknown            | Unknown      | Unknown | Unknown   | Unknown       | Unknown           | Unknown | Unknown  |
| Hungary                | Unknown | Unknown | Unknown  | Unknown | Unknown | Unknown            | Unknown      | Unknown | Unknown   | Unknown       | Unknown           | Unknown | Unknown  |
| Iceland                | Unknown | Unknown | Unknown  | Unknown | Unknown | Unknown            | Unknown      | Unknown | Unknown   | Unknown       | Unknown           | Unknown | Unknown  |
| India                  | Unknown | Unknown | Unknown  |         | Unknown |                    | Unknown      |         | Unknown   | Unknown       | Unknown           |         |          |
| Indonesia              | Unknown | Unknown | Unknown  | Unknown | Unknown |                    | Unknown      | Unknown | Unknown   | Unknown       | Unknown           | Unknown | Unknown  |
| Iran (Islamic Republic |         |         |          |         |         |                    |              |         |           |               |                   |         |          |
| of)                    | Unknown | Unknown | Unknown  | Unknown | Unknown |                    | Unknown      | Unknown | Unknown   | Unknown       | Unknown           | Unknown |          |
| Iraq                   | Unknown | Unknown | Unknown  | Unknown | Unknown | Unknown            | Unknown      | Unknown | Unknown   | Unknown       | Unknown           | Unknown |          |
| Ireland                | Unknown | Unknown | Unknown  | Unknown | Unknown | Unknown            | Unknown      | Unknown | Unknown   | Unknown       | Unknown           | Unknown | Unknown  |

| Î           |                 | Country of  |                   |         |        |          |               |       |
|-------------|-----------------|-------------|-------------------|---------|--------|----------|---------------|-------|
| Country of  |                 | Manufacture | Country of Origin |         |        | Priority | Commerial     | Total |
| Manufacture | Country of Orig | Issue       | Issue             | Volum 📉 | Spen * | Volume   | Priority Sper | Risk  |
| India       | India           | Yes         | Yes               | 201461  | 584494 | 3        | 4             | 12    |
| India       | India           | Yes         | Yes               | 201461  | 584494 | 3        | 4             | 12    |
| India       | India           | Yes         | Yes               | 201461  | 584494 | 3        | 4             | 12    |
| India       | India           | Yes         | Yes               | 201461  | 584494 | 3        | 4             | 12    |
| India       | India           | Yes         | Yes               | 201461  | 584494 | 3        | 4             | 12    |
| India       | India           | Yes         | Yes               | 201461  | 584494 | 3        | 4             | 12    |
| India       | India           | Yes         | Yes               | 201461  | 584494 | 3        | 4             | 12    |
| India       | India           | Yes         | Yes               | 201461  | 584494 | 3        | 4             | 12    |

# **Country risk ratings**

| Country                  | FNET Country list 2021   | 2021<br>Score | 2021<br>Rating | 2024<br>Score | 2024<br>Rating | Variance 2024-2021 | 2024 Commentary   |
|--------------------------|--------------------------|---------------|----------------|---------------|----------------|--------------------|---|
| Somalia                  | Somalia                  | 93.63         | High           | 92.92         | High           | -0.71              |   |
| South Sudan              | South Sudan              | 89.06         | High           | 89.03         | High           | -0.03              |   |
| Central African Republic | Central African Republic | 84,67         | High           | 86.08         | High           | 1.41               |   |
| Libya                    | Libya                    | 86.62         | High           | 86.03         | High           | -0.58              |   |
| Afghanistan              | Afghanistan              | 78.95         | High           | 85.00         | High           | 6.05               | ITUC Score has changed from 5 to 6, meaning the political situation in this country has worsened since Taliban takeover in 2021. ITUC report states that Afghanistan 'is entrenched in a humanitarian crisis that impacts workers rights'. The Taliban have placed increasing restrictions on women and girls, deading to youth and female unemployment within the country, and knock impacts such as poverly and mainturition. Afghanistan is also within the top 10 worst countries for slavery according to the Global Slavery Index report 2021. In 2023, Afghanistan was still ranked as the second worst country in the Asia and Pacific region for modern slavery, however there has been a small improvement between 2021 and 2024, with rates of modern slavery per 1,000 of the population falling from 22.2 per 1,000 in 2018, to 13 people per 1,000 of the population living in conditions of modern slavery in 2024. This means an improvement from an approximate 179,000 living in modern slavery in 2050,000 people—there is salf much more to be done.  |
| Sudan                    | Sudan                    | 78.02         | High           | 83.12         | High           | 5.10               | According to the ITUC 2023 report, Sudan is rated 5, which means that there is no guarantee of rights. According to Freedom House,<br>Sudan is given a score of 67100, which means that the country is very much not free. Key developments in 2023 include fighting across<br>the country with the conflicts leading to a severe humanitarian crisis. Africa has the highest prevalence of modern slavery, with Sudan<br>being one of the countries with the highest individual prevalence.  |
| Yemen                    | Yemen                    | 82.34         | High           | 82.41         | High           | 0.07               |   |
| Syria                    | Syrian Arab Republic     | 81.80         | High           | 82.03         | High           | 0.22               |   |
| Eritrea                  | Eritrea                  | 81.99         | High           | 81.88         | High           | -0.11              |   |
| Burundi                  | Burundi                  | 82.37         | High           | 81.63         | High           | -0.73              |   |
| Myanmar                  | Myanmar                  | 76.98         | High           | 80.39         | High           | 3.41               | Increases in the Global Organised Crime Index as a result of its human trafficking score increasing from 6.5 in 2021 to 8.5 in 2024 has contributed to Myammar's increase in score. The COVID-19 pandemic had negative impacts on the country sending it into a humanitarian and economic crisis, which resulted in its population moving abroad for work. Many of these workers face forced labour and exploitation by traffickers and employers. Hyammar is a hub for human trafficking, due to the aggressive exploitation of the Rohingay people who are particularly vulnerable as they are not recognised by the state. States may perpetrate forced abour abuse of the obligation to perform work beyond normal civic duties. According to the Global Slavery Index 2023, this is reported in Myammar, for example, where members of Chin and Riskine ethnic groups report being forced to work by military forces (Tamadaw) as labourers and porters. The Rohingay People were also reportedly forced to construct security camps for the Tatmadaw under inhumane conditions and the threat of violence. In 2020, disturbing evidence emerged of children being forced by the Tatmadaw to clare Indmines and work in portering, with some children reportedly used as human shields. Myammar has one of the highest prevalences of modern stavor in the review. |

### FNET-Country-Risk-Rating-2024 (4).pdf

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#### Food Network for Ethical Trade Country Risk rating

The Food Network for Ethical Trade (FNET) exists to support our members in identifying, prioritising and facilitating collective action on systemic human rights issues. As outlined in our <u>Theory of Change</u> we encourage businesses to adopt common practical tools and approaches to reduce duplication and accelerate supply chain adoption. One of the shared tools within the membership is our common risk assessment tool which supports members to have a common understanding of country and ingredient risk. To make it easier for supply chain actors to see the country risk score is common between members we are making FNET country risk rating scores public.

The FNET Country Risk rating uses publicly available information on country risks and known-human rights risk drawn from public sources and best practice to produce a low, medium or high risk score which is intended to inform a company's ethical trade risk assessment. The FNET full Risk Assessment tool combines the country risk rating with risks associated with labour types and industries to provide a common understanding of ingredient/raw material risk. The tool encourages companies to enter commercial information against which to assess their ethical trade risks in order to be able to prioritise the resources they have for managing ethical trade and identify appropriate additional due diligence requirements. If you want to learn more about the full risk assessment tool, please contact adminiferodinetworkforethicaltrade.com who can also share further details on wider membership benefits.

Disclaimer: The information contained in the FNET Country Risk Rating is provided for general guidance only and does not constitute legal advice. The Food Network for Ethical Trade (FNET) makes no representations or warranties regarding the accuracy, completeness, or reliability of the information. FNET accepts no responsibility for any errors, omissions, or any loss or dramage arising from reliance on this information.

| Country             | 2024 Risk Rating<br>(Red-high, Yellow-<br>medium, Green -low) | Comments on additional due diligence requirements |
|---------------------|---|---|
| Afghanistan         | 85  |   |
| Albania             | 48  |   |
| Algeria             | 59  |   |
| Andorra             | 13  |   |
| Angola              | 66  |   |
| Antigua and Barbuda | 22  |   |
| Argentina           | 41  |   |
| Armenia             | 47  |   |
| Australia           | 25  |   |

1|Page



# Demo of how to use the tool functionality

| 8           | C                       | D              | Ε                      | F    | G                  | Н   |                | J                          | K   | L               | M       | N                | 0                |
|-------------|-------------------------|----------------|------------------------|------|--------------------|---|----------------|----------------------------|---|-----------------|---------|------------------|------------------|
| Supplier Na | me Unique<br>Identifier | Product        | Ingredient/s           | Tier | Supply Chain Level | Source Country/ Final<br>Processing Country | Buying Channel | Industry Plisks            | Labour Risks                              | Annual<br>Spend | Volumes | Commercial value | Business<br>Risk |
| XX234       | 12345                   | 7 Orange Syrup | Oranges                | 2    | Supplier           | Raly  | Agent          | Accommodation              | Migrant & Seasonal/<br>Temporary          | 123             | 456     | э                | 3                |
|             |                         | Amber          | bananas                | э    | Agent              | Germany                                     | Agent          | Accommodation              | Migrant & Seasonal/<br>Temporary          | 456             | t)      | э                | 1                |
|             |                         |                | Sugar syrup            | 3    | Agent              | Belize                                      | Agent          | Unknown                    | Seasonal                                  | 456             | נט      | э                | 1                |
|             |                         |                | Sugar                  | э    | Agent              | Malavi                                      | Agent          | Low Pag & Unskilled Labour | Seasonal                                  | 456             | th ca   | з                | 1                |
|             |                         | Fish fingers   | Fish                   | 1    | Supplier           | United Kingdom                              | Direct Source  | Unskilled Labour           | Seasonal                                  | 3456            | ñ       | Э                | 3                |
|             |                         |                | Breadcrumbs            | 1    | Agent              | France                                      | Agent          | None                       | Permanent                                 | 3456            | 1234    | 1                | . 1              |
|             |                         |                | Garlio Paste           | 2    | Direct Supplier    | China                                       | Direct Source  | None                       | Теттрогату                                | 2345            | 1234    | 1                | 1                |
|             |                         |                | Skimmed Milk<br>Powder | 1    | Agent              | france                                      | Agent          | Unskilled Labour           | Agencyl third party labour &<br>Temporary |                 |         |                  |                  |
|             |                         |                |                        |      |                    |   |                |                            |   |                 |         |                  |                  |



## **Basic** use

- Open it and have a play!
- Tailor it to suit your needs you might want to adapt it
- Please refer to the instructions when using this
- Macros you may need IT support if you have challenges opening it



# Advanced use – approaches and watch-outs

- You can bulk copy and paste data in from another system
- Importing data you can import data from a previous version of the tool if your supply chain has remained similar
- Some of the data, such as labour risks, may exist in Sedex, but will need to be exported and tidied to enable it to interface with the tool
- It's likely that you'll have to work with different teams to get your company's data, often technical and procurement
- What if you don't know? "unknown" is an option it will just default to a high score for that criteria
- This can also apply if you don't know where the ingredient is coming from
- False positives suppliers give many origins in business specification system but actually only source from a handful you might want to clean this up before adding the data to the tool



## **Additional support**

- The FNET Risk Assessment Tool can be found <u>here</u> in the member area of the website
- Top tips

You can access top tips on using the tool on the website <a href="here">here</a>.

Email queries

Send any queries you have to <u>Surmaya</u> with the title: **FAO RAT SUPERUSERS** and she will forward your query for support

Feedback

Please share your feedback on the tool using this <u>form</u> when you have tried it out!



#### FNET Risk Assessment Tool - Top Tips

The following tips have been collated from regular users of the tool, who have used it in different businesses and using different methods.

The Risk Assessment Tool is available to be used how best suits your business and the below are by

#### Downloading, saving and accessing the too

 Download the latest version of the tool from the resources area in the members section of the FNET website and save it locally.

Important: The tool is a macro enabled excel workbook. The functionality within the tool relies on

By default in many environments macros are automatically blocked when downloading files from the internet. Guidance on how to unblock these is available on the Microsoft website

https://aupport.microsoft.com/en-gb/topic/a-potentially-dangerous-macro-has-been-blocked-0952faa0-37e7-4316-b61d-5b5ed6024216

Please only use the above method for files that you trust, and please ensure that you remain compliant with your business if policies – check with your IT team before taking any steps if you are

After taking the steps detailed to unblock the macros, upon opening the file macros may still be disabled (yellow bar at the top of the page) and need to be enabled before they will work.

In addition to the above there may be company specific security measures that prevent the macros from working – if this is the case please contact your IT team for advice on how to proceed.

#### Preparing your Data

The RAT requires certain data to be able to calculate risk. This data will usually be kept on your business technical specification or procurement systems.

- As a minimum, you will need the following data for each item you wish to analyse
   o Item category (e.g. Apricots, Beef)
  - Source Country (if not known, it is possible to select "Unknown")

RAT Top Tips V1\_March2025

