

# Matthew Algie Annual Statement

## Modern Slavery Prevention in 2020 Financial Year

*This statement has been published in accordance with Section 54 of the Modern Slavery Act 2015. It sets out the steps that Matthew Algie & Company Limited has taken in relation to the prevention of modern slavery during the 2020 financial year, ending 31<sup>st</sup> December 2020.*

### 1. Organisational Structure, our Business, and our Supply Chains

- 1.1 Matthew Algie is primarily a coffee roaster, offering fresh, sustainably sourced coffees to the catering and retail sector in the UK and Ireland. We employ 224 people and over half of these are based at our roastery in Glasgow whilst the remainder are field based to provide regular, face-to-face contact with customers. Our customers range from cafés to restaurants to pubs and contract caterers and include both national retail chains and single-outlet independents.
- 1.2 Our founder, Matthew Algie, first started the business importing tea on the Clyde in 1864, over 150 years ago. Company strategy transitioned to focus mainly on coffee in the post-War era although we have continued to produce some own-brand tea. The business remained independently owned by the Matthew Algie family until August 2016 when Matthew Algie was acquired by the German coffee and food service business, Tchibo Coffee Service GmbH. Under this structure we have a new platform for further expansion and innovation.
- 1.3 Matthew Algie sources coffee to meet the requirements for our blends based upon quality, flavour, seasonality and sustainability. We have worked hard over the years to consolidate our supply chain and develop direct, long-term relationships with suppliers in coffee growing regions, though we buy green (unroasted) coffee through intermediary coffee traders who help facilitate the logistics and administration relating to our purchases. Our pioneering commitment to sustainability certifications complements our commitment to long-term relationships with suppliers. We were the first roaster in the UK to launch a triple certified espresso (Fairtrade, Rainforest Alliance and Organic) in 2004 and 99% of the coffee we buy holds one or more of these certifications. We have recently launched a new coffee brand, Blak Nektar, where we showcase our premium, speciality coffees, and market these separately to the Matthew Algie brand.
- 1.4 As well as coffee, Matthew Algie offers customers a convenient one stop shop, catering to all their needs. We mainly do this by working with selected third-party suppliers to offer customers a range of machines and “everything but the coffee” via our Espresso Warehouse brand. Our Espresso Warehouse catalogue range includes teas, hot chocolate powders, flavoured syrups, delicious treats and barista kit. Our commitment to sustainability certifications is maintained in these non-coffee products, with many of the relevant supply chains, most notably for our tea and hot chocolate products, holding Fairtrade, Rainforest Alliance or organic certification.
- 1.5 The contents of this statement refer solely to steps taken by Matthew Algie & Company Limited, including the Espresso Warehouse business unit.

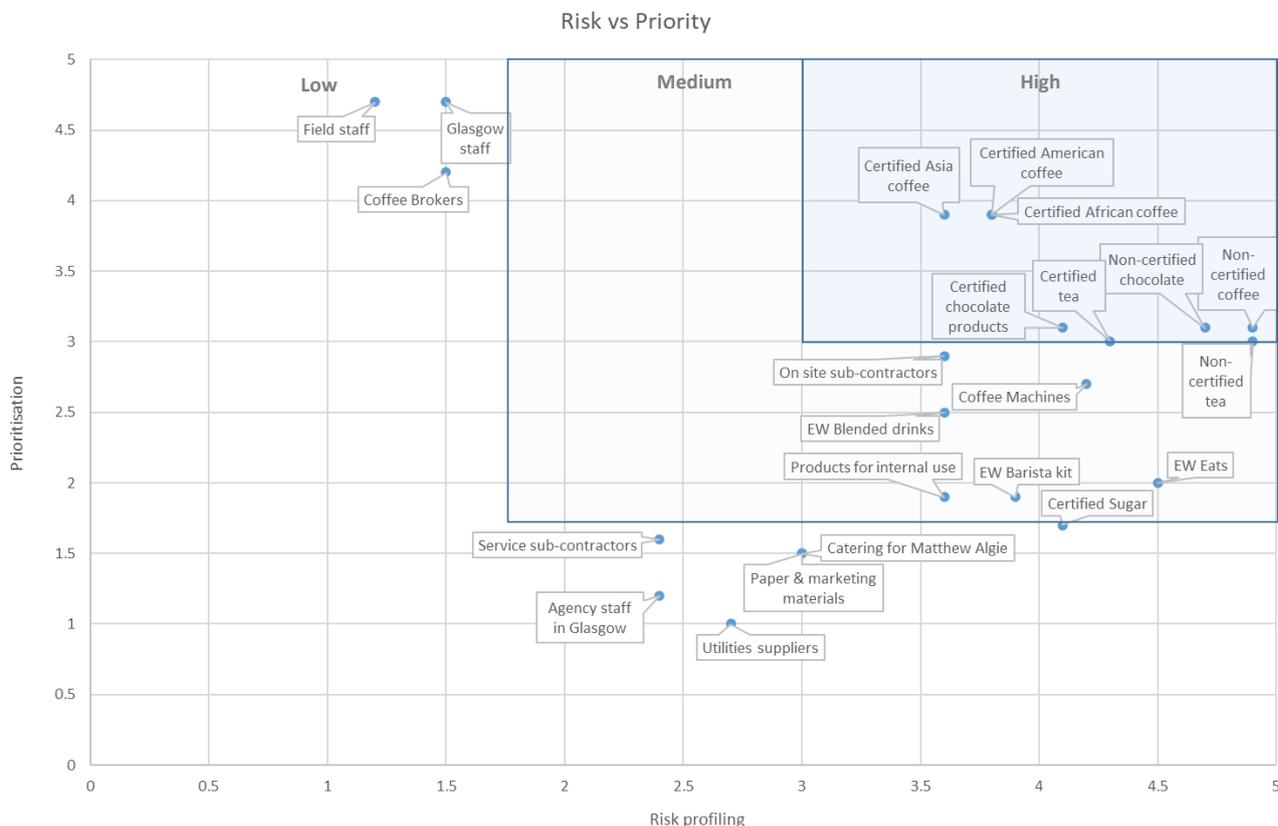
### 2. Assessment of Modern Slavery Risk in Our Business and Our Supply Chains

- 2.1 Matthew Algie holds human rights in the very highest regard and has a zero-tolerance approach to all human rights violations across the business and our supply chains.
- 2.2 We understand “modern slavery” to be when a person:
  - holds another person in slavery or servitude,
  - requires another person to perform forced or compulsory labour, or,
  - arranges or facilitates the travel of another person with a view to them being exploited (human trafficking).
- 2.3 In 2016/17 we started formally assessing the risk of modern slavery in our business and supply chains. To plan our actions effectively, we also prioritised the areas that are of greatest importance to us as a

business and are within our sphere of influence. Further information on our methodology is given in our statement on Modern Slavery Prevention for the 2017 financial year.

2.4 The outcomes of our assessment for 2020 are displayed in the below matrix. The results demonstrate few changes in 2020 and confirm that we should concentrate primarily on our coffee, tea and hot chocolate supply chains. “Agency staff in Glasgow” moved into the “low” category because we employed very few individuals on this type of temporary contract in 2020. We will continue to review the risk assessment on at least an annual basis to ensure our actions remain relevant.

*Mapping the Risk Profile against Priority*



2.5 Continuing the trend first noted in our 2018 statement, Arabica coffee prices have been trading below the Fairtrade minimum price (\$1.40/lb) since mid-2017. The sustained price slump has been caused by several factors including particularly strong output from the world’s largest coffee producing countries and record levels of speculative trading on coffee contracts putting further downward pressure on prices. The impact of the low prices continues to be reflected in the responses we have received to our annual supplier survey, where supplier’s average scores demonstrate that profitability of farms remains a key challenge. In this context, the risk of child labour in the coffee industry will have increased over the last few years, and it is particularly crucial that every stakeholder in the downstream coffee value chain plays their part in paying a fair price for the coffee that they buy.

2.6 As explained below in Section 4, buying certified coffee helps to protect producers from these price slumps, but we are aware that many of the cooperatives we buy from will not be selling all of their coffee on Fairtrade and organic certified terms, meaning most of the organisations in our supply chains will still have been affected to some extent by the price decline.

2.7 The impact of the COVID-19 pandemic has been felt around the globe and our coffee suppliers are no exception. Coffee suppliers have indicated to us that one of the biggest challenges that the pandemic has brought about includes that there has been a reduction in demand. Furthermore, our survey results indicate that on average, our coffee suppliers have found it more difficult to access seasonal workers for example for picking. Both factors could have caused an increase in the risk of modern slavery in the context of smallholder coffee farms.

2.8 A Channel Four *Dispatches* documentary in 2020 highlighted cases of child labour on coffee farms in Guatemala. We purchase very small volumes of coffee from Guatemala, equating to 0.04% of the coffee we buy on an annual basis, and these are speciality microlot coffees which are used in our Blak Nektar

range. We are confident that the producers highlighted on the documentary are not in our supply chain, however, the findings outlined in the documentary were concerning and reinforced the need for robust due diligence processes for small-volume non-certified coffee purchases. The full statement that we published in response to the findings of the *Dispatches* documentary is given in Appendix 1.

2.9 We continue to annually review our risk assessment looking specifically at our recruitment procedure. All the risks identified here rated as either low or medium risk based on probable frequency and level of severity or impact. The exercise was helpful for understanding where we can control the risk of modern slavery in our recruitment process and potential areas for improvement.

### 3. Our Policies in Relation to Modern Slavery

3.1 The below diagram explains our existing policies and procedures which are of relevance to the prevention of modern slavery in our own operations and our supply chain.

3.2 Our 2019-20 Sustainability Report details the progress we have made against our Sustainability Plan (2017-2022). Our commitment to externally reporting on this progress provides helpful accountability and transparency with our stakeholders. Relevant key performance indicators from the Plan have been copied into Section 5 below.



### 4. Our Due Diligence Processes in 2020 and Assessment of their Effectiveness

#### 4.1 Risk Mitigation Within Our Operations

4.1.1 Our mitigation activities with respect to our own operations remains consistent with our approach in previous years. We have clearly defined roles and responsibilities, relevant and up-to-date policies and procedures, service level agreements with our temporary labour

providers which they are audited against, and we provide relevant training to our employees. For more information, please refer to our previous annual statements.

4.1.2 The training that has been undertaken in 2020 to further improve the capabilities of our employees includes:

- Refresher training in *Human Rights* for 19 managers and supervisors based in Glasgow. The training module is aimed to improve attendees understanding of modern slavery and what they as individuals can do to help prevent modern slavery and identify potential cases.
- Our internal training module in *Prevention of Modern Slavery in Supply Chains* focuses on employees in roles relating to Purchasing, Technical/Quality Assurance and New Product Development who are directly in contact with third-party suppliers. As of the 31<sup>st</sup> December 2020, 19% of the relevant cohort of employees had completed refresher training, with the remainder due to complete it in January 2021. The training equips employees to understand the role they can play in risk mitigation in our supply chains, and, to be able to identify and deal with potential cases of modern slavery.

4.1.3 As noted above, we conducted our annual review of the risk of modern slavery in our recruitment process. In relation to this, we have introduced a more direct hiring process, meaning that in most cases we do not rely on intermediary recruitment agencies. Furthermore, we only ever use temporary agency labour where there is a specific need, and due to the impact of the COVID-19 pandemic on our business, we have employed very few individuals on this type of contract in 2020.

## 4.2 Risk Mitigation Within our Supply Chains

4.2.1 As described in our previous statements, our visits to key coffee suppliers help us to fully understand the local context and consider the level of risk of modern slavery. In 2020 we visited suppliers in Honduras, however we were not able to complete further visits as planned due to the COVID-19 travel restrictions that came into force. We have kept in regular contact with our supply chain and we have reached out to suppliers remotely to better understand the position that they are faced with and how they are addressing the challenges presented by the pandemic. For example, we included a new “COVID-19” section in our annual supplier survey.

4.2.2 Conscious that many of our coffee suppliers have been facing the same, if not worse, COVID-19 outbreaks and lockdown restrictions in their regions, our aim has been to be a reliable and transparent partner to our suppliers. The existing forward coffee contracts that we held in March when the UK and Ireland entered its first lockdown have provided us with enough coffee to cover our operations for far longer than we had initially anticipated due to the marked fall in demand in the out-of-home sector. However, despite this sharp fall in demand, we are pleased that we have not cancelled a single contract with our suppliers during this time. Furthermore, when there has been an opportunity to buy, we have remained committed to buying from existing suppliers with whom we have built long term relationships.

4.2.3 To provide us with more information on our coffee suppliers on a case-by-case basis, we introduced a new section to our Green Coffee Supplier Risk Assessment Approval Forms. The new section provides a clear link to the Ethical Trading Initiative Base Code in multiple languages and asks the supplier to assess the risks of forced labour, unsafe or unhygienic working conditions, payment of illegal wages, excessive working hours, discrimination and harsh or inhumane treatment within its operations. It also requests details of the controls that the supplier has in place to reduce these risks. The opportunity to communicate our baseline requirements and assess our supplier’s approach in these areas is especially helpful for our non-certified coffee supply chain.

4.2.4 Consistent with our approach in previous years, 99.1% of the coffee contracted in 2020 held either (or both) Fairtrade and Rainforest Alliance certification. Our commitment to these certifications extends into the other products we source including tea, cocoa and sugar.

4.2.5 For the purposes of prevention of modern slavery, both the Fairtrade and Rainforest Alliance standards include criteria relating to social practices on the farm. For specific information on

the core and development criteria relating to prevention of forced labour, please refer to Appendix 2.

- 4.2.6 It was announced in 2017 that UTZ would merge with Rainforest Alliance and their new joint standard was published in 2020. We were actively involved in the consultation process and provided feedback on the draft versions of the new farm standard. Rainforest Alliance have introduced a new “assess-and-address”, risk-based approach that focuses on prevention, engagement, improvement, and incentivising farm owners to tackle issues, including forced/child labour, rather than hiding them. The shift aligns with the growing international consensus around good practices in human rights due diligence as laid out by the United Nations Guiding Principles on Business and Human Rights and the Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises. More information on this is available in their “[What’s in our 2020 Certification Program? Assess-and-Address](#)” document.
- 4.2.7 We have also been actively participating in the public consultation for Fairtrade’s review of their Standard for Coffee. The second consultation period was open until February 2021 and included clauses relating to risk assessments, monitoring and remediation when child labour and/or forced labour including human trafficking is identified.
- 4.2.8 Important to mention considering the decline in coffee prices, outlined in Section 2 above, is the crucial role that certifications play in protecting producers from these slumps. Buying coffee on Fairtrade terms ensures producers receive a minimum price, plus an additional social premium. Organic certification also includes a specified premium. Therefore, not taking account of the quality differential, we pay a minimum of \$1.60 /lb for Fairtrade certified coffee and \$1.90/ lb for Fairtrade and organic certified coffee. This is significantly higher than the market price which has been trading below the Fairtrade minimum price (\$1.40/lb) since mid-2017.
- 4.2.9 Of the coffee contracts we put in place in 2020, 26% were Fairtrade only certified and a further 53% held both Fairtrade and organic certifications. It is our responsibility to continue promoting the benefits of these certifications in the UK market and making the case for them to our customers. This allows us to source the vast majority of our coffee on Fairtrade and organic certified terms and hopefully increase the amount of certified coffee we source from suppliers.
- 4.2.10 Incorporated into the new Rainforest Alliance standards is a new requirement for supply chain actors to pay a Sustainability Differential on all certified contracts. Use of the Differential for groups of smallholders will be determined by each farmer member. For large farms the Differential will be used to benefit farm workers. Additionally, buyers will be required to make Sustainable Investments which are designed to assist producers in implementing their development plan. Complementary to this, the new farm standards include a more comprehensive approach to ensuring living incomes and living wages are received. For example, by providing farms with tools to help them to assess their risks more accurately, understand where there is a need to improve through using benchmarks (e.g. Global Living Wage Coalition studies) and measure progress over time.

## 5. Relevant Key Performance Indicators and Actions

| Type of Indicator                    | Performance Indicator   | Progress in 2020   | Intention for 2021   |
|--------------------------------------|---|--|--|
| <b>Sustainability 2017-2022 Goal</b> | 90% of coffee purchased consistently has at least one certification.  | 99% of the coffee we purchased had at least one certification.   | Prioritise certified coffee wherever possible and monitor KPI. |
| <b>Sustainability 2017-2022 Goal</b> | Ratio of agency to permanent staff is 1:50 (2%) respectively.   | Average ratio was 0:50 for 2020 as we employed very few agency staff during the year.  | Continue to monitor this key KPI.                              |
| <b>Action for 2020</b>               | Glasgow-based line managers are trained on the prevention of modern slavery.  | As noted above, an internal training module on Human Rights continues to be utilised and refresher training is provided. 19 supervisors and managers completed the training in 2020. | Maintain KPI   |
| <b>Action for 2020</b>               | Encourage best practice by our agency labour providers by signposting to training opportunities and useful resources. | Our interaction with agency labour providers has been extremely limited in 2020 because we have taken on very few agency staff during the period.                                    | Maintain KPI   |

## 6. Authorisation and Endorsement

6.1 This statement was approved by the Board of Directors of Matthew Algie & Company Limited on the 19<sup>th</sup> of March 2021.

6.2 This statement has been authorised by:



Ewan Reid  
**Managing Director**

Date: 19 March 2021

## 7. Appendix 1: Reactive Statement to Human Rights Abuses in Guatemala

- 7.1 We are saddened by the findings of the *Dispatches* documentary showing child labour has been found on multiple coffee farms in Guatemala. Though Arabica coffee prices have started to pick up in the last few months, the coffee market continues to trade below the Fairtrade minimum price (\$1.40/lb), as it has been since mid-2017. The price slump has been caused by several factors, including particularly strong output from the world’s largest coffee producing countries and record levels of speculative trading on coffee contracts. The impact of the low prices has been reflected in the responses we have received to our annual supplier survey, where supplier’s average scores demonstrate an overall increase in the level of perceived risk associated with coffee prices covering cost of production. In this context, the risk of child labour in the coffee industry will have increased over the last few years, and it is particularly crucial that every stakeholder in the downstream coffee value chain plays their part in paying a fair price for the coffee that they buy.
- 7.2 We purchase very small volumes of coffee from Guatemala, equating to 0.04% of the coffee we buy on an annual basis, making it highly unlikely that the farms highlighted in the *Dispatches* documentary are connected to our own supply chain. However, we are taking steps to investigate this further and to gain visibility of which specific farms were visited. We have not been approached regarding the allegations by the *Dispatches* team.
- 7.3 The Guatemalan coffee that we source forms part of the speciality microlot coffees which we purchase on conventional, non-certified contracts. When sourcing these finest quality coffees, we pay a premium. This approach allows producers to manage their farms profitably and rewards farmers for the care and investment that they put into growing and processing speciality coffee.
- 7.4 Though we purchase this coffee via a trusted third-party coffee trader, in this case Falcon Speciality, we have full traceability of the coffee back to the individual farm. Ourselves and Falcon Speciality have a zero-tolerance approach to modern slavery, and we work closely with our partners in origin to expect the same high standards from our suppliers. As a minimum we expect suppliers to meet the standards set out in the [Ethical Trading Initiative’s Base Code](#). The Falcon Speciality team regularly travel to Guatemala, have a longstanding partnership with our supplier there and visit them at least once a year. Whilst we purchase uncertified coffee from the farms, they hold Rainforest Alliance certification.
- 7.5 The Fairtrade Foundation and Rainforest Alliance have both provided separate statements to further explain their position which we can provide upon request.

## 8. Appendix 2: Fairtrade and Rainforest Alliance Standards

- 8.1 As detailed below, the Fairtrade and Rainforest Alliance standards to ensure forced labour is not used on farms, includes essential criteria and continuous improvement (i.e. required in the medium term) criteria.

### 8.2 Fairtrade Standard for Small Producer Organisations<sup>1</sup>

| Reference | Type of criteria | Requirement   |
|-----------|------------------|---|
| 3.3.5     | Core             | You and your members do not directly or indirectly engage in forced labour, including slave, bonded or involuntary prison labour. You explain this to all workers.  |
| 3.3.6     | Core             | If you have identified cases of forced adult labour in your organization (see requirement 3.1.2), you and your members remediate to ensure prolonged safety and implement relevant policies and procedures to prevent vulnerable adults above the age of 18 years from being employed in abusive, exploitative and unacceptable work conditions as defined by ILO Conventions 29 and 105. |
| 3.3.7     | Core             | You and your members do not make the employment of a worker or an offer of housing conditional on the employment of their spouse. Spouses have the right to work elsewhere.   |
| 3.3.8     | Core             | You and your members do not employ children below the age of 15 or under the age defined by local law, whichever is higher.   |

<sup>1</sup> FAIRTRADE STANDARD FOR SMALL PRODUCER ORGANIZATIONS [https://files.fairtrade.net/standards/SPO\\_EN.pdf](https://files.fairtrade.net/standards/SPO_EN.pdf)

|        |            |   |
|--------|------------|---|
| 3.3.9  | Core       | Your members' children below 15 years of age are allowed to help your members on their farms under strict conditions: you ensure that they only work after school or during holidays, the work they do is appropriate for their age and physical condition, they do not work long hours and/or under dangerous or exploitative conditions and their parents or guardians supervise and guide them.  |
| 3.3.10 | Core       | You and your members do not submit workers of less than 18 years of age to the unconditional worst forms of child labour or to any type of work which, by its nature or the circumstances under which it is carried out, is likely to jeopardize their health, safety, morals or their school attendance.   |
| 3.3.11 | Core       | <p>If in the past you or your members have employed children under 15 for any type of work, or children under 18 for dangerous and exploitative work, you ensure that those children do not enter or are not at risk of entering into even worse forms of labour including hazardous work, slave-like practices, recruitment into armed conflict, sex work, trafficking for labour purposes and/or illicit activities.</p> <p>Any action that you take to ensure this respects the UN Convention on the Rights of the Child (CRC) protective framework, which means that:</p> <ul style="list-style-type: none"> <li>• the best interest of the child are always the top priority;</li> <li>• their right to survival and development is respected;</li> <li>• you apply them to all children without discrimination;</li> <li>• the views of the child are heard and respected;</li> <li>• at all moments they are protected from violence.</li> </ul> |
| 3.3.12 | Developing | If you have identified child labour as a risk in your organization (see requirement 3.1.2) you and your members implement relevant policies and procedures to prevent children below the age of 15 from being employed for any work and children below the age of 18 from being employed in dangerous or exploitative work.   |
| 3.3.29 | Core       | Children under the age of 18 years, pregnant or nursing women, mentally disabled people, people with chronic, hepatic or renal diseases and people with respiratory diseases do not carry out any potentially hazardous work. Alternative work is provided for them.  |

### 8.3 The Rainforest Alliance Sustainable Agriculture Standard 2017<sup>2</sup>

| Reference | Type of criteria | Requirement  |
|-----------|------------------|--|
| 4.1       | Critical         | <p>All forms of forced, compulsory, or slave labour are prohibited, including use of trafficked and bonded labour, labour by prisoners or soldiers, or the use of extortion, debt, threats, monetary fines or penalties.</p> <p><i>According to ILO Forced Labour Convention (No. 29) and Abolition of Forced Labour Convention (No. 105).</i></p>   |
| 4.6       | Critical         | <p>The worst forms of child labour are prohibited, including</p> <ol style="list-style-type: none"> <li>a) Work harmful to children;</li> <li>b) Any type of paid or unpaid work by a child under the age of 15 years old, except tasks that are traditional for children in the location and are undertaken for the purpose of encouraging the family's or local culture;</li> <li>c) Young workers' work during legally compulsory school hours;</li> <li>d) Young workers' work of more than eight hours per day and more than 48 hours per week;</li> <li>e) Young workers' work schedule not permitting minimum consecutive period of 12 hours' overnight rest, and at least one full day of rest for every six consecutive days worked;</li> <li>f) All forms of forced, compulsory, or slave labour or discrimination;</li> <li>g) Sale and trafficking of children;</li> </ol> |

<sup>2</sup> RAINFOREST ALLIANCE SUSTAINABLE AGRICULTURE STANDARD 2017, [https://www.rainforest-alliance.org/business/wp-content/uploads/2017/11/03\\_rainforest-alliance-sustainable-agriculture-standard\\_en.pdf](https://www.rainforest-alliance.org/business/wp-content/uploads/2017/11/03_rainforest-alliance-sustainable-agriculture-standard_en.pdf)

|     |          |   |
|-----|----------|---|
|     |          | <p>h) Use, procuring or offering of a child for prostitution, for the production of pornography or for pornographic performances;</p> <p>i) Use, procuring or offering of a child for other illicit activities.</p> <p><i>ILO Worst Forms of Child Labour Convention No. 182</i></p>  |
| 4.7 | Critical | <p>If young workers* are contracted, records for each young worker are kept, including: First and last name; reliable proof of date of birth; parent(s) or legal guardian(s) first and last name and domicile or place of contact; young worker's permanent residence; school registration and attendance statuses; parent(s) or legal guardian(s) consent and authorization for the young worker's employment; type of assigned work or tasks; and number of daily and weekly working hours.</p> <p><i>ILO Minimum Age Convention No. 138.</i></p> <p>* The minimum age of a young worker shall not be less than 15 years. For the purposes of this standard the term refers to workers between the ages of 15 and 17 years. (<i>ILO Minimum Age Convention, 1973 (No. 138); Convention concerning Minimum Age for Admission to Employment; Geneva, 58th ILC session</i>).</p> |

#### 8.4 Rainforest Alliance Sustainable Agriculture Standard 2020<sup>3</sup>

8.4.1 n.b. "Mandatory Improvements" and "Mandatory Smart Meters" are applicable in case of medium/high risk for child labour and/or forced labour. Large and individually certified farms always implement the improvements for discrimination and workplace violence and harassment.

| Reference | Type of criteria | Requirement  |
|-----------|------------------|--|
| 1.2.5     | Core             | <p>For children conducting light work (12-14 years) and young workers (15 – 17 years), the registry additionally contains:</p> <ul style="list-style-type: none"> <li>• Housing address</li> <li>• Name and address of parent(s) or legal guardian(s)</li> <li>• School registration (if applicable)</li> <li>• Type of work or tasks</li> <li>• The number of daily and weekly working hours</li> </ul>   |
| 5.1.1     | Core             | <p>Management commits to assess-and-address child labour, forced labour, discrimination, and workplace violence and harassment by:</p> <ul style="list-style-type: none"> <li>• Appointing a management representative who is accountable for the assess-and-address system</li> <li>• For large farms, individually certified farms and supply chain certificate holders: giving a mandate to a committee comprised of the appointed management representative and workers representative(s) to manage the assess-and-address system. The worker representative(s) is/are selected by workers.</li> <li>• For group management: giving a mandate to a committee comprised of the appointed management representative and a group member representative to manage the assess-and-address system. Group management can choose to appoint a management representative only instead of a committee.</li> </ul> <p>The committee members are:</p> <ul style="list-style-type: none"> <li>• Knowledgeable about child labour, forced labour, discrimination and workplace violence and harassment</li> <li>• Impartial, accessible and trusted by workers/group members</li> </ul> <p>Communication:</p> <ul style="list-style-type: none"> <li>• Management representative/committee: coordinates with management, the grievance committee and the gender person/committee</li> <li>• Raises awareness of these four issues with management and (group) staff at least annually</li> <li>• Informs workers/group members in writing that child labour, forced labour, discrimination and workplace violence and harassment are not tolerated, and that management has a system in place to assess-and-address</li> </ul> |

<sup>3</sup> RAINFOREST ALLIANCE SUSTAINABLE AGRICULTURE STANDARD 2020, [https://www.rainforest-alliance.org/business/wp-content/uploads/2020/06/2020-Sustainable-Agriculture-Standard\\_Farm-Requirements\\_Rainforest-Alliance.pdf](https://www.rainforest-alliance.org/business/wp-content/uploads/2020/06/2020-Sustainable-Agriculture-Standard_Farm-Requirements_Rainforest-Alliance.pdf)

|          |  |   |
|----------|--|---|
|          |  | related cases. This information is visibly displayed at central locations at all times.   |
| 5.1.2    | Core                                       | <p>Risk mitigation: The management representative/committee includes in the management plan the mitigation measures as identified in the basic Risk Assessment and implements corresponding measures.</p> <p>The basic Risk Assessment is repeated at least every three years.</p> <p>Farm scope: Management plan: see 1.3.2, Risk Assessment: see 1.3.1<br/>Supply Chain scope: Management plan: see 1.1.3</p>   |
| 5.1.3    | Core                                       | <p>Monitoring: The management representative/committee</p> <ul style="list-style-type: none"> <li>• Monitors risks and the implementation of risk mitigation measures</li> <li>• Reports potential cases of child labour, forced labour, discrimination, and workplace violence and harassment to the management and to the grievance committee</li> <li>• Monitors remediation activities (see 5.1.4)</li> </ul> <p>The intensity of the monitoring system is adjusted to the risk level and the issue.</p> <p>Indicator: The number of potential cases identified by the monitoring system and referred to the grievance mechanism (by gender, age, and type of issue)</p>                            |
| 5.1.4    | Core                                       | <p>Remediation: The management representative/committee sets out in the management plan how to remediate cases of child labour, forced labour, discrimination, workplace violence and harassment. Confirmed cases are remediated and documented following the Rainforest Alliance Remediation Protocol. Safety and confidentiality of the victims are protected throughout the process.</p> <p>Indicator: Number and percentage of confirmed child labour, forced labour, discrimination and workplace violence and harassment cases remediated per the Remediation Protocol (by gender, age, and type of issue).</p>   |
| 5.1.5 L1 | Mandatory Improvement                      | <p>In year 1 of certification, the management representative/committee:</p> <ul style="list-style-type: none"> <li>• Applies the assess-and-address in-depth Risk Assessment</li> <li>• Includes the corresponding mitigation measures in the management plan (1.3.2)</li> <li>• Implements these measures</li> </ul> <p>The assess-and-address in-depth Risk Assessment is repeated at least every three years.</p>  |
| 5.1.6 L1 | Mandatory Improvement                      | <p>Management representative/committee provides training/awareness raising on child labour, forced labour, discrimination, and workplace violence and harassment to all group members (small farms) or workers (of large farms or individually certified farms).</p>  |
| 5.1.7 L1 | Mandatory Improvement for Group Management | <p>Management actively encourages the school attendance of children of (group) staff, group members, and group member workers.</p>  |
| 5.1.8    | Mandatory Smart Meter                      | <p>The management assures good functioning of the assess-and-address system. For this purpose, from year one onwards, a yearly assessment of the assess-and-address system for the relevant issue(s) is conducted, based on the following five elements:</p> <ul style="list-style-type: none"> <li>• Effective implementation of mitigation measures</li> <li>• Effective training on relevant assess-and-address topics</li> <li>• Effective cooperation with external actors</li> <li>• Effective monitoring of the assess-and-address system</li> <li>• Effective internal collaboration on assess-and-address topics</li> </ul> <p>Indicator: Scores on the assess-and-address system elements</p> |
| 5.7.1    | Core for Large farms                       | <ul style="list-style-type: none"> <li>• Families of permanent workers with children have separate rooms from workers who are non-family members</li> <li>• Workers' children live together with their parents and are not separated from them</li> <li>• Workers' children living on-site are in a safe place and under the supervision of an adult during working hours</li> </ul>  |
| 5.7.2    | Core for Large farms                       | <p>Children living on-site and of school-going age go to school. Children either:</p> <ul style="list-style-type: none"> <li>• Go to a school at safe walking distance</li> <li>• Go to a school at reasonable traveling distance, with availability of safe transport</li> <li>• Have on-site schooling of a recognized and equivalent level.</li> </ul>   |