



# Modern Slavery Statement

**2021 - 2022**



At Typhoo, we are committed to ensuring that there is no modern-day slavery or human trafficking in our supply chains or any part of our business. We firmly support transparency and collaboration to eliminate the risks of modern slavery.

The U.K. Modern Slavery Act 2015 requires businesses to state their actions during the financial year to ensure modern slavery is not taking place in their operations and supply chains. This statement refers to the financial year ending 30 September 2022. It sets out the steps taken by our business to prevent modern slavery and human trafficking in our operations and supply chains.

### **Organisation Structure**

Typhoo is a leading processor of branded and own-brand tea and beverage products.

In 2021 Karalius Ltd became Typhoo's majority shareholder. Under our new ownership structure, our commitment to tackling the risk of modern slavery is as strong as ever. Our business is independent and autonomous, with regular shareholder oversight and direction. Our Head Office is based in the U.K. on the Wirral and we currently employ over 100 people. All employees are paid above the living wage.

Our warehousing and distribution is predominately covered by Boughey Distribution, in Cheshire.

### **Our Business**

Typhoo is committed to upholding human rights and fully supports the U.N. Universal Declaration of Human Rights, the International Labour Organization Fundamental Principles and Rights at Work, the U.N. Guiding Principles on Business and Human Rights and the U.N. Global Compact. As a member of the Ethical Trading Initiative (ETI), Typhoo follows the ETI base code and expect our suppliers to be familiar with it and to be implementing it throughout their supply chain.



The ETI base code covers the following principles:

- Employment is freely chosen.
- Freedom of association and the right to collective bargaining are respected.
- Working conditions are safe and hygienic.
- Child labour shall not be used.
- Living wages are paid.
- Working hours are reasonable.
- No discrimination is practised.
- Regular employment is provided.
- No harsh or inhumane treatment is allowed.

Typhoo is also a member of Sedex (Supplier Ethical Data Exchange). This web-based system allows Environmental, Social and Governance (ESG) data from within our production site to be shared with our customers, and ESG data from our suppliers is shared with Typhoo. This drives supply chain transparency, supports compliance and helps avoid duplication of assessments.

We work closely with our customers, stakeholders and suppliers to further develop our ethical programme in a pragmatic and sustainable manner.

Typhoo's ethical and human rights policy lays out the framework and guidance on the Company's approach to achieving and maintaining good business behaviour with sound ethical conduct.

Typhoo is committed to the highest standards of transparency, probity, integrity and accountability. The Company operates a Grievance procedure to find a quick and equitable solution to any grievance which may arise and also has a Whistleblowing Procedure which sets out the framework for dealing with allegations of illegal and improper conduct in a way that will ensure confidentiality and protect those making such allegations in the reasonable belief that it is in the public interest to do so from being victimised, discriminated against or disadvantaged.



## **Our Programme**

Typhoo play an active role in efforts to improve the tea industry and actively engages with NGOs and other organisations working towards a better tea industry from a Human Rights perspective. As a member of the Ethical Trading Initiative (ETI) and the Ethical Tea Partnership (ETP), Typhoo is actively engaged in efforts to drive systemic change in the broader tea industry. We welcome collaboration with other organisations and actively encourage the involvement of our suppliers and organisations throughout the supply chain.

Our responsible sourcing programme intends to ensure that we understand, monitor and manage the risks that may be present within our supply chain by collaborating with suppliers to strengthen our understanding. The data and insights we will gather will allow us to build on our approach to mitigating the risks of Modern slavery in our business and supply chains. This year saw the recruitment of a Responsible Sourcing Manager to the business and the engagement of an external consultant to review our existing programme and develop our plans; details on progress on the last section of this statement.

Typhoo is committed to trading responsibly and ethically and recognises our responsibility to conduct business that improves workers' lives, their communities and the environment. We recognise a role for certification but also understand it is a journey of sustainable transformation. We continue to develop policies and build on improvements.

## **Our Supply Chains**

While Typhoo does not own tea estates directly, we are committed to trading responsibly and ethically and recognise our responsibility to conduct business that improves workers' lives, their communities, and the environment.

Typhoo recognises challenges within the supply chain, particularly at the grower level, and welcomes open discussions to drive transparency and understanding of the conditions throughout the supply chain. Typhoo is committed to sourcing from suppliers who create accountability and full disclosure around issues such as human rights, health and safety and environmental impacts throughout the supply chain.



Typhoo requires all suppliers and supply chain actors to comply with applicable laws and relevant standards for human rights, workers' rights and conditions, health and safety and environmental protection. The Company recognises a certification role but also understands it is a journey of sustainable transformation. Typhoo continues to develop policies to build on improvements.

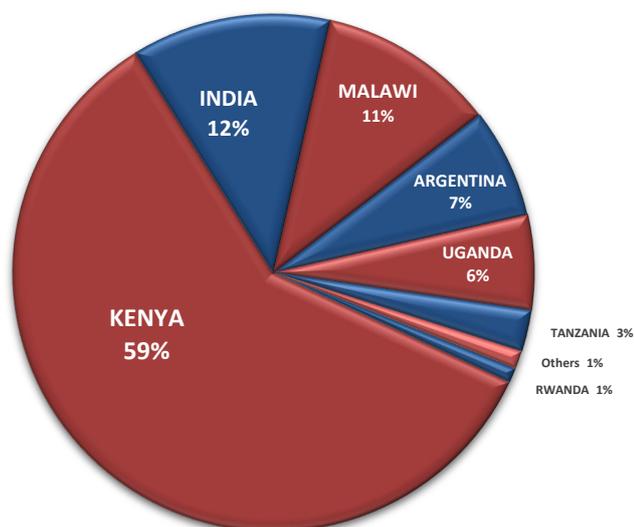
We source tea from over 11 countries worldwide, and the product is purchased both privately and through public auction.

We only source from suppliers who are on our Approved Supplier List. The Approved Supplier list is maintained in accordance with BRC V8. All Typhoo tea comes from certified sources (Rainforest Alliance, Fairtrade or Soil Association). All tea gardens are approved using a combination of certification and self-assessment questionnaires. We profile all producer groups we purchase from and use the information we gather to base our sourcing strategy.

All other raw materials, goods and services are provided by internally approved suppliers with industry-recognised accreditations (i.e. BRC and SEDEX or equivalent).

The process is subject to continuous review, with all suppliers assessed on a minimum 3-year rolling cycle.

### Countries we currently source our tea from with indicative weight on volumes





## **Our Policy on Slavery and Human Trafficking**

Many producing countries we source from have well-publicised historical incidents of abuse of human rights and labour laws. We are committed to the best of our ability to ensure that if it exists in our supply chains, modern slavery or human trafficking will be uncovered and appropriate remedial action taken. Our modern-slavery statement reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not knowingly taking place anywhere in our supply chains.

## **Supplier Adherence to our Values**

We have zero tolerance for slavery and human trafficking. We expect all those in our supply chain and contractors to comply with our values.

All U.K. and E.U. suppliers will be responsible for compliance for their supplier network, and all other suppliers will be risk assessed where required; plans will be put in place for a continuous improvement programme to highlight issues and ultimately eliminate, where possible, slavery and human trafficking.

## **Training**

To ensure a high level of understanding of the risks of slavery and human trafficking in our supply chains, we are continually reviewing our training needs to ensure critical employees have had training, including SEDEX, ETI and Social auditing as appropriate.

## **Mitigation**

We aim not to harm the people identified as being victims of slavery or human trafficking. Any mitigation will be solely for the benefit of the victims, and no action will be taken that is likely to make matters worse for the people concerned. At Typhoo, we recognise the complexity of some of our supply chains, especially where small-holder farmers are involved in impoverished countries.



Any issues that come to light will be appropriately assessed, investigated and consulted with collaborative bodies and stakeholders such as the ETI and NGOs/Unions. We can make a positive, long-lasting difference to the people and their communities through collaborative work.

### **Progress in 2021 / 2022**

- Phase II of the ETP and UNICEF partnership in Assam, India (June 2018- September 2021, Typhoo's contribution of GBP 280,000) is complete. It improved, directly and indirectly, the lives of an estimated 250,000 women, girls and boys from tea communities.
- Commitment to sourcing all tea from certified sources such as Rainforest Alliance, Fairtrade or Certified Organic (Soil Association).
- Recruitment of a Responsible Sourcing Manager and engagement of a consultant.
- Responsible Sourcing and Buying visit to key tea origins in Africa (Kenya, Malawi, Uganda and Rwanda) to develop Typhoo's understanding of risks and opportunities in the region.
- Kick-off of responsible sourcing relationships with suppliers from a "beyond the audit" approach.
- Revision of Typhoo's tea sourcing strategy and development of producer profiles.
- Engagement across the third sector with organisations focusing on driving systemic change.
- Ethical and Environmental training workshops conducted internally.
- Disclosure of critical sourcing data, including our approved tea gardens, which is published on the Business and Human Rights Resource Centre repository.
- Development of a Typhoo Supplier Code of Conduct.
- Development of Typhoo's Ethical and Human Rights Policy.

### **Our Objectives for 2022/2023**

- Update and implementation of Typhoo's Ethical and Human Rights Policy
- Roll out of the Typhoo Supplier Code of Conduct to our supply chain.
- Update our Supplier Approval procedures.



- Rollout of the Ethical and Environmental questionnaires for ingredient sourcing.
- Set up of an internal gender mainstreaming support structure.
- Stronger Together training for managers or H.R., for internal knowledge transfer.
- Social Auditing training and certification for Typhoo employees visiting tea estates.
- Through desk review and field visits, continuing to develop our understanding of the salient risks and causes throughout our supply chains
- Maintain a "beyond audit" approach with suppliers developing remediation mechanisms for risk mitigation.
- Maintaining commitment to sourcing tea from certified sources.
- Introduction of sustainability differential and sustainability investments into Rainforest Alliance certified sourcing.
- Support collaborative efforts to drive systemic change.
- Commitment to transparency across our operations.
- Continuing to risk assess our suppliers to mitigate the modern-slavery risk.

This statement is reviewed annually by the H.R. and Responsible Sourcing departments. The next update is planned after the end of the current 2022/2023 financial year.

This statement is according to Section 54(1) of the Modern Slavery Act 2015. It constitutes our Company's slavery and human trafficking statement for the financial year ending 30 September 2022.

**The Board of Typhoo Tea Ltd has approved this statement.**

**Mike Brehme**  
**Executive Chairman**  
**Typhoo Tea Ltd**  
**February 2023**