



The Food Network for Ethical Trade (FNET)

RAW MATERIALS & SERVICES WORKING GROUP: LOGISTICS WEDNESDAY 24TH JANUARY 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”

A recording of the meeting can be found at

Agenda

Approximate timing	Item
13.00 – 13.05	Arrive and introduction
13.05 – 13.20	Update from Common Due Diligence working group – Linda Beresford
13.20 – 14.00	<p>Waste management</p> <ul style="list-style-type: none">• Indirect Spend Alliance: Waste & Recycling - Hazel Culley, Twenty Fifty• Indirect Procurement Human Rights Forum – Jo Webb, The Body Shop & Sophie Fryer, ERM• Summary of FNET work on waste• Discussion – what's next? workshop?
14.00 – 14.15	Road haulage update and next steps
14.15 – 14.30	Workplan and summary of 2023
14.30 – 15.00	Discussion & close

Meeting objectives



Reminder
2023- 24

Developing Common Due diligence tools Working Group

Potential member commitment: Using FNET maturity matrix demonstrate progress on human rights due diligence?

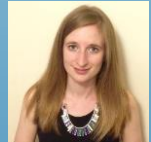
Summary

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

Outputs

- Mitigation Guidance document - Live
- Resolution of Ethical audit issues guidance – Live
- *HRIA spreadsheet updated*
- FNET HRDD tool approved, review due in Q2 2024

Working Group Leads



Naomi Kirkwood,
Samworth Bros



David Alder
MWW

Board representative



Mel Miles,
Greencore

PM: Linda

Developing Common Due diligence tools Working Group

Confidential member commitment: Using FNET maturity matrix demonstrate progress on human rights due diligence?

Summary

- Continued development on Risk assessment and mitigation tools and expand to other due diligence tools. Update due in Q1

Outputs:

- Guidance on how to engage in complex parts of the supply chain where low leverage e.g., smallholders & commodity supply chains
 - How to prioritise complex low leverage supply chains
 - How to manage Due Diligence Roadmap
 - Knowing When and How to Collaborate
- Develop a maturity framework that FNET members can use with suppliers down supply chain and gain a common understanding of how FNET members measure supplier performance.
- Workshop on cost effective meaningful due diligence and summary on what are possible options to address specific issues.
- Guidance on Human Rights Impact Assessments (HRIA). Collaboration on & implementing results of Human Rights Impact Assessments. – When to use collective action

Working Group Leads



Naomi Kirkwood,
Samworth Bros



David Alder
MWW

Board representative



Mel Miles,
Greencore

PMM: Linda

Developing Common Due diligence tools Working Group

Group Objectives : Businesses adopt common practical due diligence tools and approaches

Planned Activity and Outputs

Q1

- Mapping Responsible Business Journey & performance metrics
- Guidance on how to engage in DD lower tiers with low leverage

Output

- Workshop on DD at Lower Tiers
- Agreed baseline on mapping RBJ

Q2

- Common approach to serious issue escalation and management
- Supply chain mapping
- Updating Risk Assessment training?

Output

- Guidance for DD in lower tiers
- Serious issue escalation guidance

Q3

- Cost effective DD & Impactful mitigation and remedy
- Insights on RBJ ?

Output

- Workshop cost effective DD & Impactful mitigation and remedy

Q4

- Guidance on supply chain mapping and introductory training on Risk assessment


Output

- Guidance on cost effective DD & Impactful mitigation and remedy

Expected member actions ?? /Impact measures:

Budget required - £3000

HRDD Maturity Framework



FNET – Human Rights Due Diligence reporting template		
Name		Date of completion Organisation
Name & role of most senior organisational lead for Human Rights/Ethical Trade:		Sustainability Reports/Modern Slavery Statement Links:
What are our human rights priority areas of focus? (by country/ region/ theme or combination)	e.g. we have identified x raw materials, or <u>operations</u> or countries as higher risk. Please simply describe the process you used to do this.	
Summary of key Progress made in last 12 months implementing HRDD approach, including <u>KPIs</u>		
Assessment of HRDD approach	Below Foundation/ Foundation/ Intermediate/ Advanced*	Summary of the 3-5 <u>identified</u> actions to close the gaps towards next level in next 12 months*
Policy and Accountability		
Traceability		
Risk Assessment		
Taking Action		
Tracking performance		
Remedy		
Communication		

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

- At previous meeting 11th July, we reviewed the draft FNET HRDD reporting template drawn on the M&S maturity framework & Nestle FLA HREDD Supplier assessment tool in small groups.
- Consensus was preference for the **FNET HRDD** reporting template with some additions.
- The version was sent for pilot for all FNET members and is on the [FNET website](#)
- Reviews take place in Q2 2024 with any change requests after practical use.
- Send any feedback to [Linda](#)



WASTE

Waste: meeting objectives

- To hear about some initiatives in waste sector understanding and addressing exploitation and human rights issues in waste sector
- To summarise FNET survey
- Identify next steps and ways of working



twenty**fifty**[®]

Indirect Spend Alliance Waste & Recycling



Human Rights – Overview Waste & Recycling

RISK OVERVIEW	RISK INDICATOR
Forced Labour	
Child Labour	
Discrimination	
Decent Work	
Health & Safety	

Low

[illegible]

Confidential Draft - Nov 2022

[illegible]

Overview of key human rights risks

Formal Vs Informal Sector

Vulnerable Rightsholders – Low skilled workers, often migrant workers

Higher Risk in Informal Sector but some risks do still apply in the regulated formal sector:



Modern Slavery & Forced Labour where waste is sorted



Child Labour is a risk in the informal waste sector in the Global South (particularly high reports in E waste)



Exposure to hazardous chemicals causing illness & damage to health



Occupational hazards caused by moving vehicles, heavy lifting

Waste pickers at risk when sorting – glass, needles etc



Low wages, long working hours

Who is working on this?

- IPHR Modern Slavery Tool Kit & Protocol (More on this later)
- <https://www.tearfund.org/stories/2023/01/securing-the-rights-of-workers-in-the-informal-waste-sector>
- <https://faircircularity.org/>
- The 3R Initiative (Reduce, Recover, Recycle)
- StEP (Solving the e-waste problem)
- IEMN (International E-waste Management Network)
- Global Alliance of Waste Pickers
- International Solid Waste Association (ISWA)

Key questions for you to understand

- What happens to your waste ? End to end tracking
- What are the exact processes involved?
- Is any waste being shipped abroad?
- Is there E waste recycling? Chemical waste recycling ?
- Which countries is your waste being processed in ?

Further reading / Case studies

- <https://faircircularity.org/app/uploads/2022/11/Fair-Circularity-Principles-EN.pdf>
- <https://www.tetrapak.com/en-gb/insights/cases-articles/reciclar-pelo-brasil-recycling-platform>
- <https://epr.globalrec.org/case-studies/>
- <https://www.hrw.org/report/2022/09/21/its-if-theyre-poisoning-us/health-impacts-plastic-recycling-turkey>



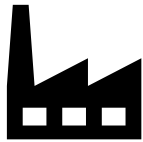
Coca-Cola Brasil, Cervejaria Ambev and Tetra Pak collaborate to empower waste pickers and boost recycling

Reciclar pelo Brasil (Recycle for Brazil), established in 2018 by Coca-Cola Brasil Cervejaria Ambev and waste-picker association ANCAT, is a collaborative corporate initiative to support selective collection and recycling in alignment with the Brazil's National Solid Waste Policy. The initiative, which Tetra Pak subsequently joined, works in conjunction with waste pickers' cooperatives across the country to enhance their working conditions, increase efficiency and productivity, and elevate the volumes of recycling materials, thereby augmenting waste pickers' income.

Optimizing The Circular Economy: Coca-Cola And BanQu

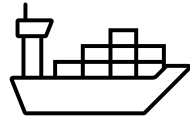
Overview of Carbon & Climate in waste & recycling

Where are the main sources of carbon in the waste sector? Waste & Recycling sector particularly challenging as it takes carbon & energy to recycle & prevent waste going to landfill so there are significant trade offs here



Processing
waste &
Anaerobic
digestion

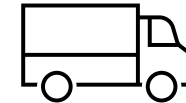
Energy in
Facilities



Shipping waste
overseas



Burning waste



Collection &
Sorting of
Waste

What are some of the opportunities to reduce carbon ?

- Energy from waste,
- Self Sufficiency of power,
- Decarbonising Fleets
- Eliminating waste being shipped overseas
- Green build of new plants
- Carbon capture
- Green heat

Indirect Procurement Human Rights Forum

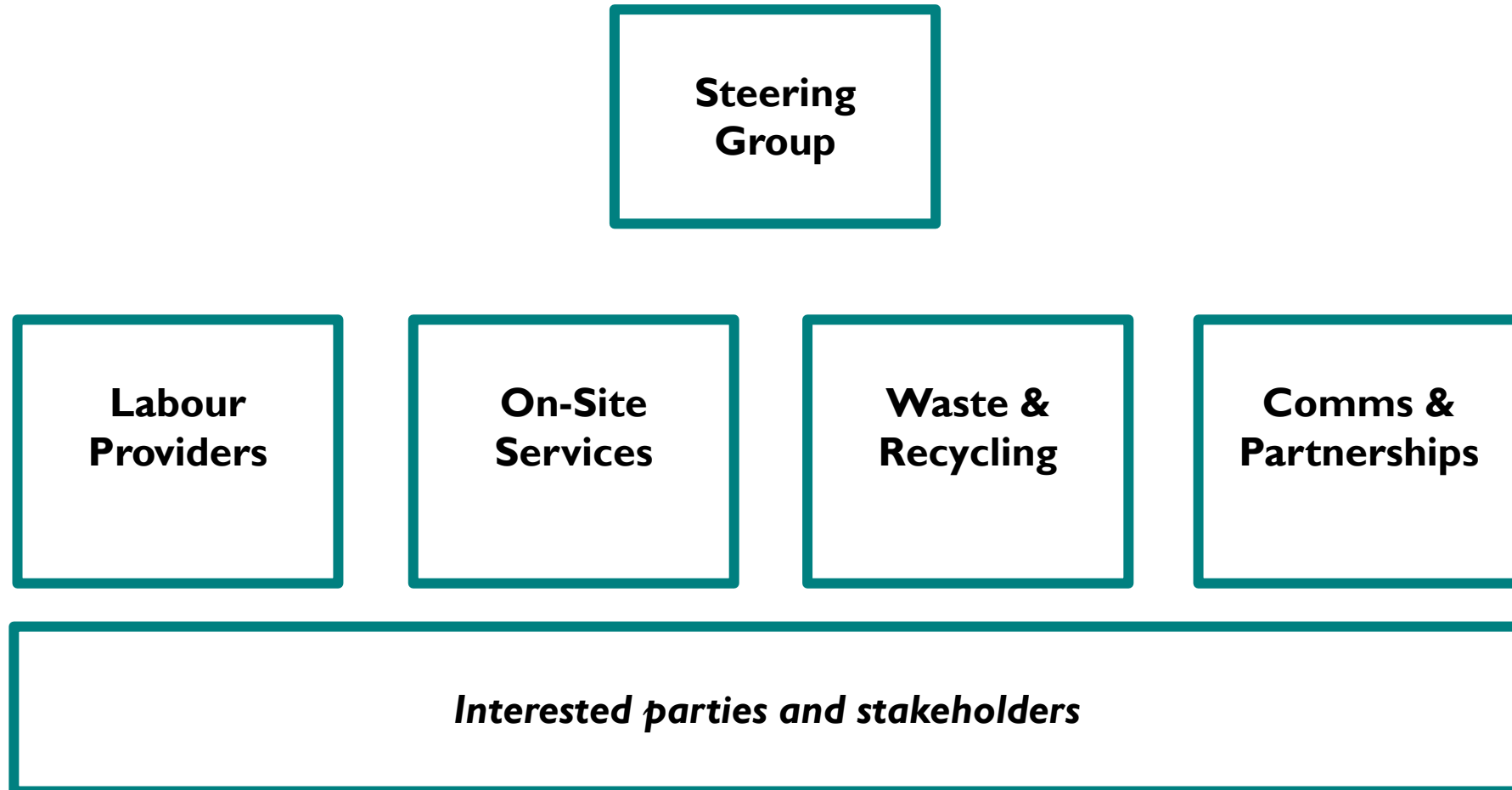
Who We Are



The IPHR Forum is a group of UK retailers, brands and manufacturers with a common vision to **protect and respect human rights** in our goods and services not for resale supply chains and facilitate collaborative responses to shared risks.



IPHR Structure & Working Groups



Waste & Recycling Working Group

Who We Are

The IPHR Forum Waste & Recycling Working Group was formed to enable the IPHR Forum to increase and prioritise activity to address human rights issues in the **waste & recycling sector**.

We are committed to **working in partnership** to address human rights issues through the **power of collaboration** and we believe that a cross-sector working group is necessary to effectively **understand, prevent and uncover human rights issues** in this sector.

IPHR Steering Group members:



with thanks to our Waste & Recycling Working Group members:



The power of collaboration – our commitment to working in partnership



Our aims

Highlighting the urgent nature and scale of exploitation

Mapping the processes and destination of waste streams

Sector guidance on spotting the signs, 'stepping in' and induction training



SLAVE-FREE ALLIANCE

www.slave-freealliance.org

UK Risks

Current Situation

- In the UK in 2021 12,727 people were identified as potential victims of human trafficking and modern slavery - +20% from 2020.
- 66% of victims that Hope for Justice / Slave Free Alliance worked with in the UK had worked at a recycling or waste facility during their time in exploitation
- The Gangmaster and Labour Abuse Authority (GLAA) has developed an [industry profile for the waste and recycling sector](#) which looks at a variety of factors including recruitment, location, how they are transported to the UK and their accommodation.

Future Risks

- Changes in consumer behaviour, impacting on recycling rates & packaging. More workers may be recruited, and workloads are likely to become increasingly demanding.

Concerns that:

- UK points-based immigration system may result in a [shortage of workers](#)
- Classification of modern slavery as 'immigration' issue may prevent victims coming forward

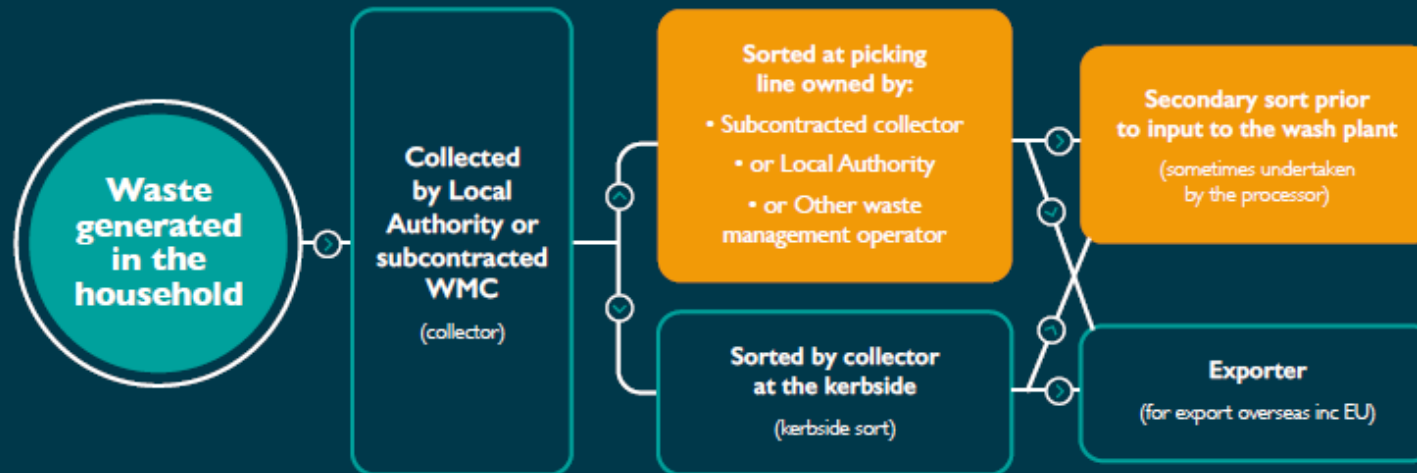
IDENTIFYING RISKS

HIGH RISK AREAS WITHIN THE SECTOR

High Risk Areas within the Sector

Generally speaking, the highest risk stage of a waste supply chain in relation to modern slavery and labour exploitation is where there is sorting or picking required and where the use of temporary labour is relatively high. The below flow chart and following information shows a high level view of common waste streams and where the greatest modern slavery risks are likely to be present.

Household Waste



*Areas in orange are identified as higher risk for occurrences of Modern Slavery to take place due to low paid, manual labour

LAUNCH OF MODERN SLAVERY TOOLS FOR THE WASTE & RECYCLING SECTOR

- **October 2021:** Launch of Modern Slavery Toolkit for the Waste & Recycling Sector
- **October 2022:** Launch of IPHR Waste & Recycling Working Group **Modern Slavery Protocol**



WASTE & RECYCLING MODERN SLAVERY TOOLKIT

What is included:

- An introduction to Modern Slavery
- The risks of Modern Slavery within the waste and recycling sector
- Practical Steps for Business – checklist for an effective management system
- Guidance for Human Resources, Procurement, Operations, CSR / Sustainability
- Additional resources
 - Labour Sourcing – good practice guide
 - What to do if you suspect or find Modern Slavery – escalation and remediation
 - Modern Slavery Policy guidance



[Modern Slavery Toolkit: Waste and Recycling Sector - Circular Online](#)

WASTE & RECYCLING MODERN SLAVERY PROTOCOL

What it is:

- A voluntary agreement
- A public pledge of commitment to work collaboratively to address risks
- A self managed protocol
- An outcome focused framework for action to embed responsible practices
- Mechanism for sectoral engagement, support and awareness raising
- Designed for the industry

What it isn't:

- A certification
- An externally audited programme
- A replacement for standard ethical due diligence



WASTE & RECYCLING MODERN SLAVERY PROTOCOL

Benefits:

- A way to demonstrate commitment to eliminating modern slavery and exploitation
- Support and shape your management of modern slavery and labour exploitation risks
- Help protect workers, improve employee retention and protect reputation and customer relationships
- A voice to shape change in the industry
- Best practice and networking opportunity with like-minded organisations and individuals within the waste industry



CALL TO ACTION

- Businesses need to give assurances, demonstrate compliance and explain their risk management process
- Complex issue, we can't solve it on our own
- Share the toolkit with suppliers: [Modern Slavery Toolkit: Waste and Recycling Sector - Circular Online](#)
- Call for organisations in the sector to sign up to the Modern Slavery protocol
- Share one or more of the available resources (email banner, poster or logo) to demonstrate commitment
- Promote through social media channels
#wastesectorsayszero
- Share the Protocol:
<https://www.circularonline.co.uk/wp-content/uploads/2022/10/IPHR-Waste-Recycling-Modern-Slavery-Protocol.pdf>



FNET: work in Q1

Agenda

Approximate timingS	Item
11.00 – 11.05	Introduction
11.05 – 11.30	Presentation & discussion on proposed working group plan for 2023
11.30 – 11.55	Human Rights Impact Assessment Overview on Pork & Lamb – Andy York, Pilgrim's Pride
11.55– 12.00	Break
12.00 – 12.10	Context setting on waste management and human rights
12.10-12.20	Oliver Hurrey, Founder, Galvanised
12.20-12.30	Eliza Chanin, Compliance Manager, <u>Reconomy</u>
12.30-12.40	Member presentations: Louise McCafferty, Head of CSR, Joseph Robertson
12.40-13.00	Discussion & Close



FNET Survey Results Feb 2023

Do you include questions about workers in your audits?	1 "no" and 1 "we plan to"
Do you know if your waste provider has done risk assessments and looked at <u>labour</u> ?	3x no & 1 maybe
Have you included waste management services in your supplier human rights risk assessments?	4x no and 1 x yes
Is a commitment to <u>labour</u> rights in your code of conduct?	4 X "yes" (in other) and 1 x we have Supplier Expectations which doesn't form part of the waste contractor onboarding
What are your greatest concerns?	Forced <u>labour</u> / <u>labour</u> exploitation in the recycling sector, poor health and safety standards
What would be useful to know?	Labour practices in waste management companies

Resource Note on Human Rights and Waste Management

February 2023

Summary

The waste and recycling sectors are complex with long supply chains that can incorporate many different actors, brokers and types of management processes. Both sectors have relatively low visibility and workers can be engaged in both informal and formal employment in regions across the world.

Some of the human rights risks associated with the sector are around:



June-July 2023: Survey Results: waste management

9 respondents

Companies in common: Biffa

Other companies mentioned: Keenans, EIS, Pelagia, Whites Recycling, Silverwood Waste Management, Packaged Feeds Ltd, Elite Recycling, T&B Containers, Veolia, Eurokey and Veolia, Wylie

Feedback on contact regarding ethical assessments

"We have not tried to include waste contractors into our supplier management as yet, we ask for certifications/licences and Modern Slavery statement and ask if on Sedex but don't push for this"

"We have sent info to them, but with no response"

"Not interested"

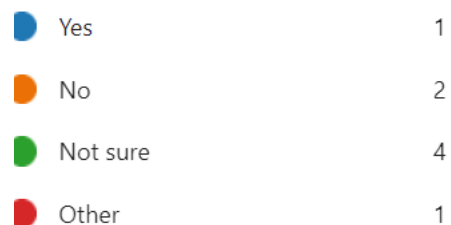
"Basic"



Company engagement

Do any of the companies engage on ethical trade issues?

[More Details](#)

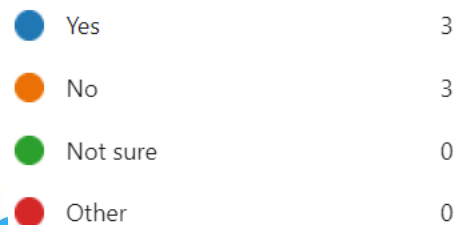


. Do any of the companies engage in the following actions?

Complete Sedex SAQ	0
Have policies relating to human ...	0
Have a modern slavery stateme...	0
Carry out ethical audits at their ...	0
Other	0

i. Have you tried to engage with any of your waste management services companies on ethical issues?

[More Details](#)



Key ethical concerns regarding waste management

"None, spoke with employee who said working conditions are as expected, more than minimum wage. Conditions can be less than ideal but waste product will not smell like roses and expected to get dirty."

"No visibility of the companies strategy and actions regarding human rights outside of their modern slavery statement online. What are industry standards and best practice?"

Trafficking

Compliance with RTW

Modern slavery

Wages/ low pay

Sub-contracting & lack of transparency

Working hours

Labour rights

Waste journey

Hazardous working conditions

Compliance with RTW,

Suggestions for FNET

Understand which waste management streams have the biggest risk

Collaborate with waste management companies to risk assess and set reasonable expectations for suppliers

Similar to the road haulage objectives

Be practical

Learn from the work done in the IPHR forum and reconnect with those companies

Discussion

What would be useful for FNET members on waste?

Should/can we use a combined approach for different sectors?

Who needs to be in the room?

What are member next steps?

What are FNET's next steps?



Agenda

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14.00 – 14.15	Road haulage update and next steps
14.15 – 14.30	Workplan and summary of 2023
14.30 – 15.00	Discussion & close

Road haulage update

2023

1 x meeting on logistics – presentation from ITF, Stronger Together, case study on risk assessment logistics (Asda)

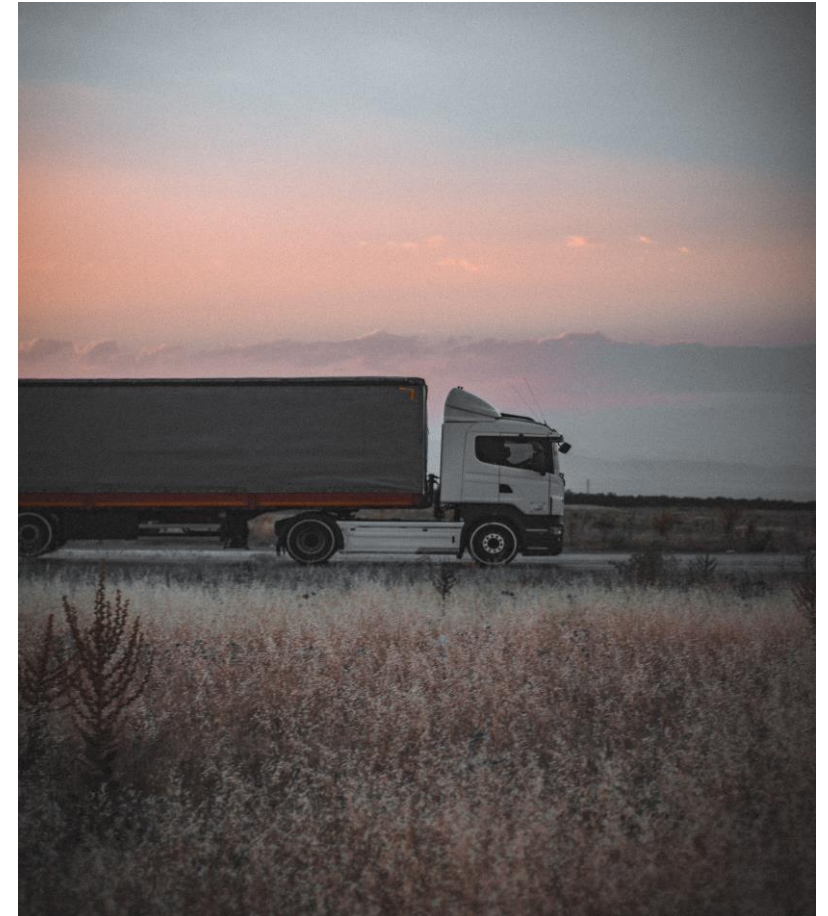
1x meeting on road haulage – 2 x case studies on logistics (Vestey) and GNFR (Sainsbury's), presentation from ITF

1 x survey on haulage

1 x meeting with haulage companies & letter with Sedex request

2024

- Possible meeting on Thursday 21st March 11-12.30 with haulage companies
- - invite Sedex to present their work on Service providers SAQ
- Eddie Stobart has done some work?
- What else would be useful
- Any feedback on Sedex letter?



Raw Materials & Services Working Group

Potential member commitment: #Increased knowledge of human rights issues in waste management systems, #Increased knowledge of human rights issues in logistics, # Increased capacity of members to tackle human rights issues on waste and logistics

Summary

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

Outputs

- Q1 and Q4 focus on waste management & human rights
- Guidance/Best practice note on waste management
- Q2 and G3 focus on logistics.
- Member outreach to haulage suppliers and meeting with road haulage companies – 9 attended and as follow-up sent letter asking them to join Sedex.

➤ Deep-dives

- Q1 Lamb & pork
- Q2 China
- Q3 UK fishing visas

Working Group Leads



Louise McCafferty
Joseph Robertson



Rachel Hackett
2SG

Board representative



Andy York
Pilgrim Pride

PMM – Suzanne Natelson

Raw Materials & Services Working Group

Potential member commitment: For each member to engage with service provider or do a deep-dive.

Summary

- 2024-25 focus on 2 topics; road transport & packaging
- Each working group meeting will include a deep-dive by a member on one **raw material** or **specific supply chain**.

Outputs

- Summaries of deep-dive subjects & resources.
- Specific guidance tools produced and increased collaboration with the road haulage sector e.g. event with IHRB/S2G, companies join Sedex and do a SAQ.
- Guidance on packaging

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

Wordcloud Poll 36 responses 28 participants



Working Group Leads



Louise McCafferty
Joseph Robertson



TBC

Board representative



Andy York
Pilgrim Pride

PMM – Suzanne Natelson

Raw Materials & Services Working Group

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

- Understanding Packaging raw material human rights risks (Paper, Wood, Plastic, Glass, Aluminium etc.)
- Deep Dive/webinar - onions?
- Road Haulage workshop

Output

- Summary of Packaging Human rights risks
- Summary of DD

Q2

- Sharing member case studies on Packaging suppliers
- DD/Webinar on security
- Road Haulage WG meeting (potential collaboration with IHRB/S2G)

Output

- Summary of security DD
- Roadmap for Road haulage

Q3

- WG on packaging
- Deep Dive/webinar TBC

Output

- Guidance on packaging supplier management. Checklist for risk assessing packaging suppliers
- Case studies
- Summary of DD

Q4

- Final WG on haulage? Or Security DD?
- Deep Dive/webinar TBC

Output

- Guidance on Road Haulage and established network
- Summary of DD

Expected member actions ?? /Impact measures: # of members who have included service provision in dd approach – e.g. waste, other raw materials, haulage/packaging
Increase in number of service providers who have done an ethical audit/risk assessment
Deep dive - # members who have used a deep dive to further their due diligence approach. Will measure in end of year survey – whether member read guidance and what they did. Potentially produce case studies on action.

Budget: £5000 – support for guidance writing and potential workshop.

Which deep dive topics to focus on?

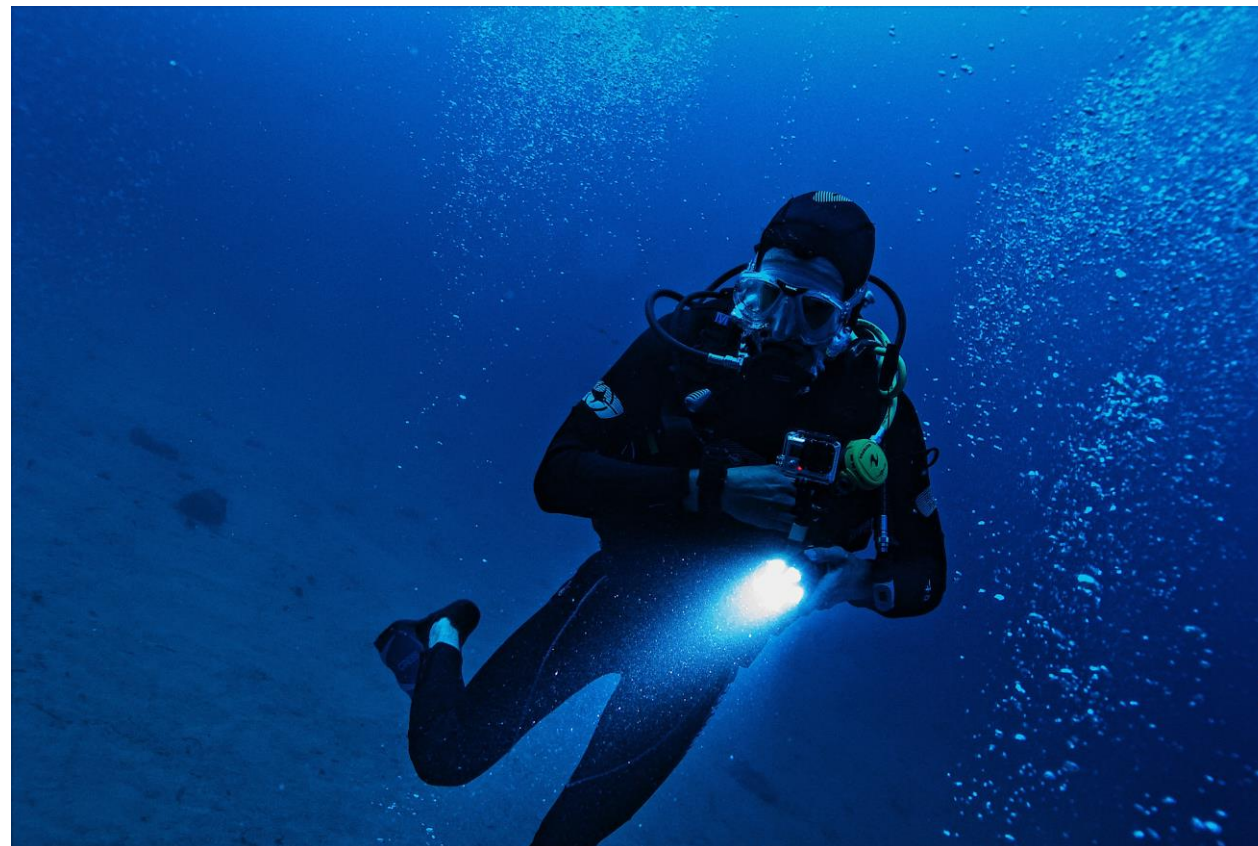
How do we decide deep-dive topics and what does it entail?

Can people do a joint deep-dive?

How do we work with Common Due Diligence Tools working group?

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

Wordcloud Poll 36 responses 28 participants



Next steps

Next working group meeting Thursday 18th April 2024 1-3pm – packaging?

In-person meeting?

Workshop on services?

What next on waste?

Who else needs to be in the room?

