



TwinningsOvaltine

Human Rights Update 2023

Contents

Foreword	1
TwinningsOvaltine and human rights	2
Our commitment to human rights	3
Our human rights journey	4
Embedding respect for human rights	6
An overview of our supply chain	9
Salient issues	10
Understanding our salient issues	11
Gender, discrimination and harassment	12
Sustainable livelihoods	14
Health, safety and wellbeing	16
Freely chosen employment	18
Enablers	20
Workers' voices	21
Collaborative partnerships	22
Way forward	24



“To help us focus our efforts we have completed a Human Rights Saliency Assessment. This report is the result of that assessment and outlines the areas where we believe we can make the biggest difference. This insight will enhance the effectiveness of due diligence monitoring and guide our action plans to specifically address the most salient issues we face. We know on many of these serious issues we cannot do it alone; we have to work in collaboration with other businesses, civil society and government to encourage responsible and inclusive economic development and greater respect for human rights. We are still learning on this complex topic and will use these insights to advance human rights across our business.”

*- Celine Gilart, Director of Social Impact and Sustainability,
TwinningsOvaltine*

Foreword

TwiningsOvaltine is committed to respecting internationally recognised human rights, in line with the UNGPs on Business and Human Rights, throughout our business operations and our supply chains. We believe businesses can only thrive in societies in which human rights are respected, upheld, and advanced and when business itself respects human rights.

The world is becoming ever more complex and facing more inequality, amplified by the Covid-19 pandemic and climate crisis, thus increasing vulnerability for many, in particular the poorest across the world.

Unfortunately, the risk of systemic human rights abuses exists across our value chain and the value chains of other global businesses. This is a reality we must all confront and work together to resolve. Business has a responsibility and opportunity to be the driving force for the advancement of universal human rights. We recognise that through respecting and seeking to advance human rights there is a huge opportunity to go beyond 'doing no harm' to having a positive impact and making progress on the Sustainable Development Goals.

Our innovative Sourced with Care programme, centred around hearing from workers and farmers in tea gardens and herbs farms through our Twinings Communities Needs Assessment, continues to deliver an action-based approach to improve the quality of life for the communities who grow our ingredients while also driving cross-industry dialogue for systemic change.

We're pleased to share this first report outlining our work on human rights in our own operations and supply chains. Although we are positive about what we have achieved, we know there is always more to be done and we are committed to keep working, learning, planning and adapting to advance human rights across our business.

I would like to thank all my colleagues, NGOs, supply chains partners, industry associations, workers and farmers across the globe who are helping us improve the lives of those who work directly or indirectly for TwiningsOvaltine.



A handwritten signature in black ink, reading "Olav Silden". The signature is written in a cursive, flowing style.

Olav Silden,
CEO, TwiningsOvaltine

Twinnings Ovaltine and human rights



Our commitment to human rights

At TwiningsOvaltine, respect for human rights is of paramount importance to us and is firmly embedded in the way we source and operate:

- We recognise that it is our responsibility to respect all internationally recognised human rights and mitigate adverse impacts in line with the UNGPs on Business and Human Rights.
- We recognise our responsibility towards specific vulnerable groups, including women, children and migrants.
- We commit to respecting the voices of human rights defenders and workers' right to freedom of association, expression, peaceful assembly and protest.
- We recognise that we have the ability to positively impact human rights across our value chain, including our own employees and workers in our supply chains as well as their communities.
- We continually assess salient human rights risks in the territories where we currently operate and source from and use human rights due diligence to assess risks when we begin operating in or sourcing from new geographies.
- Where we become aware of potential adverse human rights impacts in our operations or in our supply chain, we are committed to doing what we can and cooperating with others to try to find appropriate remediation.

[Read our full human rights policy](#)

Our Human Rights Policy is informed by:

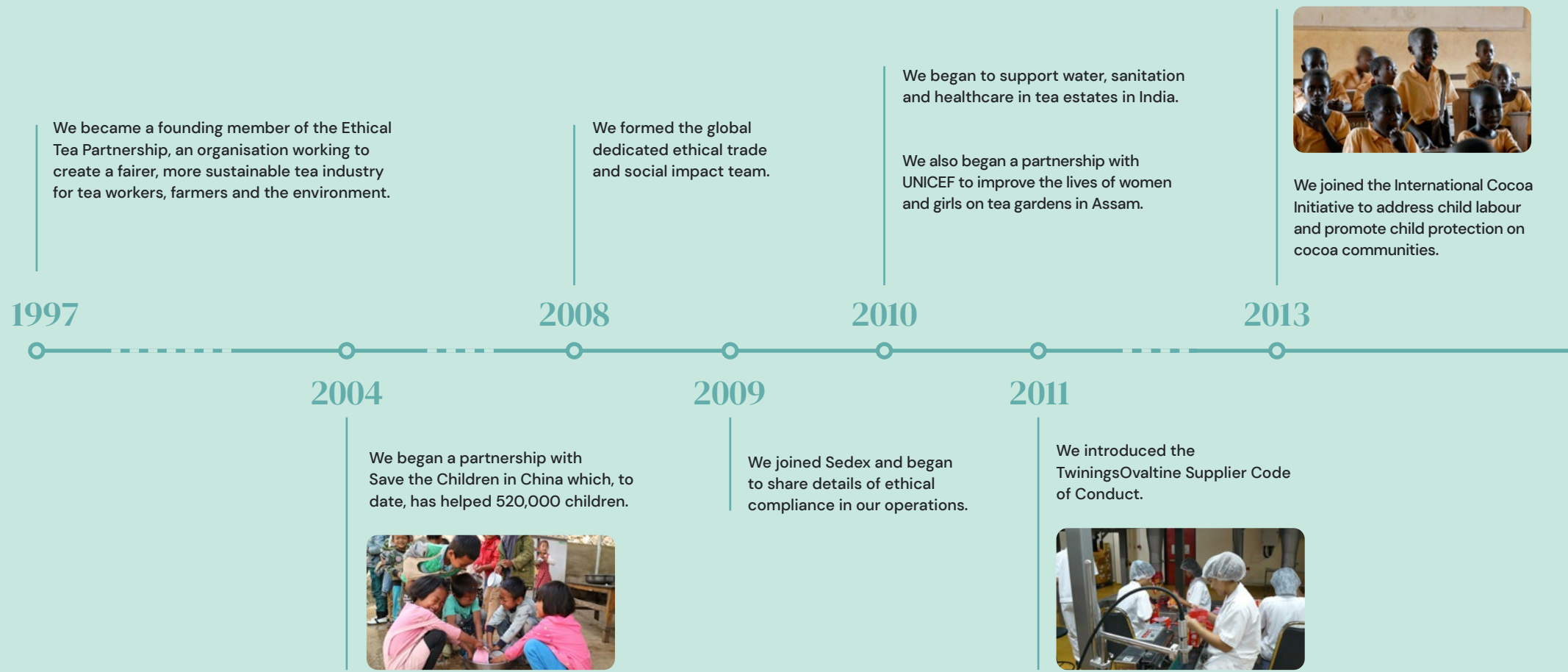
- The International Bill of Human Rights (consisting of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights)
- The UN Convention on the Rights of the Child
- The UN Convention on the Elimination of All Forms of Discrimination against Women
- The UN Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families
- The ILO's Declaration on Fundamental Principles and Rights at Work
- The OECD Guidelines for Multinational Enterprises
- The Children's Rights and Business Principles and the UN Women's Empowerment Principles

Where national law and international human rights standards differ, we will aim to follow the higher standard. Where national law and international human rights standards are in conflict, we will adhere to national law while seeking to respect international human rights principles.

Our human rights journey

Twinings has been at the forefront in the world of tea for over 300 years, expanding into a worldwide premium brand with over 500 blends of tea sold in over 100 countries and expanding beyond tea to include herbal infusions.

The delicious and nutritious malt and cocoa-based drink, Ovaltine (or Ovomaltine), was invented 150 years ago by Dr Albert Wander in Switzerland. Since then, it has grown to deliver this tasty goodness in many countries around the world.



2014

All palm oil (including derivatives) in our products is sustainably sourced (RSPO certified).

2015

We established an approved list of tea gardens as part of a consolidated sourcing approach.



2016

We launched our Sourced with Care programme.

We began women's health and empowerment interventions in Kenya.

We began modern slavery supplier training.

We developed Twinings Community Needs Assessments to assess human rights.

2017

We conducted our first human rights saliency assessment.

We joined the World Cocoa Foundation.

2018

We published our tea sourcing list.

We integrated a new gender strategy into our Code of Conduct, TCNA framework and supplier guidance documents to ensure focus on gender-specific issues.

2019

We launched our first project in our herbs supply chain in Guatemala.



2020



We developed an e-learning module to raise awareness on gender within our supply chain.

2021

We joined the Women's Safety Accelerator Fund with IDH.

2022

We published our Human Rights policy and conducted our second human rights saliency assessment.

We completed our first living wage benchmark with IDH.

Embedding respect for human rights

We embed human rights into every aspect of our business with particular focus on our social impact, human resources and purchasing practices. We work to identify any arising human rights issues, then we pro-actively plan how to rectify them and prevent their re-occurrence. In order to achieve this, we focus on the root causes of human rights issues and collaborate with other actors to bring about systemic change.



Code of Conduct

Our Code of Conduct outlines the working conditions that we foster in our own operations and the standards we require our suppliers to commit to before starting business with us. We expect our suppliers, in turn, to relay these same requirements to their suppliers, subcontractors and recruitment agencies. Our Code of Conduct is based on the internationally recognised code of labour practice, the Ethical Trading Initiative (ETI) Base Code, which is founded on the conventions of the International Labour Organization (ILO). These principles also draw from the United Nations Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights and the BSR Gender Equality in Codes of Conduct Guidance.

View our Code of Conduct: www.sourcedwithcare.com/media/cwknqifx/two-code-of-conduct-2022.pdf

Governance

The TwiningsOvaltine Human Rights Policy is signed off by our Chief Executive Officer and overseen by our General Managers. Our Social Impact and Sustainability Team is responsible for the governance of and compliance with our Code of Conduct – they present key issues annually to General Managers and ensure the policy and code are implemented across functions and business units.

Advocating for human rights due diligence

In October 2021, we came together with 35 other companies, investors and business associations to send a [joint statement](#) encouraging the UK government to introduce a Human Rights and Environmental Due Diligence (HREDD) law.

Building capacity internally

Our buying teams are regularly trained on our Code of Conduct, ethical procurement practices and modern slavery risks and prevention. We have developed e-learning modules on Modern Slavery and Gender which we share with other businesses within the ABF Group Plc in order to improve opportunities for workers globally. As of December 2022, 1066 employees across the ABF businesses have completed our Group Modern Slavery Awareness course

Factory Monitoring and Improvement Programme (FMIP)

Through our FMIP, we monitor working conditions and support continuous improvement throughout our first tier supply base which includes our own operations, our suppliers providing packaging materials and gifting items, our raw materials processors, third party business partners who manufacture our branded products and our third party warehousing.

Risk Assessment

We undertake an assessment of each site, by looking at the labour rights conditions of the country our suppliers operate in (as defined by the ITUC Global Rights Index), the vulnerability of their workforce (for example, whether the factory employs migrant workers, uses recruitment agents, or has manpower workers onsite), the products they are making for us and our leverage within the business relationship. 20% of our first tier suppliers are deemed high priority.

Ethical audits

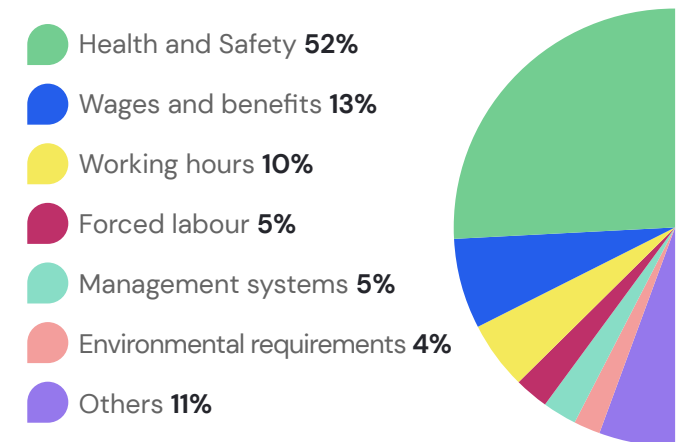
To verify whether our suppliers and business partners put their commitment to our Code of Conduct into action, we ensure they are audited regularly. Along with our own sites, high priority sites are audited by independent third party auditors every six months, two years or three years depending on how they performed in their previous audits. Approximately 100 audits of tier one sites are conducted annually including third party audits commissioned by the sites themselves. All of our high priority sites are audited regularly. We also organise random spot check audits for our low and medium priority sites.

Remediation

Almost every audit indicates scope for improvement and suppliers must take action to resolve non-compliances within a time frame specified on the audit report. Most issues can be addressed by the factory independently and within an agreed time frame. However, if we identify any complex issues, we respond with an in-depth approach, tailored to the specific needs of the site. This may, for example, involve efforts to build management capacity

(see page 16) or working collaboratively with other stakeholders to find solutions (see page 19). Wherever possible, we endeavour to work with our suppliers and their factories to rectify the identified issues. However, in extreme cases where we feel our trust has been misplaced or a supplier is unwilling to improve, we make the difficult decision to stop working with a supplier altogether.

Non-compliance frequency breakdown



Raw materials: Certification and beyond

While we recognise that third party certification alone is not sufficient to eliminate all risks in supply chains, raw material supply chains can be complex and we do not always have enough leverage on our own to create meaningful change. In these cases, we utilise third party certification to help us support industry-wide improvements.

We use certification as a minimum sourcing requirement for all of our key raw materials: tea, peppermint, camomile, ginger, hibiscus, orange, lemongrass, rosehip, lemon peel, spearmint, blackberry leaves, linden, cinnamon, rooibos, turmeric, cardamom, vanilla, cocoa and palm oil:

- All of our tea comes from gardens that have been certified by third party organisations such as Rainforest Alliance or Fairtrade.
- All of our directly sourced palm oil is certified by the Roundtable for Sustainable Palm Oil.
- For all our other raw materials, we are working to increase sourcing from certified farms and gardens.

We are also members of relevant sector initiatives such as International Cocoa Initiative, World Cocoa Foundation, Ethical Tea Partnership, Sustainable Spices Initiative and Roundtable for Sustainable Palm Oil to help tackle systemic industry issues.

Twinings Community Needs Assessments

We believe that having a deep, first-hand understanding of the conditions in our supply chains is essential to be able to address the current and potential issues, identify the most appropriate interventions and have the greatest positive impact on tea and herbs growing communities. We are able to gain this understanding of the needs of the workers, farmers and the broader communities in our tea and herbs supply chains through our Twinings Community Needs Assessments (TCNAs).

A TCNA is a detailed, holistic participatory framework, developed in consultation with expert organisations including UNICEF, WaterAid, Solidaridad and GAIN. Our TCNAs cover ten areas – Housing; Water and sanitation; Health and nutrition; Gender; Children's rights; Land rights; Livelihoods; Natural resources; Farming practices and Labour Standards.

Each TCNA is conducted by an expert local member of our Social Impact Team and to date more than 150 TCNAs have been conducted across China,

India, Indonesia, Sri Lanka, Kenya, South Africa, Nigeria, Egypt, Argentina, Guatemala, Paraguay, Poland, Turkey and Croatia. All the tea gardens we source from are regularly covered by a TCNA (every 2–3 years) and we are increasing the number of herbs origins covered year on year.

These assessments are at the centre of our Sourced with Care programme (www.sourcedwithcare.com) and provide the foundation for a joint, tailored action plan that we put together with producers to help address human rights issues and community needs.

These action plans focus on 2–4 priorities, based on what has been identified by the rights-holders and where we can make an impact. For example, some issues such as land rights are country or region specific and would require a change in legislation or regulation, instead we focus on where we can drive positive change for people while supporting advocacy efforts for systemic change.



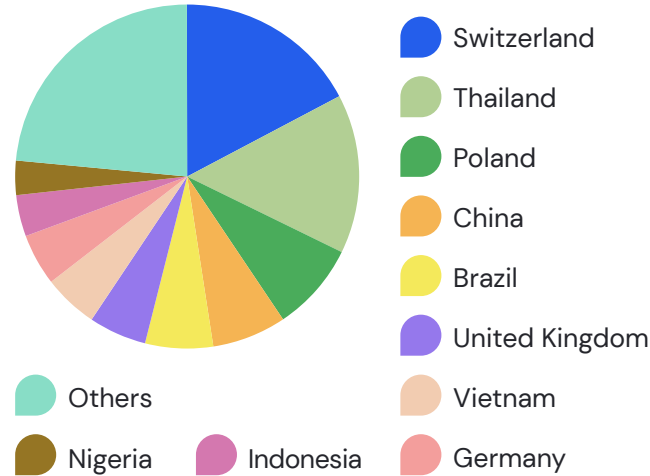
An overview of our supply chain

TwiningsOvaltine is owned by [Associated British Foods plc](#) which has a devolved operating model. Within the TwiningsOvaltine Group, all business units operate autonomously. While their commercial strategies are decided by individual business units, human rights and ethics are managed centrally and each business unit operates according to the agreed approach. With over 2,000 direct employees, 23 commercial units and 8 factories around the world, we are a global organisation with collaboration at the heart of everything we do.



Our supply chain is large, complex and includes a diverse range of suppliers. A tier one supplier has a direct relationship with TwiningsOvaltine; whereas a tier two supplier (or below) will generally service a tier one supplier. Tier one suppliers include raw materials processors (for example cocoa powder), packaging and branded items. Suppliers who pack, co-manufacture or store Twinings and Ovaltine products are also considered first tier suppliers. We currently have over 800 tier one suppliers.

Tier one sites location by spend



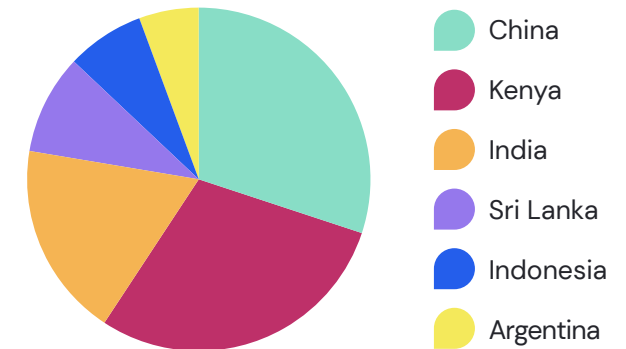
We also source several ingredients and raw materials from plantations, smallholder farms and nature. Based on volume and risks, we have prioritised the following raw materials for ethical and environmental focus.

Our priority raw materials

Tea (camellia sinensis)	Orange	Linden
Rooibos	Lemongrass	Cinnamon
Peppermint	Lemon peel	Turmeric
Camomile	Rosehip	Cardamom
Ginger	Spearmint	Vanilla
Hibiscus	Blackberry leaves	Cocoa
		Palm oil

Our tea is sourced directly from 130 tea gardens in China, India, Kenya, Argentina, Sri Lanka and Indonesia. We have long lasting relationships with many of these gardens and have been sourcing from them for decades. Our tea supply chain includes approximately 120,000 workers and 110,000 farmers.

Tea volume per country



Salient issues

According to the UN Guiding Principles on Business and Human Rights, salient human issues are the human rights at risk of the most severe, negative impact on people through the company's activities and business relationships.



Understanding our salient issues

In 2017 and 2022, we conducted saliency reviews following the framework set out in the UN Guiding Principles for Business and Human Rights (UNGPs) to identify and prioritise our most salient human rights risks.

Our saliency review process

The first step of this process was to understand the range of human rights our supply chain could potentially impact. We gained this understanding from a range of data sources:

- To understand potential human rights risks by geography we consulted external data sources such as Maplecroft, World Bank, ILO, ITUC and UNICEF.
- We conducted desk research as well as interviews with human rights experts and NGOs to understand how the risk landscape is changing.
- Twining's data sources such as adverse impacts and risks identified in our own operations and suppliers audit reports and during our Twinings Community Needs Assessments (TCNAs) to understand human rights risks in our supply chain by product type.

The second step was to analyse this data to identify and prioritise the most severe human rights risks. We paid particular attention to the impact on vulnerable groups.

We used this saliency assessment to review and inform our approach.

While it confirmed that we have been focusing on the correct areas in our supply chains, it also highlighted new salient human rights risks. For example COVID-19 has heightened the risk of forced labour due to business shut downs, unemployment, loss of livelihoods and a lack of social protection systems.

These risks will drive our strategy, while we also continue building stakeholders engagement and deepening our understanding of our supply chains.

Our salient issues identified and where they pose the greatest risks

Risk	Supply chain	Country
Gender, discrimination and harassment	Tea	Kenya, India, Indonesia
	Tier one	Global
Sustainable livelihoods	Tea	India, Kenya, Indonesia
	Herbs	Guatemala, Nigeria
	Cocoa	Cote d'Ivoire, Ghana
Health, safety and wellbeing	Own operations	Global
	Tea	India, Kenya
	Tier one	Global
Freely chosen employment	Tier one	China, Thailand, Malaysia, United Kingdom
	Palm oil	Malaysia, Indonesia
	Tea	India

Gender, discrimination and harassment

Defining the issue

Discrimination occurs when a person is not afforded their human rights, other legal rights or respect on an equal basis with others. Everyone has the right to work free from discrimination, violence and harassment, including gender-based violence and harassment.



Why it matters

According to the UN, gender inequality remains a major barrier to human development. Women and girls are discriminated against in health, education, public life, decision making and participation in productive activities and are often victims of violence and harassment. Women make up 43% of the global agricultural labour force and form most of the workforce on tea gardens and smallholder farms in our supply chain.

Women often take on work that is invisible and unrecognised, such as unpaid care work at home and family labour on farms. This lack of visibility, combined with issues such as gender-based violence, sexual harassment and social expectations of what roles women should or shouldn't play, all limit how women can equally participate in and benefit from working in global supply chains.

What we have done so far

Establishing a gender sensitive approach

In 2018 we conducted a review with Business for Social Responsibility (BSR) to ensure that our systems and policies take account of gender-specific issues. Following this review, in 2022 we

worked with CARE International to strengthen our monitoring approach and TCNA – this has included upskilling our Social Impact Team (including assessors) on gender sensitivity, how to identify violence against women and girls and gender-based violence (GBV) during visits and what to do when issues are identified.

Tackling harmful practices in the community

Since 2010, we have been working with UNICEF to establish Adolescent Girls Groups across 63 tea gardens in Assam, India. These groups serve as a safe and protective environment where adolescent and young women can learn about their rights and safely discuss important issues including early marriage, violence, education and trafficking. The programme also raises community awareness and promotes behavioural change on harmful traditional practices like child marriage, as well as strengthening existing Child Protection Committees.

106 child marriages
averted in the project area in 2021

Addressing sexual harassment and discrimination

In 2019, we began specific gender training for management and worker committees on tea gardens in India. The aim was to promote more gender-equitable attitudes and relationships as well as equipping management to prevent and respond to harassment and GBV. In 2022, to strengthen our approach, we joined the Women's Safety Accelerator Fund (WSAF) – a bold new programme established by IDH (the Sustainable Trade Initiative) addressing women's safety and GBV in the Indian tea sector. The programme works to set up mechanisms to strengthen prevention and support women's empowerment – it will cover all the tea gardens we source from in the region, by the end of 2023.

“Earlier there was lots of violence, I could see men asking money from their wives to buy alcohol. Now the training gave me confidence, and I can talk to the men. I go with others and the training gave us points to discuss. Of course, we need regular engagement, we cannot change mindset overnight!”

– Sunita, admin worker on tea estate, Assam, India

40% of tea gardens trained in prevention and response to sexual harassment and GBV

In Kenya, recognising the key role supervisors play in workplace culture, we have begun rolling out a supervisor training programme based on guidance developed by the Ethical Trading Initiative. This includes role play exercises and practical toolkits that tackle discrimination, address gender stereotypes and increase women's participation in the workplace.

“Empowering people through training is my joy. The supervisors' training program provides a conducive environment for supervisors to freely air their opinions and grievances without fear thus shedding light on the actual situation in their workplaces and where there are gaps. It has also caused workplaces to review their policies, this is a strong indication of commitment to implement change.”

– Peris Ochieng, Ethical Sourcing Manager for Africa, Twinings

Building on the success of this training, in 2021 we developed an e-learning module to raise awareness on gender issues and are currently in the process of

rolling this out to tier one sites and tea gardens in Sri Lanka, Argentina and China.



Addressing women's health and empowerment

Adequate health knowledge is key to enabling women to make informed decisions about their lives and to be able access better opportunities. In Kenya, we have been running HERhealth project since 2016. Through peer health educators, the project has provided thousands of women tea workers and farmers, across 11 tea gardens, with information on reproductive health and family planning, sexually transmitted infections, menstrual hygiene, pre and postnatal care, nutrition and non-communicable diseases. We have seen significant improvements in use of family planning methods, awareness of HIV transmission from mother to child and an increase in tendency to seek access to medical facilities. As well as improving health knowledge and behaviour, the training has also increased self esteem and confidence amongst participants.

Sustainable livelihoods

Defining the issue

Millions of people working in global supply chains do not earn an income that is sufficient to cover their basic needs. A living wage or living income is the benchmark income level that affords people a decent standard of living (as stated in Article 25 of the Universal Declaration of Human Rights). This includes food, water, housing, education, health care, transportation, clothing and other essential needs including provision for unexpected events.

“The school was built in bamboo and when it rained our children were wet and so were their books. This did not encourage us to send our children to school. Now, we have created our group and have been supported in establishing corn, cassava and peanut crops. We donated a portion of the group profit for the renovation of the school. All the women in the group send their children to school now!”

– Agnes, cocoa farmer, Cote d’Ivoire

Why it matters

According to the World Bank, 689 million people currently live in extreme poverty, surviving on less than US\$1.25 per day. While these numbers have declined considerably over the last decades, the COVID-19 pandemic, as well as rising inflation and the effects of the war in Ukraine, are predicted to reverse the trend for the first time in a generation. The COVID-19 pandemic as well as rising inflation and the effects of the war in Ukraine are predicted to reverse the trend for the first time in a generation.

Statutory minimum wages have been established in 90% of countries, but in many places the legal minimum wage is set at levels that leave families unable to afford even basic needs such as food, education, healthcare and adequate accommodation.

Smallholder farmers also struggle to make a decent living due to the small size of their plots, limited knowledge of good agricultural practices, lack of farm inputs (such as fertilisers) and are more and more affected by the climate crisis. Poverty is also one of the root causes of many social and environmental challenges from child labour to deforestation.

What we have done so far

Understanding the living wage gap in our tea supply chain

Our Code of Conduct requires all workers to be paid at least the minimum wage and we are working towards a fair living wage for all workers in our supply chain, through responsible purchasing practices, supplier partnerships and wage initiatives.

We are currently working with IDH – the Sustainable Trade Initiative, as part of their Roadmap on Living Wages. The Roadmap on Living Wages serves as a method that can be used consistently across different industries and supply chains. The first step of the roadmap, the Salary Matrix, allows us to work with tea gardens in our supply chain to assess current wages and compare this to a living wage benchmark. Through the roadmap, we can increase visibility and gain greater understanding of living wage gaps and create time bound action plans to improve the livelihoods of people who work in tea as well as their families.

5 tea origins

covered by IDH salary matrix.

“A living wage journey can’t progress without understanding the size of the living wage gap in a supply chain. Our Salary Matrix has brought several insights to companies since it requires them to look at their practices with a very structured approach. We believe Twinings is on the right track by deploying the Salary Matrix tool across their sourcing areas. With the tool they will measure living wage gaps in all their tea origins and they are keen to find solutions together with other supply chain partners to address these gaps.”

– Judith Fraats, Senior Program Manager – Tea, IDH

Working towards a living wage for every worker in our direct operations

In our direct operations, we ensure that we pay our employees a living wage by benchmarking the salary of the lowest paid workers against the existing Living wage benchmark. We plan to extend this to agencies and subcontracted workers in the future. We have also launched initiatives to support employees with rising living costs, for example, providing Winter Energy Allowances and subsidised meals.

Strengthening smallholders’ income and resilience

Guatemala

In our cardamom supply chain in Guatemala, we are working to improve the livelihoods of 80 indigenous farming communities. To achieve this, we have partnered with Mercy Corps to improve farmers’ productivity through better technical knowledge and skills as well as diversifying their income with profitable agroforestry systems such as clove and pepper. We also supported the creation of 13 producer associations which enable farmers to benefit from economies of scale and increase their bargaining power.

**15-20% higher income
for all participating farmers in Guatemala.**

Côte d’Ivoire

Côte d’Ivoire is the largest cocoa producing country in the world accounting for around 36% of global production. Roughly 6,000,000 people make a living from cocoa, most of whom are smallholder farmers living in remote areas with limited access to basic services such as schools. We have been working with the International Cocoa Initiative (ICI) in growing communities in our supply chain since 2013. These community-based interventions raise awareness on childrens’ rights, strengthen Child Protection Committees and address the root-causes of child labour. This work involves seeking to ensure that

there are adequate and accessible schools for rural communities and establishing income-generating activities and Village Savings and Loans Associations (VSLAs) to support families’ livelihoods.



Promoting financial literacy in workplaces

Simply earning money is not enough to make a sustainable livelihood – the ability to use financial skills to manage one’s income is essential. We are rolling out HERfinance to workers on tea gardens in Kenya. This programme provides participants with guidance on financial planning, budgeting and saving to improve resilience in the face of unexpected events, promote understanding of and access to formal financial services and improve confidence to take control of their finances.

**Double the savings
for women participating in HERfinance**

Health, safety and wellbeing

Defining the issue

Being able to work safely and free from the risk of injuries or accidents and having access to clean water and sanitation are essential to a healthy and dignified life. Health, safety and wellbeing includes physical safety in the workplace (such as factory fires, unsafe and unhygienic facilities, exposure to harmful chemicals, excessive heat and inadequate health and safety provisions) and other factors that determine health (such as nutrition, exercise, working hours and mental health issues).



Why it matters

The ILO estimates that some 2.3 million women and men around the world suffer work-related accidents or diseases every year; this translates to over 6,000 deaths every single day.

Access to water and sanitation are critical to communities enjoying good health and thriving economically. However 844 million people currently lack access to safe drinking water and over double that amount (2.3 billion) do not have access to adequate sanitation.

The rural and remote areas where our raw materials grow are often at greater risk of having limited access to water and sanitation facilities and adequate healthcare.

What we have done so far

Embedding a strong health and safety mindset in our own operations

We have taken action to promote the health and safety of our employees and the workers in our supply chains by using science and industry-relevant solutions that are appropriate to the local context. We recently launched Beyond Zero, a training programme rooted in neuroscience, aiming

to promote more health and safety conscious behaviours in our employees. This programme focuses on going beyond achieving zero accidents to creating a culture of care, collaboration and understanding so all employees can work safely, effectively and enhance their physical and mental wellbeing. 150 champions have been trained across the organisation to date. This training is now being rolled out across our own sites in Australia, China, India, Poland, Switzerland the UK.

Building capability in our first-tier factories

Health and safety issues represent the greatest number of non-conformances with our Code during audits. Through our Factory Monitoring and Improvement programme, we have worked with suppliers on corrective action plans and initiated interventions to help ensure workers have access to protective personal equipment, hygiene services or emergency equipment. Too often, we find that suppliers' facilities are addressing only the symptoms of the issue and not the root cause. In many cases, that root cause is a lack of a 'health and safety mindset' among both workers and management. In an effort to change this, we provide online training for all tier one factories on health and safety.



Improving access to health services

We have been working with local partners to find suitable and tailored interventions to address health needs in remote communities in our supply chain.

In Kenya, we have piloted an innovative model, in partnership with the USAID-funded SHOPS (Sustaining Health Outcomes through the Private Sector) Plus project, to increase access to health services for women tea farmers. The project brought together public and private partners to refurbish and support a local health facility and strengthened a local women's savings and lending group. The group channels a portion of its revenue to the facility and helps oversee its management to ensure it meets the community's needs. For more information, see the advocacy brief here: [Investing in Women's Health through Agricultural Supply Chains: Lessons from a Multi-Stakeholder Partnership led by Twinings Tea and USAID.](#)

In Yunnan province in China, we have been working with Save the Children since 2011 to improve

children's health and reduce mortality rates of children under the age of five by training village healthcare providers, improving facilities and raising community awareness on important health issues including breastfeeding and nutrition.

75% reduction

in under 5's mortality rate in the project communities in China.

In South Africa, in partnership with local NGO Pebbles Project, we have set up a mobile clinic in order to deliver adequate health services to communities on remote rooibos farms ranging from wellness screening to health education and maternal health checks.

In Darjeeling, we have been providing similar services to over 9,000 women workers and adolescent girls across seven tea gardens, through a comprehensive health care package that integrates sexual and reproductive health services with preventative and general health care.

Improving access to water and sanitation

Because access to water and sanitation remains an issue on many tea gardens, despite many efforts from governments and producers, due to the nature of the terrain and rising populations, we are working to accelerate provision of these essential infrastructures in our supply chain, where needed the most. We began working on these issues in Darjeeling in 2010 and extended the work to Assam

in 2017. We work in both regions in partnership with producers, NGOs and local communities to build suitable, safe and sustainable sanitary latrines. Under this programme, one of our partners, SEWA, has developed a model of a high groundwater table toilet which has been approved by the Ministry of Drinking and Water and Sanitation Government of India.



Over 2,900 latrines
built, benefiting over 18,600 people.

Freely chosen employment

Defining the issue

Forced labour is any work or service which people are forced to do against their will, under threat of punishment. It is a form of modern slavery and includes situations in which adults or children are coerced to work through the use of violence, intimidation, or by more subtle means such as manipulated debt, retention of identity papers or threats of denunciation to immigration authorities.

Why it matters

The ILO estimates that, globally, over 24 million people are trapped in forced labour. Forced labour is a serious violation of fundamental human rights and is connected to other labour violations such as excessive overtime, abusive working and living conditions as well as intimidation and threats.

Furthermore, according to the ILO, there are over 150 million migrant workers globally. Nearly all migrant workers around the world pay recruitment fees and related costs to obtain employment. These fees can result in workers falling into debt bondage putting them at high risk of forced labour – being coerced or deceived into jobs which they cannot leave. This risk has been heightened by the COVID-19 pandemic due to business shut downs, unemployment, loss of livelihoods and a lack of social protection systems.



What we have done so far

Strengthening our processes in our own operations

Internally, we have reviewed and amended our contract template for employment agencies to clearly stipulate that workers should not pay any recruitment fees. We have also trained our local Human Resources teams on the Employer Pays Principle and how to integrate this principle into their work with agencies.

Strengthening our due diligence

Since 2020, we have been rolling out virtual modern slavery training for all of our staff in supplier-facing roles.

90% of buyers

trained in spotting signs of modern slavery.

We have also launched modern slavery training for factories operating in all the high risk countries identified in the saliency assessment, focusing particularly on tier one factories with a high number of migrant workers.

When conducting audits of high-risk sites with migrant labour, we make sure that we have experts on the audit team who can speak the migrant worker's languages. We also extend the audit length to allow us ample time to focus specifically on migrant workers' conditions.

“The training has a good overview of Modern Slavery and many good watch outs as a supplier facing role. I found the training quite easy to understand and well-structured, worth spending time especially to help refresh my understanding what constitutes forced labour.”

– *Chalita Heamprueksa, Global Category Manager for Ovo raw materials, TwiningsOvaltine*

Supporting victims with effective remediation

Since 2019, in Malaysia and more recently in Thailand, we have been commissioning in-depth assessments with expert labour rights organisations (respectively Impactt and Elevate) in the factories of all suppliers and business partners where migrant workers are present. These in-depth audits take a worker-centric approach and seek to understand the entire recruitment journey as well as the current experience of migrant workers. Where issues have been identified, we have worked intensively with our business partners to remediate them. This has included refunding all previous worker fees, returning passports and providing in-depth training for our business partners and their labour agencies on eliminating recruitment fees going forward.

USD 180,130 refunded

in recruitment fees.

“We have closely worked with TwiningsOvaltine and their Malaysian suppliers on a prevention and remediation programme towards responsible recruitment following our in-depth recruitment practice assessments in 2019. It is essential to see companies such as TwiningsOvaltine deepening their understanding of the issues and conducting due diligence in their supply chain to address modern slavery risks.”

– *Firza Safira, Principal Consultant at Impactt*



Enablers

To deliver our human rights approach and address our salient human rights issues, we believe that the following conditions are essential to providing effective due diligence.



Workers' voices

We recognise that listening to workers' voices is a critical component in establishing happy, productive and engaged workplaces. We also recognise that effective dialogue between companies, workers and their representatives is crucial for establishing conditions that allow workers to have a stronger voice in improving pay and conditions whilst reducing the risk of human and labour rights abuses. TwiningsOvaltine encourages and supports effective processes that allow workers' voices to be heard.



Grievance mechanisms

Under the United Nations Guiding Principles on Business and Human Rights (UNGPs), grievance mechanisms are crucial to remedying human rights abuses. Workers and communities must be empowered to address grievances through accessible, fair and independent mechanisms. This helps to hold businesses accountable for their conduct and supports access to appropriate remedy. Having recognised this, we clearly set out our expectation for establishing grievance mechanisms to address workplace concerns and protect workers' rights in our supplier Code of Conduct. Going forward, we plan to conduct a review of the effectiveness of grievance mechanisms in our own operations and supply chains.

Community Development Forums

Since 2017, we have been working in partnership with CARE International to establish Community Development Forums (CDFs) on tea estates. CDFs provide a space for sharing, debating and opening dialogue between workers, management and the wider community.

By enabling collective and transparent decisions to be made about community development, as

well as labour conditions, CDFs foster a sustainable workforce and empower workers – especially women and young people.

Since the creation of these forums, communities on each garden have been able to raise and address a number of issues, including better access to water and sanitation facilities; awareness on alcohol abuse; enabling linkages with government services and helping historically marginalised communities gain ID documents.

Our TCNA approach

As introduced on page 8, our TCNA is a holistic framework which covers housing, water and sanitation, labour standards, gender, health and nutrition, children's rights, livelihoods, land rights, farming practices and natural resources. It is designed to help us hear from farmers, workers and the communities in our tea and herbs supply chains. To achieve this, TCNAs involve focus group discussions and individual interviews as well as surveys and observations. TCNAs are conducted over several days, to enable to build trust, by members of the Twinings Social Impact team, who are based in key sourcing regions and are experienced in participatory approach.

Collaborative partnerships

We recognise that collaboration is essential to address the root causes of systemic human rights risks and we value stakeholder perspectives to inform our approach.



We are a founding member of the Ethical Tea Partnership, a coalition of tea packers, brands and retailers working with producers and civil society for a socially just and environmentally sustainable tea industry.



We are a member of AIM Progress, an initiative promoting responsible sourcing and bringing together FMCG companies collaborate, share learning and drive positive impacts on working conditions in our tier one supply chains.



IDH is the sustainable trade initiative working with businesses, financiers, governments and civil society to realise sustainable trade in global value chains. We use the IDH Living Wage roadmap to measure and work towards delivering living wages in our supply chain.



We are a member of the International Cocoa Initiative, which focuses on addressing child labour in cocoa production in West Africa.



We are a member of the World Cocoa Foundation, which bring together manufacturers, retailers, producers, suppliers, shipping companies and ports to achieve sustainability in the cocoa sector and tackle challenges such as deforestation and poverty.



We are a member of the Sustainable Spices Initiative (SSI) a sector-wide consortium founded in 2012 by IDH that brings together companies and NGOs within the spices and herbs sector with the common objective of sourcing products sustainably making positive impact on the supply chain.



Through our parent company, we are a member of the Roundtable on Sustainable Palm Oil (RSPO) which promotes the growth and use of sustainable palm oil through co-operation within the supply chain and open dialogue with its stakeholders.



We work with Rainforest Alliance to ensure sustainable sourcing of our tea, herbs and cocoa.



Women's Safety Accelerator Fund is an industry-wide collaboration which aims to ensure that all women and girls in tea gardens in India are socially, economically and politically empowered and free from sexual harassment and other forms of violence.



Since 2015, we have been working with Business for Social Responsibility (BSR) to deliver HERhealth in tea plantations and smallholder farms in Kenya, and more recently to review our systems and processes and in piloting HERrespect and HERfinance in tea gardens, respectively in India and Kenya.



We have been working with CARE International in Sri Lanka since 2015, rolling out the innovative Community Development Forums to enable dialogue between workers and management. CARE International also provides training to the team on gender-sensitive issues.

ELEVATE

Elevate is one of our audit partners who conduct ethical audits against our Code of Conduct and provide tools to help us evaluate migrant worker conditions in Thailand.



We partner with ethical trade consultancy Impactt to conduct in depth assessments in all our Malaysian suppliers' factories in our supply chain that employ migrant workers and work with them to remediate any uncovered issues regarding recruitment fees.



Issara is an independent NGO tackling issues of human trafficking and forced labour. In Thailand, we are piloting the Issara Inclusive Labour Monitoring (ILM) programme.



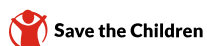
We have been partnering with UNICEF, in Assam since 2010 to improve the lives of young women and girls living on tea estates through protection, nutrition and empowerment interventions.



With international development NGO, Mercy Corps, we work since 2010 to support communities in our supply chain with livelihoods interventions and most recently cardamom farmers in Guatemala.



We have partnered with the Lorna Young Foundation to roll out Farmers Voice Radio, a radio programme which enables farming communities to access and share the knowledge they need to succeed.



We have been partnering with Save the Children since 2004, and since 2011 in communities dependant on tea in Yunnan in China.



In 2019, we collaborated with the International Planned Parenthood Federation (IPPF) and its member association, Family Planning Association of India (FPAI) to improve the general, Sexual and Reproductive Health (SRH) of women workers and their families in seven tea estates in Darjeeling, India.



We work with Pebbles Project – a non-profit organisation supporting children and their families in farming communities in the Western Cape, South Africa, to improve access to health knowledge and services in rooibos farms.



We are a member of Sedex (Supplier Ethical Data Exchange) and use the Sedex platform to store supply chain assessment data, such as SAQ and audit information, for our tier one sites.



Through the U.S. Agency for International Development (USAID)'s Sustaining Health Outcomes through the Private Sector (SHOPS) Plus project, we addressed the lack of access to adequate health facilities for tea farmers in Kenya.



We are working with SEWA (Socio Educational Welfare Association), a local not-for-profit based in Assam, to accelerate the provision of water and sanitation and to promote hygiene within tea communities.



WaterAid is one of our partners in delivering WASH in India. We have contributed alongside Diageo, GA, HSBC, Ekaterra and UNILEVER in developing the business case [Boosting Business: why investing in water, sanitation and hygiene pays off – Summary impact report \(wateraid.org\)](#).

Way forward

We worked hard to embed human rights in all parts of our business and respect the human rights of all in our supply chains, but we recognise that more work needs to be done.



Integrating, reviewing and adapting our approach

We will deepen our understanding of our supply chains, looking out for new or emerging adverse human rights risks, through TCNAs in new origins and supply chains, human rights impact assessments and stakeholders' engagement including NGOs and civil society organisations.

We will reinforce how we measure our impact so that we can be more transparent about our progress and the challenges we face. We believe that being transparent is essential to driving collaboration and helping to tackle industry challenges.

Strengthening workers' voice mechanisms and addressing forced labour risks

In Thailand, our new partnership with Issara will be piloting an Inclusive Labour Monitoring (ILM) programme where we identify high levels of vulnerable migrant workers. The ILM works by combining worker voice insights (from a multilingual hotline, smartphone app and worker interviews) with human resources data on an ongoing basis as opposed to a typical audit snapshot. This will allow workers in our suppliers' factories to have the means to raise issues directly and safely with our partner Issara, who will then flag issues and opportunities for improvement with management.

We will also thoroughly review the grievance mechanisms that have been set up in our own operations, and then those of our key suppliers, to ensure robust and effective systems are in place to hear and respond to workers' voices in our supply chains.

From health to leadership, scaling up our gender work

As part of our Sourced with Care programme, we are committed to empowering 250,000 women in our tea and herbs supply chains by 2025. We aim to achieve this by strengthening existing structures such as gender committees and women's groups, building capability of management, investing in health interventions and continuously identifying appropriate interventions to create an enabling and safe environment for women.

In particular, we will develop interventions in Indonesia to help address harmful gender norms, health and GBV on selected tea gardens. We will also pursue and support interventions to promote women leadership across the tea sector and ensure women's voices are included in decision making.

Maintaining our efforts on health, safety and wellbeing

As a business, our ambition is to continue shaping organisational culture so all working with us feel empowered to be safety champions, develop their health and safety capabilities and continuously help us to improve our working environment.

In our supply chains, we will continue to drive a mindset change by addressing not only the symptoms but also the causes of health and safety issues, and in tea gardens we will work with our suppliers to expand sustainable and equitable access to water and sanitation so workers and their families can access one of the most basic human rights.



On a journey to sustainable livelihoods and a just transition

Following the pilot on measuring the living wage gap in our tea supply chain in 2022, we will use the findings to improve our purchasing practices and we will extend the Salary Matrix to new tea gardens.

Beyond tea plantations, smallholder farmers remain the most vulnerable workers in our supply chain. As we are committed to making all our tea and infusions carbon neutral by 2030, we understand that it is essential we put strategies in place to support smallholder farmers in order to ensure a just transition. We will use our TCNA to understand the needs and priorities of farmers and identify and implement interventions to improve, diversify and shock proof farmers' incomes in our herbs and cocoa supply chains.

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