



Fine Foods International (Manufacturing) Ltd
/ ECC Ltd
Modern Slavery and Human Trafficking
Statement 2019

Introduction

This is our second modern slavery statement and is made pursuant to s.54 of the Modern Slavery Act 2015 and sets out the steps that Fine Foods International Manufacturing Ltd (FFIM) has taken and is continuing to take to try and prevent modern slavery or human trafficking taking place within our business or supply chain. This statement also covers the requirement for European Coffee Company (ECC) which is a non-trading holding company.

Company

FFIM is part of the Cafea Group which is a privately owned group of companies based in Hamburg, Germany.

There are eight manufacturing sites within the group, the main focus being instant coffee, but other products such as liquid coffee, cappuccinos, hot chocolates, baby foods formula, creamers and coffee substitutes also feature. The packaging formats are varied and include; big bags, 25kg bag in box, tubs, tins, glass jars, individual sachets and pouches.

FFIM is based in Dunstable where it processes and packs instant coffee. The manufacturing site was purpose built in 1995 and carries out blending, agglomeration (granule-forming) and packing of instant coffees. The site has one agglomerator and four packing lines. The UK operation employs 54 staff in total, with 27 in production, operating a two-shift system, 5 days a week. Finished products are packed either into composite tubs, flexible pouches or glass jars. The company also packs instant coffee in 25kg boxes for other food manufacturers.

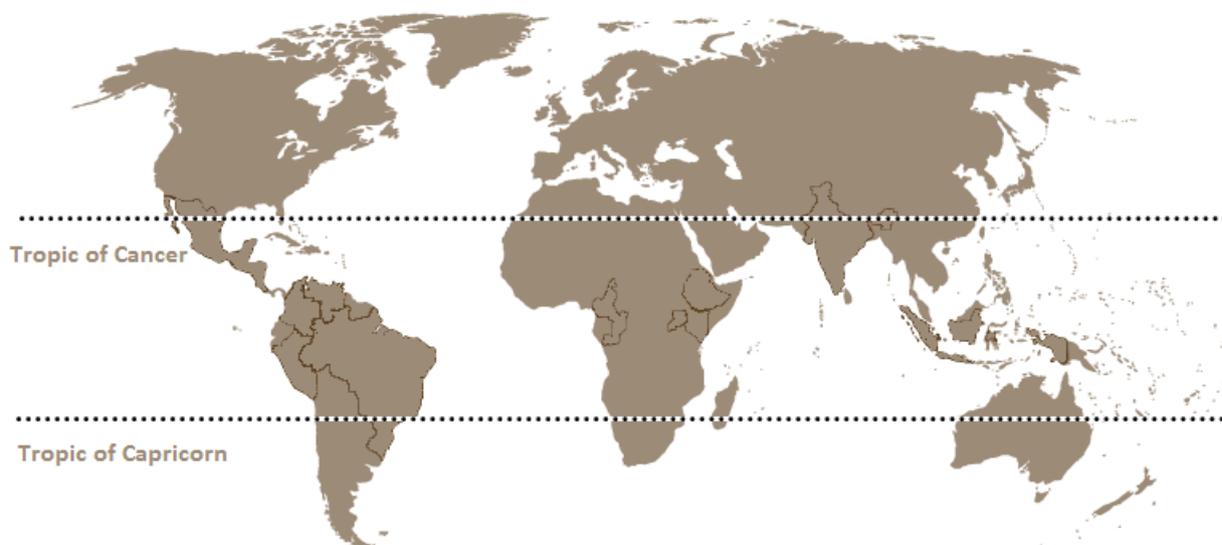
The company also sells products produced by other Cafea group companies and sourced from 3rd party suppliers to retail supermarkets, wholesale outlets and food services providers in the U.K. and Europe. These include instant cappuccinos, hot chocolates, drinking chocolates and liquid coffees.

Supply chain

Our raw materials and finished products come from sites within the Cafea Group and also from non-group companies. Initially we mapped our product supply chain and have spent time with our raw material suppliers to align them with our requirements. In the next year we will review our packaging supply chain. In the following years we intend to cover the entire scope of our business, encompassing, logistics, HR and IT.

Coffee is our main raw material followed by cocoa and sugar, other smaller volume ingredients for the hot beverage products are predominately sourced within the E.U.

Coffee, cocoa and sugar cane are grown anywhere between the two tropics and sugar beet in more temperate climates, therefore our supply chain map covers Africa, Central and South America, Asia, Caribbean, Europe and Oceania.



We have eighteen manufacturing site suppliers from nine countries, who in turn take supply from many other countries. At present our products contain ingredients whose origin can be traced back to one of thirty-four countries*. Our biggest supplier of coffee is the Cafea Group.

*the E.U has been counted as one country

Fine Foods International (Manufacturing) Limited
Chiltern Park, Dunstable, Beds LU5 4LT

T: +44 (0) 1582 478855 F: 44 (0) 1582 478866 E: enquiries@ffi-uk.com www.ffi-uk.com

Registered in England: 2974751 Registered office: Unit B, Chiltern Park Industrial Estate, Boscombe Road, Dunstable, Beds LU5 4LT

Relevant policies

The Cafea Sustainability Brochure states “Sustainability means doing business with decency and intelligence”. We believe sustainability ought to be second nature in the way we think and act. As a private label manufacturer we actively offer our customers coffee from sustainable cultivation. We are UTZ, Rain Forest Alliance and Fairtrade certified.

As part of the groups Fairtrade and Organic activities, we have been helping coffee plantations worldwide for more than twenty years to switch over to organic cultivation combined with Fairtrade partnerships and long-term buying relationships.

FFIM has been committed to complying with the ETI base code since its launch, and have been members of SEDEX since 2005. We had our first ethical audit in 2004 and continue to undergo SMETA audits routinely, as do many of the other Cafea Group companies.

We operate a zero tolerance approach to slavery and human trafficking and would expect our suppliers to comply with this standard. As part of our commitment to the Modern Slavery Act 2015, we have created a Code of Conduct that we require our suppliers to agree to, which includes an obligation to register with SEDEX and to comply with the ETI base code and a requirement to gain awareness of the Modern Slavery Act and supply chain issues with the aim to ensure that there is no modern slavery or human trafficking within our business, our suppliers businesses or our supply chains.

As SEDEX registration will be a condition of supply going forward, we have added it to our Purchase Specifications.

The FFIM Ethical policy details our approach to SEDEX membership, ETI base code, SMETA audits, Modern Slavery Act, Stronger Together, Bribery and Corruption and our FFI Code of Conduct.

Current due diligence

All suppliers of raw material to FFIM have to go through a supplier approval process, which includes a questionnaire, certification and accreditation status. The questionnaire requires potential suppliers to confirm SEDEX registration, explaining it is a condition of supply. FFIM supplier audits have been conducted in South America on key suppliers and in several cases, the supplier's supplier was also visited. The E.U suppliers of smaller ingredients are audited by the Group as part of the supplier approval and monitoring procedure managed in Germany.

Traceability exercises are routinely carried out to check suppliers can trace green beans back to the country of origin so that we have full visibility of the supply chain.

Approximately one fifth of our products are sold in compliance with an accreditation scheme, providing greater visibility of these supply chains.

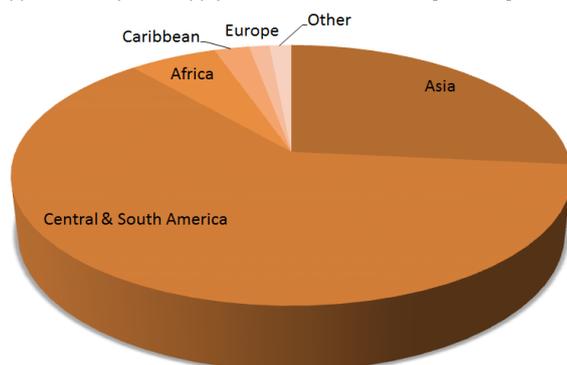
We subscribe to the principles of Stronger Together, a multi-stakeholder initiative aiming to reduce modern slavery, particularly hidden forced labour, labour trafficking and other third party exploitation of workers within the supply chain.

FFIM are members of the British Coffee Association, an industry run body that works to keep members informed of many different topics relating to coffee. FFIM actively take part in the Association's Sustainability Sub-group, covering topics such as sustainability, transparency, modern slavery and human rights. We also subscribe to several industry newsletters and attend customer lead sessions covering such topics as Stronger Together and the Modern Slavery Act.

Identify and manage risk

The supply chain is large and complex. We know that slavery, servitude, forced labour and human trafficking (Modern Slavery) is a global issue, existing in every region in the world and in every type of economy. No sector or industry can be considered immune or untainted. We all have a responsibility to be alert to the risks, however small, in our business and in the wider supply chain. To help us achieve this, we identified where we should focus our attention.

approximate split of supply from the countries of origin for ingredients



With our supplier knowledge and reports publicly available detailing human rights issues around the world, we assessed the level of risk and concluded that our initial area of focus should be on the African and Asian countries within our supply chain. We now take less coffee from Asia than previously, however these suppliers are still our main focus as we feel they represent the biggest risk to the supply chain of the business.

We believe that SEDEX is a major part of providing transparency and managing the risk in our supply chain. We have requested that each supplier register with SEDEX. Of our Asian suppliers, 50% have now registered with SEDEX.

The ingredients sourced from Africa include coffee, cocoa and sugar. The sugar supply is accredited and we now only supply accredited cocoa to the UK market. This gives better visibility of the supply chain.

We have shared the conclusions from our work with our suppliers of the African coffee. In response they have confirmed that all the African countries in our supply chain have been visited by our suppliers and/or their agents. One source has a thorough sustainability program, the core of which is a foundation established in 2012 to respond to the decreasing productivity and quality of coffee in East Africa and to address subsequent socio economic consequences.

Training

We have trained key members of staff in Modern Slavery and Stronger Together using attendance of specific conferences on the subject, customer run briefings and email updates from various sources. A briefing to all staff and suppliers will be issued on the publication of the updated FFIM Modern Slavery Statement.

Effectiveness

Since our last Modern Slavery Statement we have written to all our suppliers to request that they register on SEDEX as we believe that SEDEX is a major part of providing transparency and managing the risk in our supply chain.

We have then reviewed the status of our suppliers on SEDEX and collated the below data.

Current status of SEDEX registration within our supply chain:

52% registered on SEDEX with full visibility

32% registered on SEDEX

16% not registered on SEDEX

Of the 52% of suppliers registered on SEDEX with full visibility, 50% of the suppliers have 100% completed SAQ, with the remaining 50% having completed 98% or more.

With this focused approach we are also confident that our suppliers are more aware of the Modern Slavery Issue and UK requirements than they previously were.

Plan for 2019

We are working towards having full visibility with the 32% of suppliers that are currently registered on SEDEX. We have also contacted the 16% of suppliers that are yet to register on SEDEX to request that they start the process. We will also start to collect similar information as above for our packaging suppliers.

We will assess how effective our plan for 2019 has been next year, by comparing the SEDEX status in 2020 against the current figures.

