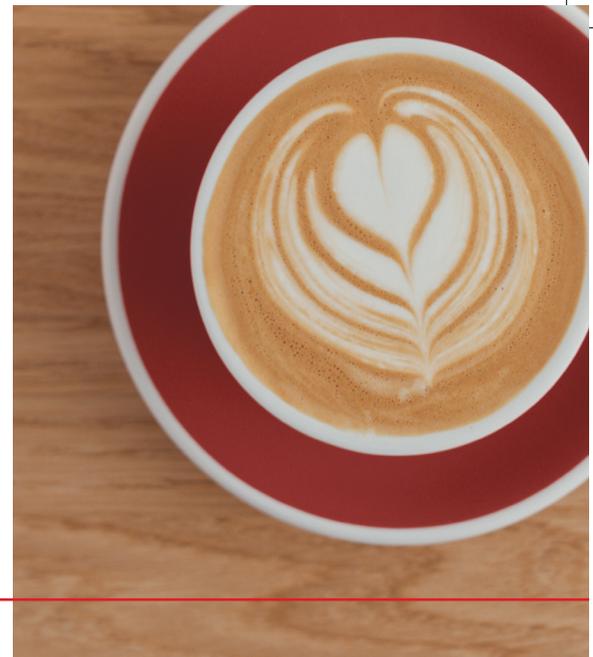


# MODERN SLAVERY AND HUMAN TRAFFICKING ANNUAL STATEMENT FOR THE 2021 FINANCIAL YEAR

Published June 2022



This Modern Slavery and Human Trafficking Annual Statement is produced by UCC Coffee UK Ltd in accordance with Section 54 of the Modern Slavery Act 2015. The Statement outlines the steps we have taken to mitigate modern slavery and human trafficking risks in our business operations and supply chains during the year ending 31 December 2021.

Like many others, our business has continued to be challenged through 2021 by the effects of the global COVID-19 pandemic. We are sadly aware that the ongoing nature of the pandemic may have increased vulnerabilities to exploitation, and through this period, UCC Coffee Ltd have reinforced our Modern Slavery commitment through improvements in controls and due diligence measures.

## 1. Our organisation and supply chains

### Our organisation

UCC Coffee UK Ltd is the leading Total Coffee Solution provider within the UK retail, hospitality, and foodservice markets. We employ over 500 members of staff to create and manage coffee experiences tailored to customers' needs, including own branded and bespoke private label coffee blends; supply and service of professional coffee machines, beverage equipment, and ancillary products; and provision of customer training and market insight support. More information about our business can be found at [www.ucc-coffee.co.uk](http://www.ucc-coffee.co.uk).

UCC Coffee UK Ltd is a registered operating business of UCC Europe Ltd, a leading private label coffee business with operations in France, the Netherlands, Spain, and Switzerland. Operating within a European Group enables UCC Coffee UK Ltd to leverage expertise, innovation, and experience of coffee to deliver market-leading products and services.

### Our supply chains

UCC Coffee UK Ltd takes pride in delivering our industry-leading Total Coffee Solution and this is supported by a diverse number of supply chains that vary in terms of products, geographies, spend and the level of influence we have upon them. Our supply chain and procurement activities fall mainly into the following areas:

- Sourcing raw green coffee from approximately 17 producing origins across Central and South America, Asia, and Africa, through our European coffee procurement centre in Switzerland (UCC Coffee Services Switzerland).
- Purchasing of packaging materials, and other factory-related ingredients, goods, and services (including utilities) essential to the manufacture and distribution of our product range.
- Procuring, distributing, and servicing professional coffee machines and beverage equipment, including associated spare parts and ancillary products such as machine cleaning products.
- Indirect procurement of goods and services. Examples include legal and professional services; vehicle lease contracts; facilities management services; and finished side products and consumables to support our Total Coffee Solution.



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Registered in England No: 2159182 WEEE Registration No: CD01/00545 VAT No: GB161542722

## 2. Our commitment

UCC Coffee UK Ltd respects the basic and fundamental human rights of all individuals and does not condone any form of modern slavery, human trafficking, or exploitation within its business and supply chains. This commitment is expressed through a variety of policies, controls, and practices which are produced and implemented by UCC Coffee UK Ltd and UCC Europe Ltd.

We also recognise that modern slavery is a global issue and businesses can be inadvertently implicated within their business operations and supply chains. If we identify any instances of modern slavery in our supply chains, our approach will be to work collaboratively with our suppliers and business partners, to remediate and resolve the issue. A failure to remediate or demonstrate sufficient improvement may lead to disengagement of the business relationship.

## 3. Our policies and risk controls

UCC Coffee UK Ltd operates a range of internal and external policies and control measures that help mitigate and prevent risks of slavery and human trafficking, taking practical steps to ensure we do not knowingly facilitate modern slavery or human rights abuses.

Through 2021, we have continued to evolve our practices and actions to ensure our employees, suppliers, and business partners understand our commitment to the sustained eradication of human rights abuses and, through internal governance and review, we strive to continue learning and building rigour into our business policies and practices.

### Internal controls

Our Human Resources policies, controls and measures outlined in our 2020 statement continue to support the recruitment and onboarding of new employees, ensuring right to work checks and employee support is provided through our policies, and including ongoing alignment to the 'Employer Pays' principle for recruitment of permanent and agency labour.

We recognise that temporary, agency or migrant workforces can be vulnerable to modern slavery risks, and regularly review the composition of our workforce profile. Access to migrant workforce has also changed following new controls for immigration following the departure of the UK from the EU. New migrants (except for Irish citizens) arriving in the UK are not authorised to work for us without a valid working visa.

In 2021, temporary, agency or contract labour made up less than 3% of the UCC Coffee UK Ltd workforce.

Overall, our assessment of the risk of modern slavery in our employment practices is low. However, in acknowledgement that residual risk is likely to arise from agency and temporary resourcing needs, in 2021 we strengthened the controls in this area as follows:

- All agencies used for temporary labour are subject to increased supplier risk assessment controls, including supplier trading and policy checks and onboarding to our system prior to any business transaction taking place. This also includes:
  - All agencies are required to hold a current GLA (Gangmasters and Labour Abuse) licence, and we keep copies on file
  - Terms of business must include temporary worker hourly pay and any worker associated costs for our approval.
  - Agency sites are audited each year from an Ethical, Health & Safety perspective, giving us a good insight into their quality, working practices, and credibility of suppliers.
- On-site UCC management complete random monthly agency worker interviews, against a set list of questions, to assess any Modern Slavery risk or evidence of Modern Slavery.

To build and strengthen our internal controls of responsible and ethical behaviour, our European Human Resources and Group Sustainability team developed a Group Code of Ethics and Behaviours Policy, launched in 2021. As a European groupwide policy, we expect this to align with our Modern Slavery statement commitment. To help embed the new code, we display it at key employee locations – for example in rest areas.



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## External controls

Our Supply Chain, Procurement and Technical teams are responsible for ensuring our supplier facing policies and practices are communicated and implemented effectively, meeting our customer standards, and external audit and accreditation requirements.

Green coffee is a key raw material to the delivery of our Total Coffee Solution, and we recognise that coffee-growing countries, and the agriculture sector, can often have inherent social risks and vulnerabilities. Our European green coffee procurement centre, UCC Coffee Services Switzerland (UCCSS), manages all green coffee sourcing activities and adopts a supplier relationship management approach, which includes selecting suppliers with integrated supply chains for added upstream visibility and traceability; and specialist importers who work directly with producers.

Whilst the COVID-19 pandemic limited annual origin visits in 2021, launching the UCC Europe Supplier Code of Conduct ensured our green coffee suppliers understood our business wide commitment to responsible and ethical business practices, and the policy provisions which includes the prohibition of modern slavery and child employment under the legal minimum age.

Our BRC approved European green coffee procurement centre, UCC Coffee Services Switzerland (UCCSS) now include our UCC Europe Supplier Code of Conduct in all green coffee sourcing contracts.

Our UK BRC accredited roastery operates strict procedures for supplier approval and supplier risk assessment. We expect all our suppliers to support working conditions that are safe, legal, and fair; in addition to required quality and food safety standards. As part of UCC's supplier risk assessment process, Modern Slavery and Ethical Trading Policies are requested from suppliers and our Ethical Policy is displayed at key employee rest locations, such as staff rest areas.

As the distributor of leading professional coffee and beverage equipment brands, UCC Coffee UK Ltd has long-standing and collaborative relationships with original equipment manufacturers (OEMs). These OEMs are mainly located in the UK, Switzerland, Italy, and the USA and follow their policies or country regulations to ensure the respect of human rights in all forms, in addition to respecting UCC supplier facing policies.

## 4. Our due diligence approaches

### In our organisation

The Human Resources (HR) department is responsible for internal employment, labour and recruitment policies, and controls related to modern slavery. Management teams are accountable for the day-to-day implementation and execution across the business, in addition to checkpoints within the HR systems.

Regular site visits by HR teams to our business operations ensure these policies are effectively implemented and safeguarded, and specific governance committees meet regularly to review internal policy and strategy in action. Strengthened control measures are overseen by Human Resources Department, such as the onsite management agency worker interviews, and during 2021, no issues were identified.

As a member of SEDEX, the roastery of UCC Coffee UK Ltd complete the annual self-assessment questionnaire to ensure our ethical, health and safety, and employment and the site undertakes regular SMETA audits. A continuous improvement approach is taken to ensure any non-conformances are rectified and closed in a timely manner.



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## In our supply chains

In 2021, our European green coffee procurement centre (UCCSS) sourced the majority of our green coffee requirements from 10 approved coffee traders and suppliers. We also increased the proportion of green coffee sourced from voluntary sustainable standards to over 90%, principally using Rainforest Alliance and Fairtrade standards, which include strengthened farm and supply chain criteria relating to the prevention of modern slavery and human trafficking.

The UCC business is committed to supporting a sustainable coffee sector and we are proud to work alongside our suppliers and sector organisations to help mitigate modern slavery risks as well as other inherent social and environmental issues. This includes certification standard holders, such as the Rainforest Alliance and Fairtrade, and organisations such as the Global Coffee Platform and National Coffee Associations.

Through 2021, our UCC Europe Group Sustainability team have reviewed and shared the outputs related to the self-assessment questionnaire launched alongside the UCC Europe Supplier Code of Conduct. This process enabled a deeper assessment of tier 1 supplier policies, measures and controls, and highlighted opportunities for improvement in social compliance monitoring systems.

To further our commitment to responsible and ethical business practices, and to drive continuous improvements, additional control and due diligence measures will be included in our UCC Coffee UK Ltd Quality Management System Supplier risk assessment protocols. This will include a dedicated supplier ethical trade questionnaire, aligned to ETI base code, linked (where possible) to the SAQ of the SEDEX (Supplier Ethical Data Exchange) system, and a supporting risk-based supplier audit approach.

## 5. Raising awareness

Our Modern Slavery training strategy continued to be developed through 2021, to further enhance people's learning and understanding of Modern Slavery and play a part in helping to mitigate and eradicate forced labour across society.

UCC Coffee UK Ltd strive to ensure all employees receive some form of training or awareness building and in 2021 we achieved the following –

- 233 employees or 45% of workforce completed the e-learning module. This includes all new starters complete this module as part of their onboarding to UCC Coffee UK Ltd.
- Our Quarterly L&D E-Newsletter published to all employees included an Anti-Slavery Day focus in Oct 2021, further helping to raise awareness and knowledge across our business.

By end 2021, over 76% of UCC Coffee UK Ltd employees completed the Modern Slavery e-learning module since its launch in 2019.

We also completed a review of our training strategy to ensure reach and applicability all employees, aligned to the 4 key principles outlined in our 2020 statement and through adopting a basic to advanced capacity building approach. An example of this is development of a 'Toolbox Talk' using the free resources from the charity, Stronger Together, which would allow us to have handouts/flyers in different languages and assure the ability to reach our shift working employees. The Toolbox talk will be introduced through 2022 following a train the trainer immersion process.

In 2021 our European Human Resources and Group Sustainability team developed and launched our UCC Europe Code of Ethics and Behaviours Policy, which we have embedded into our business. This facilitates awareness of our commitment towards modern slavery and ensuring our Whistleblowing Policy is accessible and understandable to all employees.



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## 6. Measuring effectiveness

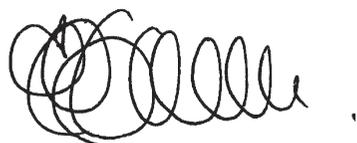
The table below provides a brief overview of our progress towards the forward-looking goals outlined in our 2020 statement:

2021 Continuous Improvement Goals	Progress status	Progress summary
Maintain or increase the proportion of coffee sourced from certified schemes, in association with customer and own brand needs	<b>Achieved</b>	<i>This was increased to over 90% of the coffee sourced for the UCC Coffee UK Ltd business.</i>
Complete social/ethical due-diligence of the UCC Europe Supplier Code of Conduct (launch and SAQ review) and integrate learnings into UCC Coffee UK internal and external control activities - including expanding its reach into supplier risk management practices.	<b>Partially achieved</b>	<i>We have embedded learnings from the review, updating our management approach to supplier ethical trade risk assessment and accessibility of our supporting policies.</i>
Increase focus on Modern Slavery training and awareness, and complete development of a targeted learning Modern Slavery training strategy	<b>Partially achieved</b>	<i>233 members of staff completed the e-learning module in 2021. Further development of the training approach was undertaken with learnings from review planned for launch in 2022.</i>

To continuously improve our commitment to managing and mitigating the risk of slavery and human trafficking in our business operations and supply chains, our 2022 goals include:

1. Maintain or increase the proportion of coffee sourced from certified schemes, in association with customer and own brand needs.
2. Extend reach of supplier risk management through implementation of dedicated ethical trade questionnaire to new and existing suppliers as part of our Quality & Technical responsibilities and strengthen supply chain risk and impact assessments.
3. Continue to enhance controls associated with temporary labour, using our full year data to check for any risk insight and trends and conduct (where relevant) risk-based audits of labour suppliers.
4. Engage in advancement of our UCC Europe group social/ethical policies and due-diligence management systems, including updating our group wide Whistleblowing service provider
5. Increase focus on Modern Slavery training and awareness including –
  - A. Implementation of New 'Toolbox Talk' sessions to shift working employees.
  - B. Launch of the enhanced e-learning programmes for Line Managers/Business Leaders

**Approved by UCC Coffee UK Ltd Executive team on 30th June 2022  
and signed on their behalf by Elaine Swift, Regional Director.**



**UCC** | Every coffee,  
every moment

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