



Supply Chain. Responsible Sourcing

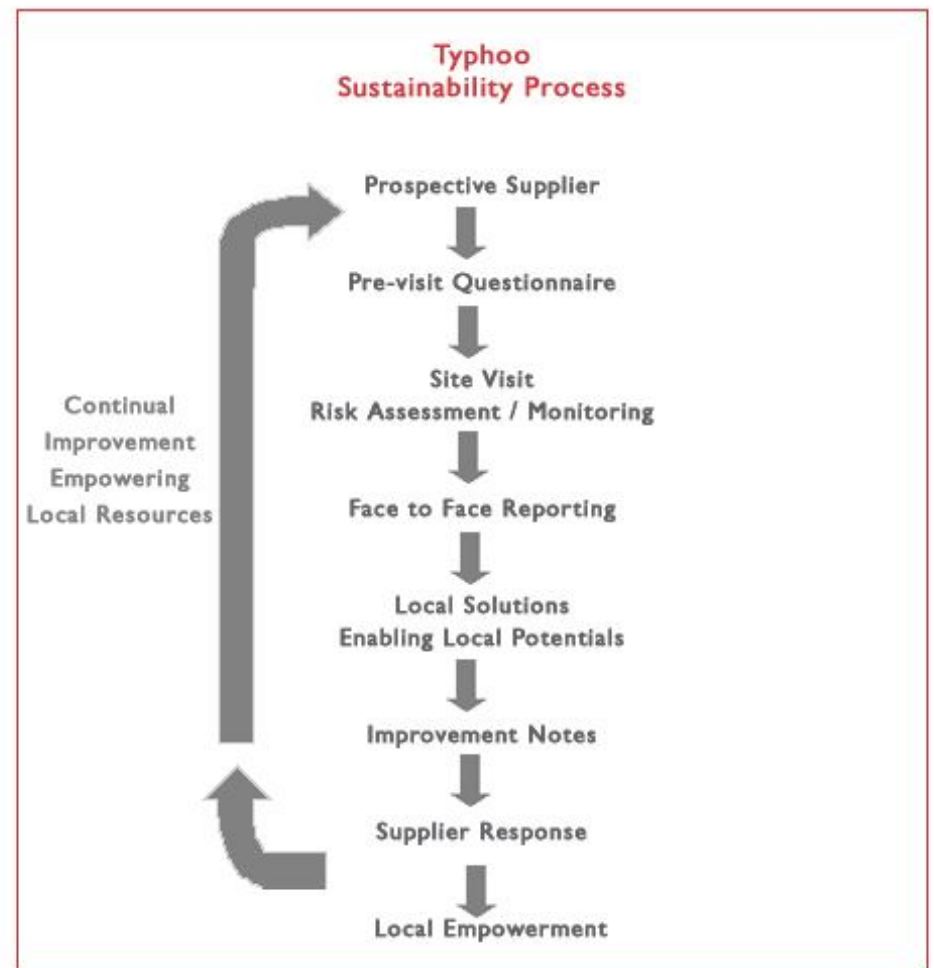
Typhoo Tea Limited, is one of the first tea companies to formally audit and monitor suppliers at source and one of the first in the UK to create its own Quality Assurance Programme (QAP) in 1992 with the objective of uniting ethical standards with product quality. QAP moved Ethical Trading from the theoretical to the practical, offering real-life tools, processes and metrics to our suppliers for creating a true framework for sustainability.

Working in partnership with our suppliers and growers, QAP has involved us in developing ethical awareness and improving working conditions. Many tea estates and factories have already been benefited from our input. The result is a continuously progressive and sustainable compliance extending from food safety, environment and ethical trade. Read more: <http://www.typhoo.com/teasourcing.php>

Ethical Trading Initiative (ETI), formed in 1998, is an alliance of companies, non-governmental organisations (NGOs) and trade union organisations created to improve the lives of workers and their families in global supply chains (www.ethicaltrade.org). Because we care about where our tea comes from and how it is sourced, we have been working with ETI since its inception. We support our suppliers for continual improvement against the ETI base code and QAP monitoring parameters.

ETI aims to develop good practice in the implementation of codes of labour practice. Studies conducted by ETI in recent years suggest that addressing the root causes of poor labour practices and providing more local support in sourcing countries is the key to achieving better conditions for workers. To support this, Typhoo has initiated a capacity building initiative designed to motivate suppliers for ethical compliance, improve productivity, efficiency and product quality.

Workshops were held in Assam, India in March 2007 where representatives from 17 tea estates of Apeejay Tea Group participated and in Malawi, Africa in September 2007 where the Global Tea Group from Malawi and Kenya participated. This initiative brings a new dimension to ethical monitoring by encouraging and assisting suppliers to use local resources. QAP teams have been formed in India and Africa for a more regionally focused approach.





QAP Monitoring Parameters

1. Employment is freely chosen: Exit Policy. No bonded Labor
2. Freedom of association and the right to collective bargaining are respected
3. Working conditions are safe and hygienic
4. Child labor shall not be used: Respect minimum age rules and ensure education
5. Living wages are paid: Ensure local policies and procedures are implemented
6. Working hours are not excessive: rationalize overtime, break and holidays
7. No discrimination is practiced: Ensure equal opportunity policy
8. Regular employment is provided: Check on unfair casuals to escape benefits
9. No harsh or inhumane treatment: Protection against physical, verbal or sexual abuse
10. Provision for medical, education, recreation facilities etc
11. Targets for achieving and maintaining environmental standards
12. Ensuring food safety and quality standards

Typhoo initiated a pilot project on 'QAP Gold Standard' to empower local resources. We shall roll this out to our other suppliers and are confident that they will then take ownership of their systems thus created. Typhoo's QAP is all about Safe products, Quality products, Fair labour standards, Confidence in suppliers and a Sustainable environmental approach. Built on trust, confidentiality & awareness, we aim to develop an integrated ethical management by using local context for realistic solutions and building a sustainable approach for continual improvement.

"Ethical Trade" often means the assumption of responsibility by a company for the labor and human rights practices within its supply chain. In a broader sense 'ethical trade' is an umbrella term for all types of business practices that promote socially, morally and environmentally responsible trade including fair labour standards. QAP approach covers all.

At Typhoo we acknowledge that when sourcing globally, ethical issues are more complex. The overall improvement depends on many local factors at the origin country. Therefore along with monitoring Typhoo ensures on site pragmatic briefing sessions on health and safety, workers welfare, pesticide control and aspects of capacity building and business integrity. Our goal is empowering local resources harness local solutions to develop a sustainable supply chain, in collaboration with our stakeholders, that enables local potentials.