



Sourced WITH Care

PROGRESS REPORT 2018
TWININGS





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Meet the team



Céline Gilart
Head of Social Impact



Bipul Borah
Ethical Sourcing Manager
India and Sri Lanka



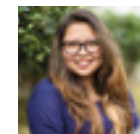
Peris Ochieng
Ethical Sourcing Manager
Kenya and Malawi



Hubert Chen
Ethical Sourcing Manager
China and Indonesia



Gabriella Wass
Social Impact Manager -
Human Rights



Sweekriti Pradhan
Ethical Sourcing Executive
India and Sri Lanka



Priscilla Zhu
Ethical Sourcing Coordinator



Katherine Harvey
Social Impact Coordinator

Sourced with care

Our vision

The opportunity for a good life in communities where we source our materials.

With our Sourced with Care programme, we have a unique approach to assessing conditions in our supply chain which goes beyond traditional auditing practices. This way, we can develop tailored interventions that deliver tangible benefits and empower communities so they can build better futures.

Céline Gilart, Head of Social Impact, Twinings

OUR CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS

We support the United Nations Sustainable Development Goals (SDGs) in their ambition to achieve a better world for all. Through our work on the ground and in our supply chain, we contribute to the following SDGs:



Our focus areas



Empowering women and youth through health and education.



Protecting workers' rights and improving incomes.



Enabling better living conditions.

Our goal

Improve the lives of **500,000** people in communities where we source our materials by **2020**.

352,159 people impacted so far.

Where we can make a difference

All around the world, people grow, make and process materials upon which our business depends. This gives us the opportunity and responsibility to act as a 'force for good' and change lives for the better, helping us build a stronger, more secure supply chain.



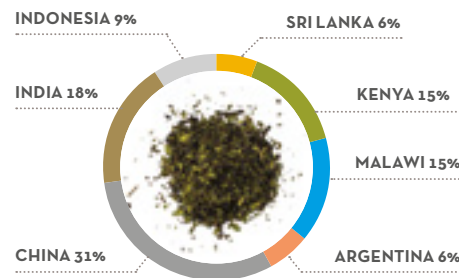
1 Growers

100 different plants sourced from more than 30 countries around the world for our herbal teas and infusions.

160 tea gardens sourced from based on quality and ethical standards.



TEA VOLUME PER COUNTRY



Tea

Twining does not own any plantations and never has done. Instead, we buy tea from producers around the world. We currently source tea from 160 carefully selected tea gardens, based on quality and ethical standards. These include both large plantations and smallholder farms.

Our restricted list enables us to have more influence over conditions and to drive improvements.

We have full traceability for all regions, which means we know exactly which tea estates and gardens we source from. Most of our tea is bought directly from the producers, with only around 10% bought in auctions.

Herbal and fruit tea

We source over 100 different plants grown in more than 30 countries around the world for our herbal teas and infusions. These include peppermint leaves, camomile flowers, rooibos, cinnamon, blackberry leaves, fennel, hibiscus flowers and ginger, which are cultivated in plantations and smallholder farms or grow naturally in the wild.

Due to supply chain structures, the wide range of ingredients and the relatively small volumes, achieving full transparency is more challenging and that's why it's something we're prioritising.

2 Suppliers



During the growing season, **tea leaves** are taken every day to a factory located on the tea estate, or nearby for smallholder farmers. The leaves are then dried and processed, before being packed and shipped.



Fruits, herbs and spices are harvested or collected, then processed in-country where they are dried and cut. The ingredients are then sent to our processors, who prepare and blend them according to our predetermined standards and test them for safety.



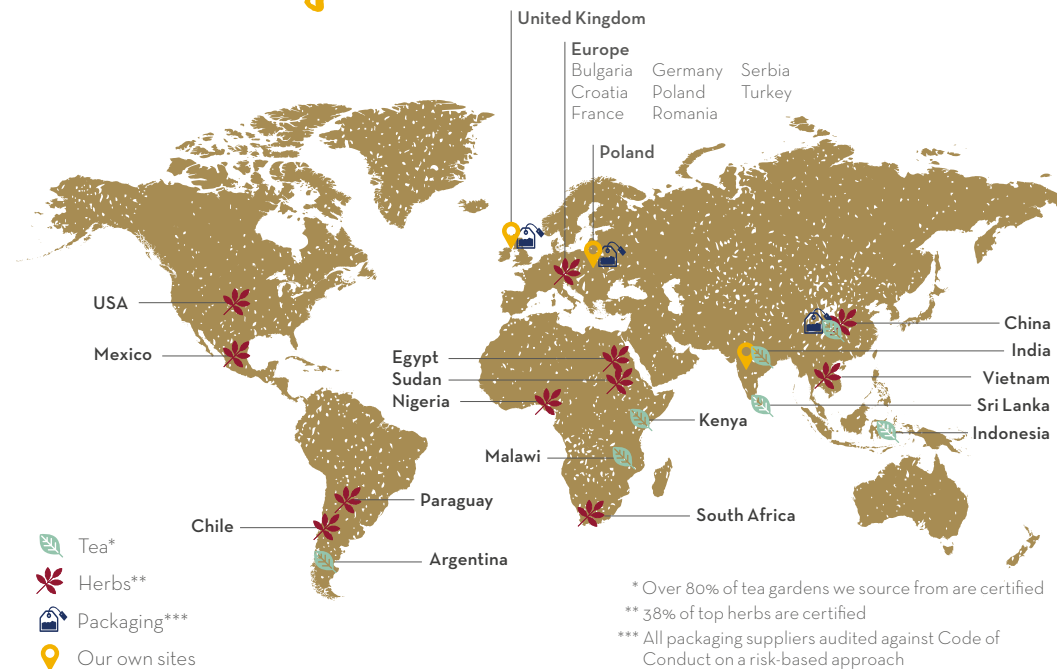
We also source **non-agricultural products** such as packaging items, tins or wooden presentation boxes, tea bags and tea cups that enable us to manufacture, sell and market our products.

3 Twinings



Twinings' own factories receive the teas and blend them with expertise to our special requirements. These are based on taste profile, which may vary depending on the weather or from one estate to another. For example, a single blend such as English Breakfast or Earl Grey may comprise teas from 10 gardens.

Twinings has supply centres in Poland, the United Kingdom and India, with commercial teams in many more markets.



How we are driving change

Sourced with Care improves the quality of life in communities from which we source. We achieve this through laying solid foundations by ensuring that ethical sourcing industry standards are met. But this is just the start. We go beyond established ways of working to deliver tangible benefits for communities and address wider issues for our industry.

352,159
people impacted by
our Sourced with
Care programme.

GOING ABOVE AND BEYOND

At Twinings, we recognise that we have the ability to drive positive change in our supply chains around the world. Our Sourced with Care programme aims to improve the lives of communities from which we source.

We know there are many issues, including modern slavery, gender inequality, low income for smallholder farmers and poor living conditions, but our unique Twinings Community Needs Assessment (TCNA) helps us understand local conditions and demonstrate what is possible to improve them. I am really proud of

the fact that our interventions have already benefited so many, including more than 34,000 young women in Assam alone.

Of course, we are only part of the solution, and working with others to catalyse change within the industry is essential.

Our efforts to improve conditions in the tea industry are central to the way we do business at Twinings. It is something we all feel very strongly about.

Bob Tavener, CEO



Driving change



Understanding community needs
Code of Conduct and Certification
Collaboration for change
Tailored projects

Sourced with care



SETTING SOLID FOUNDATIONS

For Twinings, responsible sourcing begins with ensuring that safe and decent working conditions in factories, gardens or farms are achieved, and that people in our supply chain are treated well, in line with international labour requirements. Our commitment to ethical sourcing has been integrated into our standard business practices, and our global buying teams receive regular training on the Code of Conduct, Ethical Sourcing Programme and modern slavery.

We monitor compliance through regular audits against our Code of Conduct for non-agricultural supply chains and sustainable independent certification for tea and herbs.

Over 80% of the tea gardens we buy from and 38% of our volume of key herbs¹ are certified by international sustainability standards (such as Fairtrade, Rainforest Alliance, UTZ Certified, or Fairwild). Several specific ingredients such as rooibos and cinnamon already come from almost entirely certified sources.

We also conduct regular audits of packaging sites in our supply chain. We have audited 100% of our high-risk sites and 97% of them have been approved, meaning they have no significant non-conformances.

As a founding member of the Ethical Tea Partnership (ETP), an organisation working with tea companies and retailers to improve conditions in the sector, we have been able to raise core standards and continuously enhance working practices.

¹ Peppermint, orange, fennel, camomile, ginger, cinnamon, lemongrass, apple, hibiscus, linden, rooibos, spearmint, lemon peel, liquorice, rosehips and blackberry leaves.



OUR UNIQUE APPROACH TO UNDERSTANDING COMMUNITIES' NEEDS

The Twinings Community Needs Assessment (TCNA) is designed to help us understand the needs of farmers, workers and communities in our supply chains. It is a detailed, holistic participatory framework, developed in consultation with expert organisations including Unicef, WaterAid, Solidaridad and GAIN.

TCNAs cover 10 areas we believe are important elements of improving the lives of communities in our supply chain:

- Housing
- Water and sanitation
- Health and nutrition
- Gender
- Children's rights
- Land rights
- Livelihoods
- Natural resources
- Farming practices
- Working conditions and relations

TCNAs are conducted by our Social Impact team on tea gardens from which we source and are being progressively rolled out to the herbs supply chain.

To date, they have been conducted in China, India, Indonesia, Sri Lanka, Kenya, Malawi, Sudan, Chile, South Africa and Egypt.

The assessments provide the basis for an action plan with producers to address

human rights issues and community needs. We believe that having a deeper, first-hand understanding of the issues will help us decide how best to address them through appropriate interventions, and support producers to have the greatest impact on tea communities.

In 2017, we undertook our first company-wide human rights risk assessment. Find out more in the [Governance section](#).

It is fantastic to see Twinings going beyond compliance in its approach to human rights due diligence. Through the community needs assessments, Twinings is engaging with the communities they source from in order to better understand the situation for women, children and workers, enabling them to develop innovative partnerships to tackle systemic challenges.

Charlotte Williams, Head of Child Rights and Business Engagement, Unicef UK



DELIVERING TAILORED PROJECTS

Once we have a strong understanding of communities' needs, we are able to address them through tailored interventions – showing other stakeholders that social conditions on tea estates can be improved while keeping the tea industry thriving. Some of our projects, such as clean-cook stoves and access to water, have already been scaled up by other stakeholders, while lessons from our work with Unicef have been used to create a case for expanding another programme in Assam, India, and securing additional support from the industry.

55,714 women reached by health initiatives.

5,342 people received training to increase their income.

46,683 people adopted or gained access to clean and efficient energy.



CATALYSING CHANGE

Industry-wide change will only happen if all our work can be scaled up and leveraged. We partner with organisations to help tackle the broader structural challenges affecting the tea sector. Our trusted local partners are experts on the issues they work on as well as the communities they work in.



We also support advocacy efforts with governments. Twinings support for Unicef in Assam, India, has enabled Unicef to strengthen its working relationship with the government in Assam, which has resulted in Unicef being able to provide training and technical support for social workers, health officers, teachers, police and government services. The outcome of this is a stronger child protection system – not only in tea communities but across the state. In Yunnan, China, Save the Children has presented the findings of our approach to the Minister of Health to replicate the model nationwide.

Twinings' partnership with CARE in Sri Lanka and Malawi is at the forefront of social innovation and has the potential to create sustainable, industry-wide change. Together, we are establishing powerful models for community empowerment and positive social development.

Laura Hawkesford - Head of Private Sector Engagement, CARE UK





Life opportunities

EMPOWERING WOMEN AND YOUTH THROUGH HEALTH AND EDUCATION

When women and young people thrive, so do the people around them and wider society. We support women and children in our agricultural supply chains so they can act on choices they make, are protected from violence and harassment, and have equal access to opportunities and better health. By doing so, we can contribute to a virtuous circle where women are empowered and give the next generation the tools to fight poverty and prevent diseases.

OUR PERFORMANCE TO DATE

13,055

women and girls taken part in life skills development initiatives, an **85% increase from 2016**

55,714

women reached by initiatives to improve their health, a **54% increase from 2016**

10,817

women and girls accessed **safety initiatives**

17,599

children supported through health interventions

Our work to empower women and young people supports the UN SDGs:



Women's health and empowerment

Women form most of the workforce in tea gardens and smallholder farms but often lack access to basic health information and services, as well as critical skills needed to live empowered lives. This can not only have serious detrimental effects on their health but, as our TCNAs have found, can also cause economic challenges such as pressure on family finances due to high fertility rates and low productivity and income. Through our Sourced with Care programme, we are in a unique position to reach thousands of women with the health and empowerment information and services they need to improve their lives.

STRENGTHENING OUR SYSTEMS TO EMPOWER WOMEN IN OUR SUPPLY CHAIN

We have worked with BSR (Business for Social Responsibility) to review our systems and policies, including our Code of Conduct and TCNA framework, self-assessment questionnaire and supplier guidance documents, to ensure they take account of gender-specific issues.

For example, this will ensure we take account of the many obstacles women face. For example, women often have other household and family duties after work, so if they are to have the same access to training opportunities as men, it is essential that training sessions are organised during working hours and not after. This approach will also raise awareness among suppliers of the importance of looking at these issues, while also promoting practices and systems that empower women in supply chains.

Twinings is also a member of BSR's Business Action for Women, a platform bringing together a wide range of businesses to address and progress women's rights in supply chains.

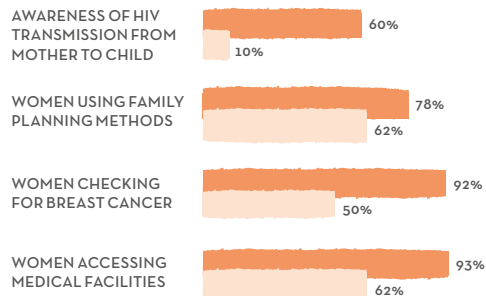
INCREASING HEALTH AWARENESS IN KENYA

Female tea workers in Kenya often have limited awareness of health issues, such as reproductive health and family planning, sexually transmitted infections, menstrual hygiene, pre- and post-natal care, nutrition and non-communicable diseases. They also have little access to key health services. We've partnered with BSR since 2015 to deliver the HERhealth project to smallholder farmers and tea workers. HERhealth trains peer health educators to raise awareness of essential issues among women workers. To date, we've reached over 7,000 women farmers and workers across five sites. These services not only help women to be healthier, but provide greater security for them and their families.



IMPROVEMENT IN WOMEN'S HEALTH AWARENESS FOLLOWING TRAINING

■ Post-training
■ Pre-training



We are also advocating the importance of investing in women's health and conducted workshops with producers to integrate the approach within their own systems and procedures. Investing in women's health has also shown returns for business, with less absenteeism, increased productivity and better worker/management relationships.

In 2017, Twinings announced a commitment to reproductive health and family planning programmes at the London Family Planning Summit, aiming to reach 40,000 women in Kenya by 2020.

DELIVERING HEALTHCARE ACCESS TO WOMEN IN INDIA

In Assam, India, a lack of health support for women tea workers has serious consequences, such as a high maternal mortality rate.

Twinings has been working with Unicef in the region since 2010 and is signatory to the Unicef/ETP Commitment for Women, Children and Families in Tea Communities in Assam. The commitment sets out the shared principles and collective goals that buyers, packers, producers and concerned stakeholders commit to upholding and pursuing in support of the children, women and their families in the tea gardens. These include better access to equal employment opportunities and maternity benefits for women workers, and that lactating women are better able to breastfeed in safe spaces without being penalised for taking time out of the working day.

At the beginning of 2018, we extended our programme with Unicef in the region to deliver better access for women to good-quality maternal health services in local hospitals and clinics in order to reduce maternal mortality rates. We are also working to raise women's awareness of the support they can receive, such as crèches, helping young mothers return to work and encouraging breastfeeding.

Find out more about our work with Unicef in the [Helping young people achieve their potential](#) section.

JOSEFINE'S STORY

Josefine, a Kenyan tea farmer, is a widow with seven children. Looking for ways to help her manage, Josefine was keen to learn and to help others do the same, and so became a peer health educator for HERhealth. After receiving training on a variety of health-related topics, Josefine encouraged her friends and neighbours to attend the mobile medical camp Twinings organised at the end of the training. She is now passing on what she has learned to her grown-up children.

I feel grateful and lucky having attended HERhealth training, which has opened my eyes to take health-related issues with the seriousness they deserve. I am lucky that I got the opportunity to be checked for cancer. Since I got a negative result, I have decided to take good care of my health and that of my family by eating a balanced diet as well as spreading the information to anybody I meet.



Helping young people achieve their potential

Children living on their family farms in tea communities or with their parents who work on the tea estates often lack access to quality education, child protection measures, knowledge of their rights and adequate health facilities due to the remoteness of these places. From ensuring girls and boys go to school to taking steps to prevent malnutrition and disease among children, we are working to give children in tea communities the best start in life.

EMPOWERING YOUNG PEOPLE IN ASSAM, INDIA

Since 2010, we have been partnering with Unicef to improve the nutrition, overall health and opportunities for young people living in tea gardens. The lack of access to education, early employment opportunities and robust child protection measures means that adolescent girls are more likely to enter into marriage at a young age. This, combined with high rates of anaemia, often leads to teenage pregnancy and high maternal mortality rates.

Our programme has established several Adolescent Groups, through which girls in particular benefit from weekly life skills training sessions (interpersonal, critical thinking, confidence and self-esteem).

As a result, they are now more confident and can make informed decisions, access better opportunities, and protect themselves and their peers from all forms of harm. The groups also discuss issues such as gender-based violence, and gender and sexuality.

Child Protection Committees set up in each garden have equipped community members with skills to protect children from violence, exploitation and abuse.

We have also been facilitating the enrolment of high-potential girls from tea gardens into university with the Asian University for Women and the Indian Tea Association.

ADOLESCENT GROUPS FOUNDED THROUGH TWININGS' PROGRAMMES INVOLVING 63 GARDENS

GIRLS

142

groups with 10,817 active members



BOYS

46

groups with 1,687 active members

Over the last three years, 68% of the school drop-outs identified have been re-enrolled into schools and 52 cases of child marriage have been averted.

The project has also seen a 21% decline in the prevalence of anaemia following community-based interventions. These include monthly nutrition and health education sessions (from anaemia prevention and dietary diversification to improved hygiene practices), cooking demonstrations and counselling to improve iron and folic acid supplementation compliance. Kitchen gardens and health food shops have also increased community access to affordable and nutritious food.

Twinings' interventions have reached more than **34,000** young women in Assam to date, with programmes centred on nutrition, empowerment and child protection.



BINITA'S STORY

Binita, 15, lives in a tea garden in Assam with her parents and younger brother. She is an active member of the local Adolescent Girls Group (AGG). Through the AGG, the girls play a key role in the community by empowering others.

Being a part of an AGG has boosted my confidence. It has also given the girls of my community and tea estate a platform to discuss, share and learn about topics such as menstrual hygiene, which is still considered a taboo in our society. My mother is a tea plucker and in her profession, drinking salt tea was a practice to quench thirst during plucking in the field. Through the nutrition awareness sessions, I learnt that too much salt tea is not good for health, especially for anaemia and high blood pressure. I have shared this information with her and her friends know about it too.



IMPROVING CHILDREN'S HEALTH IN CHINA

Cangyuan, in Western China's Yunnan province, is an important sourcing location for Twinings tea. It is also a very remote, rural region with a high child mortality rate and lack of access to basic services. Since 2014, with our long-term partner Save the Children, we have focused on reducing the mortality rate of infants and supporting their parents. Thanks to the training of village healthcare providers, improvement of facilities, and community awareness on breastfeeding, hygiene, and nutrition, more than 7,000 children have been directly impacted. We now aim to reach an additional 5,000 children through the new phase of the programme, which will focus on feeding practices for infants and young children.



In 2018, fundraising activities by employees enabled us to support three schools in India, Kenya and Malawi (400 children in total) by providing much-needed furniture, equipment and books.



Livelihoods

PROTECTING WORKERS' RIGHTS AND IMPROVING INCOMES

A stable income, with enough to meet their needs and those of their families, is essential for workers to have a decent quality of life. Through our supply chain, we contribute to the employment of many people on tea estates, farms and factories as well as to the livelihoods of many smallholder farmers. We've made livelihoods one of our key focus areas - so people in our supply chain receive a living income and can break their cycle of poverty.

OUR PERFORMANCE TO DATE

5,342

people received training to increase their income

1,176

people reached by financial literacy and inclusion programmes, an almost **threefold** increase since 2016

Our work to protect workers' rights and incomes supports the UN SDGs:





Striving for a living income

Without a proper income, farmers and their families can become trapped in poverty and unable to thrive. To find out more, Twinings co-commissioned in 2013 an in-depth analysis of pay and benefits. The resulting report, *Understanding Wage Issues in the Tea Sector*, highlighted that in Malawi, while tea estates are paying above the legal minimum wage and providing a range of other benefits, wages were under the World Bank extreme poverty line of US\$1.25/day and the standard of living was extremely low.

PROMOTING A LIVING WAGE IN MALAWI

Since 2015, Twinings has been working as part of Malawi Tea 2020, a coalition of industry partners, unions, government agencies and non-governmental organisations (NGOs). Led by the Ethical Tea Partnership (ETP), the Sustainable Trade Initiative (IDH), Oxfam, the Tea Association of Malawi (TAML) and GIZ (German Development Agency), the programme aims to create a competitive Malawian tea industry in which workers receive a living wage and farmers thrive. Malawi Tea 2020's roadmap focuses on drivers such as training farmers in good agricultural practices, improving the wage-setting process through greater worker representation in unions, supporting healthier workforces through the provision of fortified meals and providing greater opportunities for women.

The first ever collective bargaining agreement for the Malawi tea industry, in 2016, provided a big wage increase for tea workers, followed by others in 2017 and 2018.

However, inflation remains very high in Malawi, and erodes the purchasing power of wage increases, making closing the gap to a living wage difficult. At Twinings, we will continue ensuring we provide a fair price to producers that enables them to work towards payment of the living wage.

DIVERSIFYING INCOMES IN MALAWI

Following on from the Twinings Community Needs Assessment (TCNA) conducted in our supply chain, we aim to increase opportunities for workers, farmers and especially women to improve their livelihoods. Due to the seasonal nature of tea growing, most workers are temporary, working and earning an income from December to May. The dry season provides no work, and very few farmers have an alternative way of earning a living. As a result, tea farmers in Mulanje sometimes go the whole day without food, as identified during our TCNA. The average size of farms is small, so it is also hard for families to grow their own food.

To help address this, we have partnered with CARE International in Malawi. Working directly with up to 3,500 tea growers and workers across the tea estates from which

we source, we aim to give communities the tools they need to identify their own priorities in support of diversifying their livelihoods, and to encourage women's economic empowerment. Our focus is on providing training on household financial management, gender-equitable decision-making, and life skills and confidence-building for women workers, along with building gender-based violence awareness. We are also supporting communities to increase their knowledge and production of nutritious food, for improved nutrition as well as additional income opportunities. This will especially help farmers during the dry season when there is limited food available.

Our programme in Malawi with CARE will support up to **3,500** tea farmers and workers.



FARIS'S STORY

Faris is a former tea plucker in Malawi, with five children. When her husband left her with two children at 24, she found work as a tea plucker. But when she later remarried, her husband forced her to leave her job.

Faris wants to go back to her former work, as this would boost the family's income, helping provide for the children's education, and improve the family diet and access to medical services. She is looking forward to being engaged in the Twinings/CARE International programme, which can empower her and other women, so they can gain financial independence through their own income and improve their family income.

Finding work was a life-changing opportunity for me, as I could feed my family and take my kids to school and provide for medical needs. Some women whose husbands leave them are forced to sell their bodies to get money to provide for their kids, and then can get HIV or other diseases.



Creating dialogue

At Twinings, we believe organisations thrive when management and employees have open communications and can discuss issues and develop solutions together. It is particularly important that workers have access to effective grievance mechanisms. We expect our suppliers to put these in place, and we check their processes throughout our audit process and TCNA.

IMPROVING RELATIONS IN SRI LANKA

Labour relations on Sri Lankan tea estates remain challenging and sometimes hostile. Workers lack the means to redress grievances with their employers, which has serious repercussions, including frequent workforce unrest and low productivity.

To address this, in 2017 Twinings partnered with CARE International to build on the Community Development Forums (CDFs) developed by CARE. The CDFs are an open space for sharing and debate, providing new communication and dialogue channels between workers, management, trade unions and the broader community. This enables collective decisions about community development priorities and transparent negotiations on working conditions. Importantly, women are given an equal opportunity to participate and hold office in CDFs, ensuring the views of the largely female workforce are represented. Together

with CARE International, we are extending the programme to seven tea gardens, benefiting up to 16,000 community members.

Once the CDFs are established, the programme will build the members' capacity in collaborative discussion and decision-making, and help them formulate and implement estate development plans. In the long run, the CDFs give workers the tools to improve their working environment and their quality of life.

The UN Guiding Principles on Business and Human Rights (UNGPs) highlight the importance of enabling access to a grievance mechanism for workers, and of remediating issues when they occur. The Community Development Forums help make this a reality on tea estates in Sri Lanka.

SASI'S STORY

Sasi is a trade union leader at a tea garden participating in a CDF project supported by CARE and Twinings in Sri Lanka. When a disagreement arose on his estate between a worker and a factory officer, the factory quickly came to a standstill. With the estate manager away, Sasi used the problem-solving skills he had learned to calm the situation. Through dialogue and an unbiased approach, he convinced workers to return to work until the estate manager could return and carry out a proper inquest.

The employer–employee relationship on this estate has improved tremendously thanks to the CDF. I have completely changed myself after receiving training on communication, leadership, problem solving and gender. Now I know how to communicate effectively with peers and managers. When you are unbiased, it is easy to identify and solve problems.



Promoting new skills

In many parts of the world, smallholder farmers struggle to make a decent living, due to the size of their plots, lack of farm inputs such as fertilisers, limited knowledge of good farming practices and changes in weather patterns. In addition, due to seasonality in some regions, tea may only constitute part of a family income.

PROMOTING ENTREPRENEURSHIP IN INDIA

In Darjeeling, only 30% of tea estate residents have permanent employment – and the shrinking local economy means there is little work outside the tea industry. Twinings has been supporting an innovative pilot income-generating scheme based on dairy farming. To date, 160 people from tea communities have been supported to become dairy farmers and improve their cowsheds, thereby improving the quality and yield of dairy products as well as reducing the maintenance costs of both cattle and infrastructure.

This has led to a 10% rise in the farmers' household incomes, enabling them to invest in their children's education and obtain more nutritious food for their families.

IMPROVING AGRICULTURAL PRACTICES IN CHINA

In China, many of the tea growers we source from are located in remote mountainous areas in Yunnan and Hunan, where they face a range of challenges – from limited access to basic services to a lack of knowledge of good agricultural practices. Twinings has been supporting Farmers Field Schools, and has recently started working directly with 5,000 farmers to increase their income and improve their livelihoods.

Through our partner the China Foundation for Poverty Alleviation, we are training farmers to increase their productivity and quality, as well as diversify their income – for example, through beekeeping or animal rearing. We also connect them to markets for their new products and organise farmers into groups so they can benefit from economies of scale. This work is just starting, but we believe it will provide much-needed additional income for these remote communities.

ZI YI'S STORY

Zi Yi Rong and her husband, Li Kaichang, are tea farmers in rural China (Yunnan). They look after their three-year-old grandson, as their son and his wife have migrated to an urban centre on the other side of China for work due to lack of opportunities in the region. Zi Yi's income is based on the volume and quality of the tea she picks. But, like many smallholder farmers, Zi Yi and her husband lacked the right knowledge and had limited access to training, which restricted their income.

Initially, I was not confident in managing my tea plot as I know little about tea growing. Thanks to the knowledge I got from Farmer Field School, I can monitor tea growing and apply best practice of organic fertilisation, weeding and pest control to ensure quality can meet required standards with satisfactory yields.





Living standards

ENABLING BETTER LIVING CONDITIONS

Many people in the rural communities we source from lack access to adequate housing, water, sanitation and energy. This leads to waterborne diseases and respiratory problems that affect people's lives and wellbeing, as well as hampering their economic development. Twinings is focusing efforts on accelerating improvements in regions where these are issues, so that people in our supply chain have decent living standards and can contribute positively to their communities.

OUR PERFORMANCE TO DATE

129,716

people reached by handwashing and hygiene programmes, over three and a half times more than at the end of 2016

7,487

people gained access to clean drinking water, an increase of 27% from 2016

8,714

people gained access to sanitary latrines, an increase of 62% from 2016

46,683

people adopted or gained access to clean and efficient energy, an increase of 57% from 2016

Our work to improve workers' access to sanitation, water, clean energy and hygiene supports the UN SDGs:



Water, sanitation and hygiene

Access to clean water and sanitation are basic human rights and essential to a happy, healthy and dignified life. We work in Darjeeling and Assam in India, where many families living in tea gardens lack access to sanitary latrines and/or clean water. This results in cases of waterborne diseases, as well as people having to spend much time collecting water - which in turn leads to absence from school and work, and extra financial burden on families due to healthcare costs.

ADDRESSING ESSENTIAL NEEDS IN INDIA

Adequate living quarters, toilets and drinking water facilities are part of the legal benefits that must be provided to workers in Indian tea gardens, but rising populations on tea estates, and in particular non-workers, means that the industry has not been able to provide adequate benefits for everyone.

Twinings began working on these issues with tea communities in Darjeeling in 2010. Over the last two years, in partnership with Mercy Corps and one of our key producers, GoodRicke, we have achieved a 79% decrease in waterborne diseases in participating tea communities (compared to the baseline conducted in 2016) while also ensuring that women and children can spend

time on productive activities or studying. Other results included an average INR 3,782 (or approximately US\$52) per household being saved on medical expenses, and a 63% decrease in absenteeism at work.

In 2017, we expanded our work to Assam, installing latrines and bathroom facilities in four gardens. We have an ambitious target to build 1,000 latrines by the end of 2019 and continue our efforts for better living conditions in the years to come.

In both Assam and Darjeeling, we work in partnership with producers who are also co-funding the work, as it ensures the infrastructure will be maintained in the future.

LALITA AND DIPTI'S STORY

Lalita and her daughter Dipti live in Assam, where Lalita is a tea plucker and Dipti is a student on the third year of her BA degree course. Women in Assam like Lalita and Dipti often have no proper latrine facilities and very limited privacy, especially during their menstrual period. Through Sourced with Care, Lalita now has a new latrine and bathroom, ensuring she and her daughter have somewhere private they can use. As well as studying, Dipti is also an active community organiser, conducting hygiene sessions with primary school children on the tea estate on the importance of handwashing.

Previously we had a temporary pit toilet made of bamboo, which was very unhygienic, and my family and I could not bear the foul smell, especially during the rainy season. When friends or relatives visited us and wanted to use the toilet, we would be embarrassed. My daughter used to complain a lot about our toilet situation and we both had privacy concerns while bathing. But now, with support from this project, we have been able to construct a new toilet and a bathroom unit. My daughter and I are much happier, and we can now take a bath inside a secure bathroom of our own.





Because health goes beyond infrastructures, we also work with communities in Assam and Darjeeling to raise awareness of health and hygiene practices, from handwashing to menstrual hygiene. We use a range of channels – including radio programmes, school lessons, and Adolescent Girls’ and Mothers’ Clubs – to spread the message. Our awareness programme on hygiene has reached 104,625 people in India to date, including 4,421 children. As a result, 96% of people reached in Darjeeling report washing their hands before cooking, compared with just 66% at the beginning of the project.

Water, sanitation and hygiene (WASH) committees within the estate have also been established and trained on the operation and maintenance of the newly built water systems, from repairing leaks to testing water quality, to ensure their future sustainability.

104,625 people have been reached in India with our hygiene awareness programme.

OUR PROGRESS IN INDIA

WATER SYSTEMS

WATER SYSTEMS INSTALLED

36



PEOPLE WHO GAINED ACCESS TO CLEAN WATER*

7,487

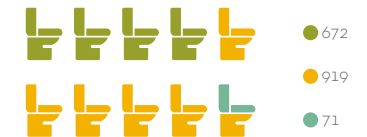


* The actual number of people with access to these infrastructures is higher than these figures, as some infrastructure was already in place before the project.

LATRINES

LATRINES BUILT

1,662



PEOPLE WHO GAINED ACCESS TO SANITARY LATRINES

8,292



● Darjeeling Phase 1 (2010-14) ● Darjeeling Phase 2 (2014-18) ● Assam (2018)

Clean cooking facilities

Many tea gardens and smallholder farmers use traditional cooking on open fires, which can cause eye and respiratory problems as a result of indoor smoke. Clean-cook stoves burn less wood, emit less smoke, and reduce the cost and the time required, often by women, to collect firewood. These stoves also help protect the environment and reduce health risks by producing clean, affordable energy – a key priority for providing decent housing.

PROMOTING CLEAN-COOK STOVES

Twinings is promoting clay clean-cook stoves in tea communities in Assam, India, and Mulanje and Thyolo, Malawi, and with our partners we are training local potters to produce them. So far, the project has helped 21,683 people in over 4,300 households.

Following a successful pilot in Assam, there was a 60% take-up rate. The switch was positive for most participants, but due to various factors the stoves led to some women actually having to spend more time cooking. As a result, some households reverted to the traditional method. While we continue to support the clay clean-cook stove for tea communities, as they remain

cheaper and easier to repair and maintain than metal ones and cannot be sold for cash, this has shown the importance of embedding behavioural change. The need to engage more with the community about stove design is therefore an important lesson to take forward for future interventions.

Twinings is also exploring opportunities to promote clean-cook stoves based on local requirements, cooking habits and affordability in both Kenya and China.

Many women are happy and appreciate the wonders that the stove does in saving the trees that are cut every time for firewood and reducing the smoke in their houses. The food is tastier, too, and doesn't smell of smoke. We now enjoy cooking for our families!



FLORENCE'S STORY

Tea farmer and mother of three Florence lives in rural Malawi. Using traditional cooking methods irritated her eyes and caused respiratory problems. However, she had to remain in the kitchen throughout the cooking period to ensure there was enough wood to keep the fire burning.

Now, Florence has joined a group making the new clean-cook stoves and has become an ambassador for change by promoting the stoves to her peers, earning her additional income.



Governance

Through good governance we make sure our suppliers and producers are working towards meeting international social and ethical standards and respecting human rights.

GOVERNING SOURCED WITH CARE

Our Twinings Social Impact team is responsible for our Sourced with Care programme. We report directly to Twinings CEO, Bob Tavener, and work hand in hand with key buying functions across our global operations. Our team is largely composed of ethical sourcing managers who are based in key sourcing locations, providing a direct understanding of the issues on the ground and with the skills to create change at a local level.

The programme works closely with several independent organisations, such as CARE International, Unicef and BSR, which ensures we have the right approach and that the interventions we implement on the ground are robust, credible, effective and sustainable.

UPHOLDING OUR STANDARDS

Underpinning our work is the [Twinings Code of Conduct](#). The Code outlines our expectations of all our suppliers and is based on international labour standards, covering key human rights from the prevention of child and forced labour to working hours and wages.

To implement the Code, we risk-assess all our key first-tier suppliers, taking account of factors like the human rights landscape of the country they operate in, the type of product they produce, and the vulnerability of their workforce to risks like modern slavery. All 'high-priority' suppliers undergo independent ethical audits, and continue to do so for the length of our commercial relationship with them. The length of time between audits – from six months to three years – is defined by their previous performance.

We are always looking to make our audits more meaningful, by piloting approaches that will help provide a deeper understanding of the risks workers face. In 2018, using guidelines provided by NGO Stronger Together, we trialled focus groups with migrant workers in Thailand on their recruitment experience, seeking to understand if they encountered recruitment fees at any stage. We intend to develop these targeted approaches further in 2019.

In the deeper layers of our supply chain, where tea and herbs are produced, our social impact managers conduct our Twinings Community Needs Assessments (TCNAs). The results of these assessments feed into the programmes you have read about in this report.





VALIDATING OUR APPROACH

To ensure that Sourced with Care targets the right issues and places in our supply chain, in 2017 we undertook our first independent company-wide human rights risk assessment. The assessment confirmed that the salient risks facing us include:

- Health, safety and security at work
- Forced labour
- Working hours, remuneration and benefits
- Community needs and living standards
- Gender discrimination and harassment
- Children's rights

The results prove we have been looking in the right places – our own and our suppliers' factories, and plantations and farms, as these supply chains can come with significant risks. We will continue to roll out our Ethical Sourcing Programme to the rest of the supply chain, including first-tier suppliers and our own factories, offices and warehouses.

SUPPORTING OUR PEOPLE

We treat all our people with respect and dignity. We aim to have a zero accident rate and ensure all our employees are aware of health and safety procedures. We also connect our employees with the communities we source from and our Sourced with Care programme, through engagement activities, fundraising for specific projects and field visits.

At Twinings, we are proud of how knowledgeable our buyers are about social and ethical issues. Many have had certified ethical auditor training (SA8000), and we constantly seek to expand their awareness of ethical issues, so that they can communicate these to our supply base. In 2017 and 2018, we carried out in-person training for our buyers on our ethical standards in the UK, Switzerland, Thailand and China, and we have rolled out a modern slavery e-learning course to all of our supplier-facing staff.

INCREASING TRANSPARENCY

Transparency is important. In 2018, we introduced a sourcing map, which includes our list of tea sources, on our [Sourced with Care](#) website. We believe that being open about who we buy from will enable collaboration and ultimately tackle some of the industry challenges.

Social and human rights issues are not the only ethical considerations that Twinings addresses. As a part of Associated British Foods, we [report annually](#) on our environmental impact.

TOWARDS 2020

We will continue to drive tangible improvements for the communities in our supply chain, to reach 500,000 people by 2020, and to address some of the pressing needs that communities encounter, from access to sanitation to poor nutrition.





With our strong partnerships across the supply chain, we will continue working on initiatives that not only impact sufficient people, but do so sustainably and model what change can look like.

We will also engage with other stakeholders, including producers, packers, retailers, NGOs and industry bodies, to ensure more profound change can be achieved, and replicate our initiatives at scale.



Contributing to the Sustainable Development Goals

Through our work on the ground and in our supply chain, we support the United Nations Sustainable Development Goals (SDGs) in their ambition to achieve a better world for all. We've identified a selection of goals where we can make the biggest contribution.

				
<p>WHY IT MATTERS</p>	<p>Through our supply chains we contribute to the employment of many people on tea estates, farms and factories, and to the livelihoods of many smallholder farmers. Having a stable income with enough to meet your needs and those of your family is absolutely vital in order to have a decent quality of life.</p>	<p>Due to the remoteness of tea gardens and farms, and national development contexts, tea workers and smallholder farmers often lack access to basic health information and services, creating a detrimental impact on their health and putting pressure on family finances.</p>	<p>Obtaining a quality education is the foundation of sustainable development. Yet worldwide, over 265 million children are currently out of school. Children living on their family farms in tea communities or with their parents who work on the tea estates often lack access to quality education due to the remoteness of these places.</p>	<p>Women form most of the workforce in agricultural supply chains. However, around the world, women and girls are victims of discrimination, violence and harassment because of their gender. Kenya, India and Malawi are among the countries with the highest gender inequality index. When women thrive, so do the people around them and wider society.</p>
<p>OUR CONTRIBUTION</p>	<p>Livelihoods is one of our key focus areas – so people in our supply chain receive a living income and can break their cycle of poverty. As part of Malawi Tea 2020, we've developed a roadmap to enable workers to receive a living wage. We also work to strengthen income through diversification and farmer training in India, China and Malawi.</p>	<p>Creating healthy, empowered and strong communities is essential to ensure strong supply chains, but also because we believe it is the right thing to do.</p> <p>We work to promote healthy behaviour and a balanced diet and to improve health facilities in Kenya (BSR HERproject), China (Save the Children) and India (Unicef).</p>	<p>We believe children deserve the best start in life and are committed to making this possible in communities from which we source. Working with Unicef, we established several Adolescent Groups providing weekly life skills training sessions to young people in Assam, India.</p> <p>Additionally, through our employee fundraising we've provided much-needed furniture and equipment to schools.</p>	<p>We support women's empowerment and gender equality in our supply chain, through specific programmes in Kenya and India.</p> <p>Furthermore, all our programmes take into account women-specific issues and give women a voice.</p>
<p>PROGRESS</p>	<ul style="list-style-type: none"> • 5,342 people received training to increase their income. • 1,176 people reached by financial literacy and inclusion programmes. • The first collective bargaining agreement for the Malawi tea industry, in 2016, provided a big wage increase for tea workers, followed by others in 2017 and 2018. 	<ul style="list-style-type: none"> • 55,714 women reached by health initiatives. • 17,599 children supported through health interventions. • 21% decrease in the prevalence of anaemia in Assam tea gardens. • 7,000 young children in China benefited from training of village healthcare providers. 	<ul style="list-style-type: none"> • 188 Adolescent Groups founded by Twinings programmes. • 68% of school drop-outs identified through our Adolescent Groups re-enrolled into schools. • 34,000 young women reached in Assam with protection, nutrition and empowerment interventions. 	<ul style="list-style-type: none"> • 13,055 women and girls taken part in life skills development initiatives to date. • 10,817 women and girls accessed safety initiatives. • 7,000 women reached with reproductive health and family planning initiatives in Kenya.
<p>FIND OUT MORE</p>	<ul style="list-style-type: none"> 📖 Striving for a living income, page 16 📖 Promoting new skills, page 19 	<ul style="list-style-type: none"> 📖 Helping young people achieve their potential, page 13 📖 Women's health and empowerment, page 11 	<ul style="list-style-type: none"> 📖 Helping young people achieve their potential, page 13 	<ul style="list-style-type: none"> 📖 Women's health and empowerment, page 11 📖 Helping young people achieve their potential, page 13



				
WHY IT MATTERS	The vast majority of people without access to water and sanitation live in rural areas in Sub-Saharan African and Southern Asia, which is also where lots of the tea is grown. Many tea-growing communities lack these vital amenities, which affects their health and wellbeing and hampers their economic development.	Roughly 2.7 billion people in the world use solid fuel-based traditional stoves and open fires for cooking and heating, including many tea gardens and smallholder farms. This can cause eye and respiratory problems as a result of indoor smoke.	Millions of people around the world endure inadequate or unsafe conditions at work. We work to protect labour rights and promote safe and secure working environments for all workers in our supply chain.	Achieving sustainable development will require partnerships between governments, businesses and society at the global, national and local level. We partner with organisations and support advocacy efforts with governments to help tackle the broader structural challenges affecting the tea sector.
OUR CONTRIBUTION	We work to improve access to water and sanitation in tea communities of Darjeeling and Assam in the north-east of India, in partnership with tea producers, in order to accelerate change. By the end of 2019, we will build an additional 1,000 latrines in Assam.	Twinings is promoting clean-cook stoves in tea communities in Assam (India) and Malawi, and with our partners we are training local potters to produce them.	We ensure that safe and decent working conditions in factories, gardens and farms are achieved, and that people in our supply chain are treated well. In Sri Lanka, with CARE International, we have established Community Development Forums on tea estates, enabling dialogue between workers and management, and effective grievance mechanisms.	Twinings has helped Unicef strengthen its working relationship with the government in Assam and provide training and technical support for key public sector roles to create a stronger child protection system in tea communities and across the state. In Yunnan, China, Save the Children has presented the findings of our approach to the Minister of Health to replicate the model nationwide.
PROGRESS	<ul style="list-style-type: none"> • 129,716 adults reached by handwashing and hygiene programmes. • 8,714 people gained access to sanitary latrines. • In Darjeeling, we have reduced waterborne diseases by 79% in participating tea communities since 2016. 	<ul style="list-style-type: none"> • 46,683 people adopted or gained access to clean and efficient energy. 	<ul style="list-style-type: none"> • 80% of the tea gardens we buy from and 38% of our volume of key herbs are certified by international sustainability standards. • 100% of our high-risk sites audited, with 97% of them have been approved. 	<ul style="list-style-type: none"> • 352,159 people impacted by our Sourced with Care programme.
FIND OUT MORE	 Water, sanitation and hygiene, page 21	 Clean cooking facilities, page 23	 Creating dialogue, page 18	 How we are driving change, page 6

Contact us

SOCIAL IMPACT TEAM

R. Twining and Co. Ltd
South Way, Andover
Hampshire SP10 5AQ

+44 (0) 1264 334 477
ethicalsourcing@twinings.com

