



2022 Statement

COSTA COFFEE

MODERN SLAVERY STATEMENT

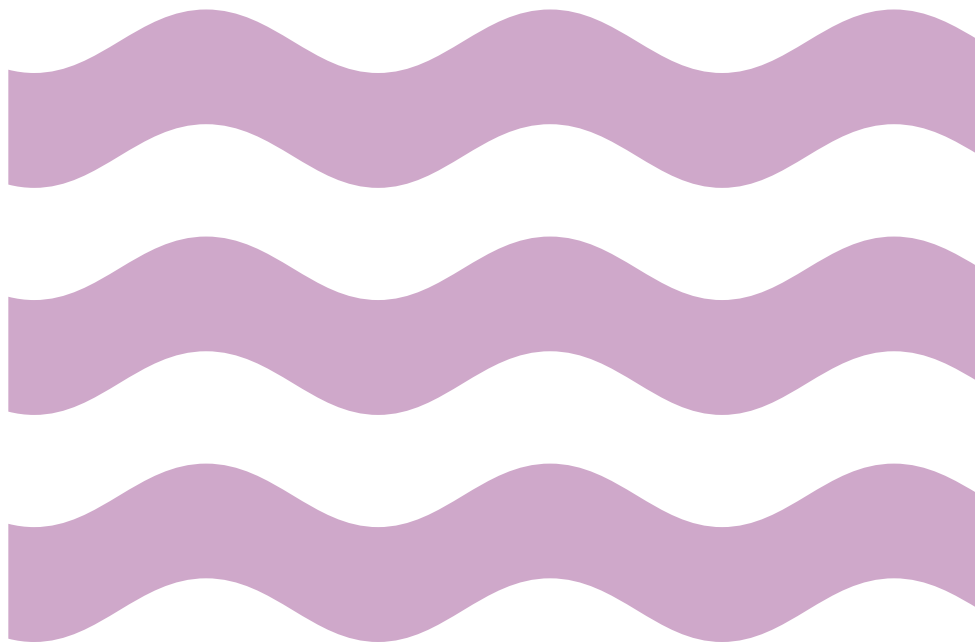


COSTA
COFFEE



Contents

1. PROGRESS AT A GLANCE	
1.1. 2022-23 HIGHLIGHTS	4
2. OUR ORGANISATIONAL STRUCTURE AND SUPPLY CHAINS	
2.1. ORGANISATIONAL STRUCTURE	5
2.2. COFFEE WITH COMMITMENT	6
3. IDENTIFYING AND MANAGING RISK	
3.1. SUPPLY CHAIN RISK MAPPING	7
3.2. UPDATES TO OUR DUE DILIGENCE PROGRAMME	7
3.3. 2022-23 HUMAN RIGHTS RISK ASSESSMENT	7
4. SUPPLY CHAINS	
4.1. COFFEE SUPPLY CHAINS	8
4.2. POLICIES	9
4.3. SUPPLIER DUE DILIGENCE	10
5. TEAM MEMBERS	
5.1. TEAM MEMBERS	11
5.2. CODE OF CONDUCT	12
5.3. HUMAN TRAFFICKING POLICY	12
5.4. APPROACH TO LABOUR AGENCIES	12
5.5. ADDITIONAL POLICIES	12
5.6. CREATING AN INCLUSIVE AND WELCOMING CULTURE	13
5.7. COSTA COFFEE FRANCHISING STANDARDS	13
6. CONSUMERS	
6.1. CONSUMERS	14
7. INTERNAL GOVERNANCE	
7.1. HUMAN RIGHTS WORKING GROUP	15
7.2. INTERNAL HANDBOOKS	15
8. TRAINING ON MODERN SLAVERY AND HUMAN TRAFFICKING	
8.1. PROCUREMENT TEAM TRAINING	16
8.2. GLOBAL TEAMS TRAINING	16
9. PARTNERSHIP AND COLLABORATION	
9.1. STOP THE TRAFFIK	17
9.2. THE RAINFOREST ALLIANCE	18
9.3. ROUNDTABLE ON SUSTAINABLE PALM OIL	19
9.4. TRADE ASSOCIATIONS AND INDUSTRY GROUPS	19
10. KPIS TO MEASURE EFFECTIVENESS AND PROGRESS	
10.2. PROGRESS AGAINST OUR TARGETS	20





Foreword

Since joining Costa Coffee, I have been inspired by the vision of Sergio and Bruno Costa, who founded our company in 1971. They were passionate about bringing great tasting coffee to the UK and making it easy for anyone to enjoy, wherever they are.

Fast forward to 2023 and our team members, partners, and suppliers continue to bring that very same vision to life. Every day, guided by our values, our teams are inspiring the world to love great coffee.

We all faced a unique combination of challenges in 2022. As we continue to navigate these pressures, our team members, and the communities we serve and source from, remain front of mind. That is why we have extended our support for our company-owned store team members in the UK through our Costa Financial Support Fund and enhanced our team member in-store discount, both of which are designed to help with life's unexpected or uncertain moments.

Once again, we all came together in support of coffee-growing communities around the world. Our team members, consumers, and partners, continued to raise funds for the Costa Foundation and, in 2022, we were able to celebrate the opening of the 100th school funded by the Foundation. Over 100,000 young people in 10 coffee growing countries have now been given access to education through its network of schools and projects.

Our global network of suppliers, partners, and business customers each play a vital role as we invest and grow around the world. We are proud to continue our close work with them to put programmes into practice that protect the rights of people throughout our supply chain.

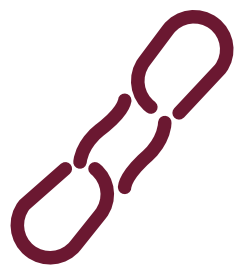
Our Modern Slavery Statement focuses on our work in promoting human rights and the prevention of modern slavery. Working alongside our non-profit partners and within our wider network as part of The Coca-Cola Company, I am pleased to share our continued progress.

As an organisation we have a zero-tolerance approach to any form of slavery, forced labour and human trafficking. Costa Coffee fully supports the provisions set out in the Modern Slavery Act 2015. This statement meets the requirements of the UK Modern Slavery Act 2015. This statement has been published in accordance with Section 54 of the Act, covering the period from 1st Jan 2022 – 31st December 2022 and has been approved by the Board of Costa Limited.

Philippe Schaillee
CEO Costa Limited, May 2023

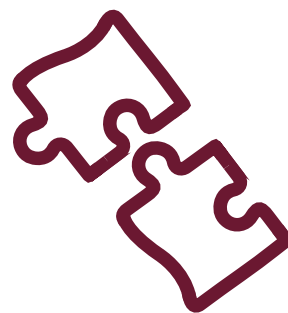


1.1 2022-23 Highlights



Human Rights Risk Assessment

This year we worked with **STOP THE TRAFFIK** to identify the human rights Costa Coffee is most at risk of impacting through its global operations and supply chain. This has informed an action plan to address priority risks in the next year.



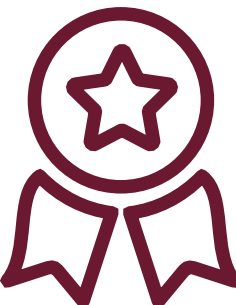
Building Internal Understanding

This year, we have also focused on expanding our e-learning to global teams in a way that is culturally relevant, adapting case studies and indicators of exploitation to local market needs.



Enhancing our ethical auditing programme

We have worked with our ethical audit provider to develop a new monitoring dashboard, which will equip us to scale up our supplier audits in 2023 and improve our reporting.



Governance

We have reviewed our Human Rights Policy and Human Trafficking Policy, working closely with **STOP THE TRAFFIK** to implement updates to ensure they remain relevant for our ever-evolving global business.





2.1 Organisational Structure

4,000+

Coffee shops worldwide*



£1 bn



Spent in joint venture operations on goods & services from over 1,200 direct suppliers

14,500+

Costa Express machines worldwide



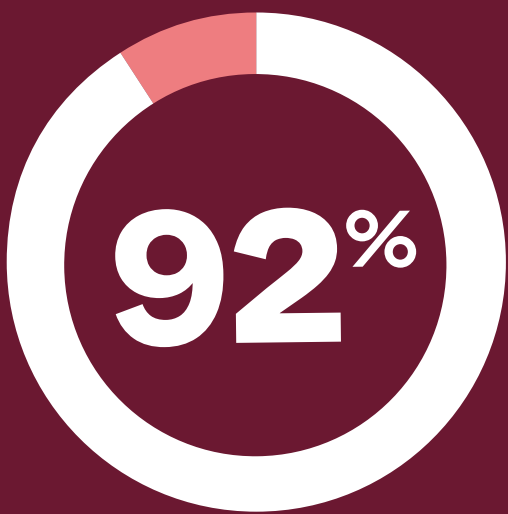
2,800

stores in the UK&I

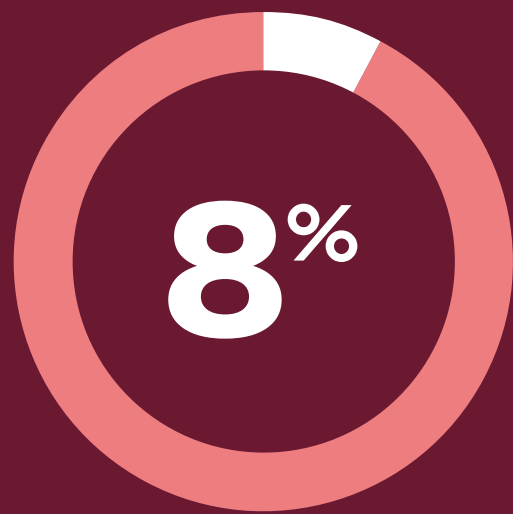
22,000

Team members worldwide

From the UK&I, China, Poland, Latvia, USA, UAE, Malaysia, Japan, India, Mexico, Singapore, Germany, Estonia, Greece, Spain and Switzerland



Team members work in our stores worldwide



Work in our Support Centres worldwide

12,500

Costa Express machines are in the UK&I



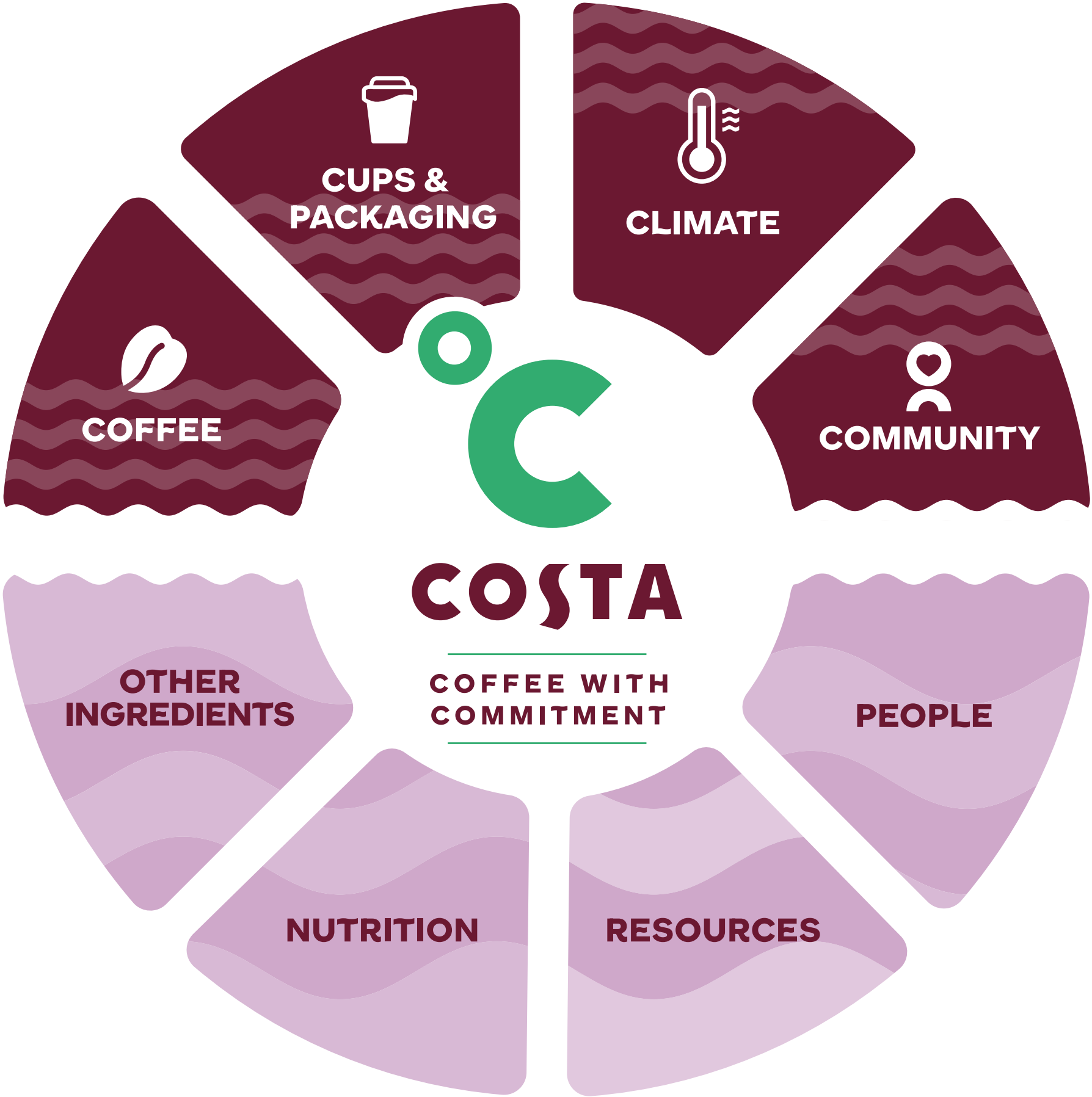
* Infographic includes those owned and operated by the company, franchisees, licensees, and other partners.





2.2. Coffee With Commitment

Costa Coffee’s global sustainability strategy is called Coffee with Commitment. This strategy is our action plan to drive positive change in the areas where we can have the greatest impact, and that matter most to our teams, suppliers, partners and our consumers. It is made up of four key priorities supported by four foundational areas:



Our ‘Coffee’ priority is centred around a commitment to sourcing beans in a way that positively impacts nature and the lives of coffee farmers. We take great care and pride in the way we source our coffee beans. As a global total coffee company, we know that the choices we make have the potential to make a positive difference in the long run, which is why we have worked closely with the Rainforest Alliance since 2008, utilising their comprehensive sustainability sourcing standards for our coffee beans.

Beyond coffee sourcing, our human rights programme is captured within our ‘People’ pillar with ongoing work around:

- Advocating for diversity, equity and inclusion; building teams that reflect the communities we serve.
- Collaborating with our partners and suppliers to protect human rights, across our own business as well as our supply chains.

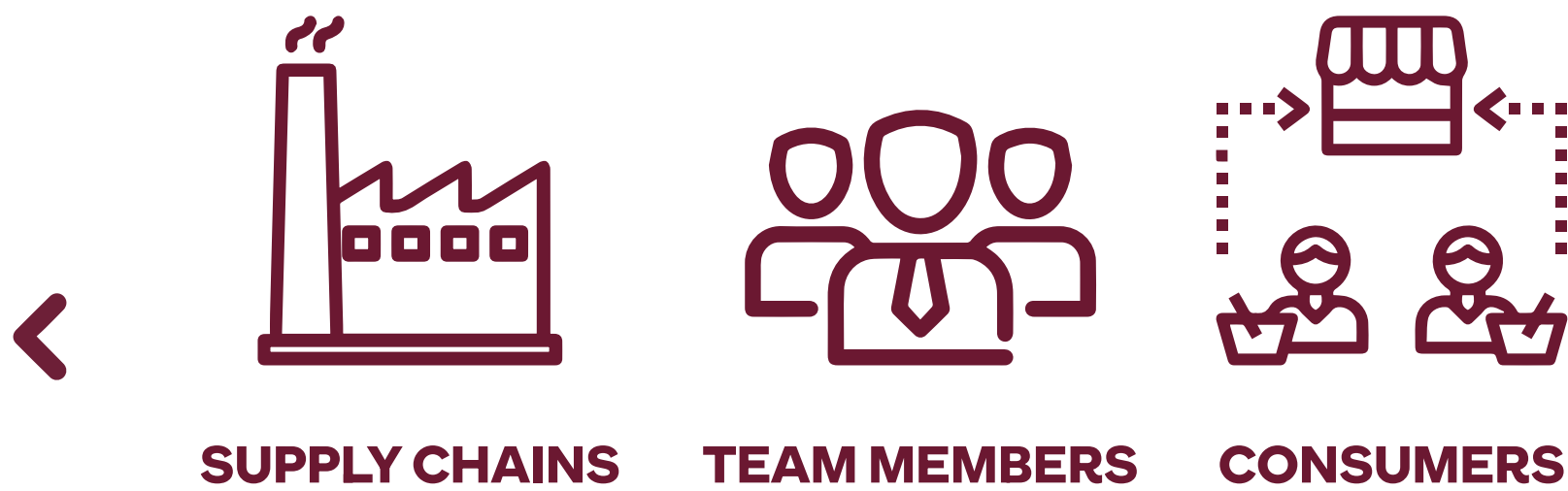
Coffee with Commitment helps us to play our part in creating a better future for the world. You can read more about our sustainability agenda [here](#).





3.1. Supply Chain Risk Mapping

Costa Coffee is committed to upholding human rights and preventing modern slavery and human trafficking throughout our operations. As a total coffee company and hospitality business, we recognise that we have three areas of potential risk:



We have included detail of our policies and our due diligence steps that we have taken to manage our risk within these key areas.

In our previous statements available [here](#), we outlined the results of our risk mapping process with **STOP THE TRAFFIK**. We first identified supply chain risk by evaluating suppliers’ sectors and countries of operation. We then conducted an actual risk mapping to review the high-risk suppliers identified in the inherent mapping, assessing how well they manage risk through tools such as audits and self-assessments. This process helped us target and prioritise mitigation efforts and promote transparent reporting. We have built on this process further this year by completing a human rights risk assessment, outlined below.

3.2. Updates to our due diligence programme

In 2022-23, we were able to apply learnings from the previous year of launching this programme to improve our approach. We have been working closely with our audit partner to increase the number of audits conducted and have created a new role of Global End to End Supply Chain Sustainability Senior Manager to oversee this workstream.

3.3. 2022-23 Human Rights Risk Assessment

STOP THE TRAFFIK conducted a risk review to identify the salient human rights impacts across the Costa Coffee value chain, including team members, supply chain and communities. The aim was to increase our understanding of where the highest risks are and implement mitigation plans.

STOP THE TRAFFIK assessed risk at two different levels: market-level risk and global operations and supply chain risk. This allowed us to assess our overall human rights risks and understand how local contexts might require a bespoke approach. Whilst we recognise that all human rights are important, this review allowed us to prioritise key risks and adopt an approach that is bespoke to the specific needs and requirements of those communities who we most impact.

The highest priority risks identified included child labour, forced labour and water rights. Based on these findings, we have developed a human rights action plan which outlines actions, responsibilities, and success measures for the next year.

Updates to our programme will include:

- Increasing the number of suppliers audited and implementing trend monitoring of non-compliances to inform longer-term industry engagement
- Conducting a beyond tier 1 risk mapping in a high-risk area of the supply chain which will be determined throughout the course of the year
- Clarifying the role of franchise partners within our human rights programme





4.1. Coffee Supply Chains

4.1.1. Coffee Sourcing and Sustainability

We depend on the farmers who grow our coffee to keep our business going. For this reason, we take our responsibility to them very seriously. This is why we work alongside the **Rainforest Alliance** as part of our approach to coffee sustainability, which includes both sourcing beans from certified farms and directly engaging with coffee farmers on the ground.



The **Rainforest Alliance** applies a detailed assurance system of certification and auditing rules covering human rights, social, environmental and economic criteria that is assessed by independent certification bodies via audits.

The Assurance System of the new **Rainforest Alliance** 2020 Certification Program introduces numerous innovations to ensure that certification is more context-specific, data-driven, and risk-based. The 2020 Certification Program aims to promote a preventive approach instead of a reactive one, and the Assurance Rules have been developed within a risk-based framework to enable this approach. In this framework, data is collected at the beginning of the certification process, rather than at the end, allowing for risk analysis to be carried out.

Providing actionable information for program users, the program takes this better use of data to introduce the use of ‘Risk Maps’. These are maps that are created through combining external data sources with location data, **Rainforest Alliance** data and specific sector data. The maps then provide risk levels of countries,

organizations and farms (or farm units) for key sustainability topics – child labour, forced labour, deforestation and sustaining natural ecosystems (protected areas). This risk map approach helps the certification bodies plan where an audit may need more focus.

In our previous statement, we shared that we were completing an independent review of the key economic, environmental and social risks to global coffee supply chains. Based on the results of this review, we identified an opportunity for Costa Coffee to work in closer collaboration with coffee farmers to tackle key environmental challenges – which we know are inherently connected to economic and social issues.

In 2022, we launched our new ‘Climate Smart’ Coffee Project, working with the **Rainforest Alliance** to reach farmers within our key sourcing origins. As well as driving forward our commitment to reducing our Scope 3 GHG emissions, this project also enables us to support farmers in building their resilience, helping them adapt and mitigate the effects of climate change on their farms.

Costa Coffee sources its coffee from Rainforest Alliance Certified farms.

You can read more about Rainforest Alliance [here](#).





4.2. Policies

4.2.1. Supplier Guiding Principles

Costa Coffee is proud of our Supplier Guiding Principles. The policy outlines the social, ethical and environmental standards to which we hold our direct suppliers and can be found on our [website here](#).

All supplier contracts include a clause requiring adherence to our Supplier Guiding Principles confirming their obligations on the following issues:

- Employment and forced labour
- Discrimination
- Freedom of association
- Regular employment
- Working conditions
- Humane treatment
- Child labour
- Dormitories
- Wages and benefits
- Ethical corporate practices
- Working hours and annual leave
- Environmental stewardship

4.2.2. Policy Updates and Achievements

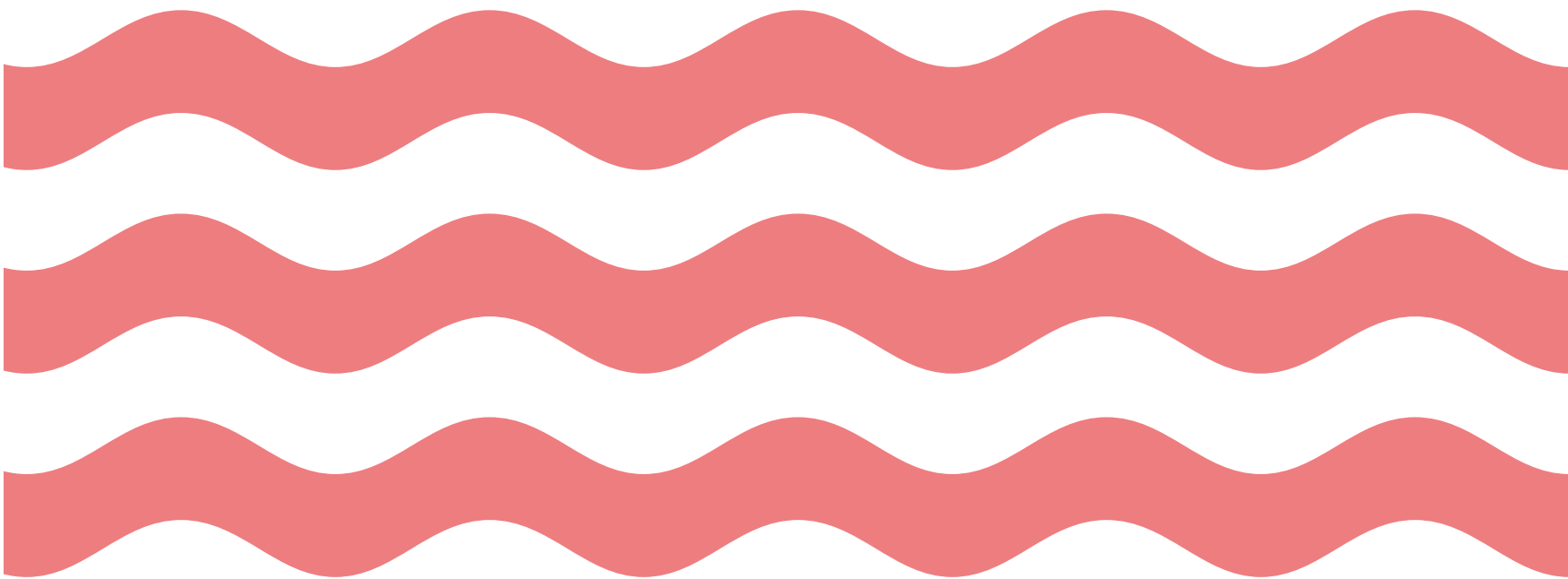
This year we have focused on the effective implementation of policies across our business and ensuring these are understood and implemented as intended. We have also continued to work with **STOP THE TRAFFIK** to bring our policies in line with best practice, addressing our human rights and human trafficking policies. Updates to these have including alignment with the UN Guiding Principles on Business and Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work.

4.2.3 Incident Response

As we’ve reviewed and updated our policies, we’ve clarified the appropriate incident response and reporting mechanisms for human rights and modern slavery incidents. Country-specific reporting routes are also outlined within our team member learning module. Currently, our incident response plans can be summarised as follows:

Team member – we have a clear incident management process, which our UK&I store teams follow in the event of a security or safety incident. This process includes clear points of escalation, including a dedicated phone line and email address that enables them to reach Costa’s Safety and Security team. Any team members affected by an incident (whether they are working in store, in our Support Centres, or in field-based roles) can also access support via our Employee Assistance Programme, provided by Hospitality Action. For more information click [here](#).

Supplier – any issues will be escalated internally depending on severity. The Supplier Guiding Principles outlines Costa’s right of access to supplier operations including their entire supply chain for our own auditors or by third party auditors engaged by Costa Coffee to assess compliance with these Principles, including in response to being made aware of an incident.





4.3. Supplier Due Diligence

Our supplier due diligence process has been in place for over 2 years and continues to evolve as our business grows. For example, our FMCG portfolio is going from strength to strength across multiple global markets, which requires us to build new ways of working with new suppliers.

4.3.1. Ethical Questionnaire

Every supplier with an annual spend of >£100,000 must answer a targeted questionnaire centred around the good or service they supply. This allows us to get a more nuanced understanding of the specific risk in each sector and target enhanced due diligence towards our highest risk.

If suppliers fail to meet our standards, we work with them via a closely monitored remediation process to improve their practices. We understand that compliance with our Supplier Guiding Principles might not be immediately achievable, but we are committed to working collaboratively towards this goal.

Higher risk suppliers which were identified through **STOP THE TRAFFIK**'s risk mapping, i.e. those in food/drinks processing and production, manufacturing, facilities and services, logistics and freight, labour provision or construction, have to answer more questions than suppliers from lower-risk sectors.

These questionnaires have been translated into multiple languages which has enabled us to capture data on ethical standards from our suppliers outside of the UK for the first time, with over 70 suppliers from high-risk sectors providing us with information to inform audit prioritisation during the first phase roll-out.



Process Diagram

4.3.2. Supplier On-boarding Process - Monitoring and Auditing

To monitor that our supplier's standards are in-line with our own, we are updating our vendor processes such that suppliers cannot be added to our approved vendor list without completing the ethical questionnaire.

This year, we have continued to conduct ethical audits with our in-scope suppliers, in addition to technical audits which are already carried out. Suppliers determined to be operating in high-risk sectors are now monitored through social audits.

We have partnered with a global ethical audits specialist to support us in our supplier monitoring. These audits initially begun with our UK&I suppliers, but have since extended into our global markets. Audits assess our suppliers against the SGP (Supplier Guiding Principles), involving an on-site audit. The audit focuses on the following human rights and associated risk areas:

- | | |
|--|---------------------------|
| • Child labour | • Wages and benefits |
| • Forced labour and human trafficking | • Work hours and overtime |
| • Abuse of labour | • Health and Safety |
| • Freedom of Association and Collective Bargaining | • Environment |
| • Discrimination | • Land rights |
| | • Business integrity |

In 2022, we identified that in order to extend our audit programme and significantly scale up, we need to develop and launch a monitoring dashboard that enables more effective data capture and reporting. We have worked with our audit provider to create this dashboard, which was introduced to the business in early 2023. We look forward to sharing the impact this has had on the efficiency and reach of our audit programme in our next statement.





5.1 Team Members

Costa Coffee puts people at the core of everything we do. We know that maintaining a fair and safe environment, which empowers and protects team members, is what helps us deliver high standards for consumers every day.

Over 75% of UK Store Managers have now completed our Modern Slavery e-learning. We were focused on increasing the reach of the e-learning in the past year, as well as collecting feedback. We have reviewed and updated the e-learning content with **STOP THE TRAFFIK** to ensure it is as relevant as possible to achieve our goal of increased awareness amongst team members. When we relaunch the training, we will include a survey to measure the knowledge gained.

As part of our e-learning update, we have also worked with **STOP THE TRAFFIK** to adapt the e-learning content for our teams in China. As well as translating the content, we wanted to ensure that it was culturally relevant to the specific risks in the region, as well as including relevant examples and indicators of what human trafficking/modern slavery might look like. This is intended to be rolled out in 2023.





5.2. Code of Conduct

Our Code of Conduct ensures our team members have an ongoing awareness of the policies Costa Coffee has in place to support them. It is provided to all employees upon joining, and signposts to relevant policies including our Speaking Out, Grievance and Equal Opportunities policies. The Code of Conduct is reviewed and refreshed regularly by our People team, and we have mandatory e-learning in place for all team members to complete on an annual basis to ensure that it is read and understood.

To read more about these policies, see our 2021-2022 Modern Slavery Statement, [here](#).

5.3. Human Trafficking Policy

This policy outlines what human trafficking is, how our business might be exposed to incidents, the types of activities to look out for associated with human trafficking and guidance about what our team members need to do if they have a suspicion of human trafficking within the business.

All team members and Store Managers in the UK have access to our Human Trafficking Policy, available to view via an internal online portal. Team members are encouraged to report any suspicions to our Safety and Security Team who will investigate further and, if appropriate, refer potential incidents to law enforcement.

This policy has been updated by **STOP THE TRAFFIK** this year to ensure it is in line with any changes or developments in our approach.

5.4. Approach to Labour Agencies

Another way we mitigate against modern slavery risk is by avoiding labour agencies for temporary team members in our stores. While temporary team members are sometimes used in our Support Centres, all of them are sourced from one of our verified agencies which have been vetted by our Talent Acquisition team.

Although our use of labour agencies is limited, we acknowledge that this still presents a potential modern slavery risk for our business. To mitigate against this risk and meet best practice, our People team regularly review our vetted agencies' recruitment procedures, grievance policies and payroll practices.

5.5. Additional Policies

Costa Coffee has several other policies that protect and inform our team members. Many of these foster a culture that is more resilient to criminal activity such as human trafficking. They have been briefly explained below, but for a more in-depth account please see our Modern Slavery Statement for 2019-2020, [here](#).

5.4.1. Grievance Policy

This policy supports and guides team members and managers, both in stores and support centres, regarding any concerns raised by a team member about their work.

5.4.2. Speaking Out Policy

This policy outlines the process we follow when our team members raise a concern about wrongdoing, danger, crime, or breach of Costa Coffee's Code of Conduct. Within our UK business, concerns can be raised through a confidential helpline run by Costa Coffee's Employee Assistance Provider, Hospitality Action. All our team members globally can also report grievances via EthicsLine, a third-party service available 24 hours a day in multiple languages.

5.4.3. Equal Opportunities Policy

This policy outlines our active commitment to providing equal opportunities and embracing diversity at Costa Coffee.

5.4.4. Right to Work

This policy covers legislation, what checks should be carried out, what happens when documents expire and how Costa Coffee will avoid discrimination during document checks¹.

5.4.5. Human Rights Policy

This policy outlines the ways that we respect and promote human rights at Costa Coffee, covering topics such as work hours, wages, freedom of association and forced labour.

¹Managers also have access to our **Employee Relations helpdesk** for further support and guidance.





5.6. Creating an Inclusive and Welcoming Culture

Our work on team member safety goes further than our policies, as we continually strive to foster a warm and safe environment that welcomes all team members. We passionately believe in the promotion of inclusion and diversity across the workplace, with the view that everyone should be able to bring their whole selves to work. In this spirit, we have four important team member led inclusion networks; **Shine, Inside Out, Belong and Together**. These networks promote LGBT+ inclusion, wellbeing, culture and heritage, and gender balance, respectively.

An additional way we have developed a more open culture, is through the creation of our inclusion and diversity toolkit series. The first of these toolkits, titled ‘Disability and Wellbeing’, helps team members and line managers to learn more about certain health conditions, so that we can better support those we work with and the consumers we serve.

Actions such as these are key to enabling Costa Coffee to build inclusive communities where everyone feels welcome, trusted and respected. It is only by building such communities that we can cultivate a culture more resilient to issues such as modern slavery.



5.7. Costa Coffee Franchising Standards

At Costa Coffee we have a bold mission - to become the number one coffee brand in the world. As a franchisor we work together with our franchisees (new and existing) to take a consistent approach on human rights and modern slavery.

As part of this journey, we collaborate with our partners to provide shared learning for team members to ensure that everyone can develop and grow with Costa Coffee inclusively. This includes Store Manager and team member training, brand inductions and coffee skills.

To support our partners with policies including ESG, we may specify from time-to-time rules on the prohibition of child labour and policies on environmental issues or ethical issues in relation to employees.

We believe this is the best way to drive growth under our Total Coffee Company strategy and will enable us to deliver on our purpose - serving more cups of great coffee, to more people, more often.

We maintain strong relationships with our franchise partners, creating sustainable foundations with them to provide transparency and trust.





6.1. Consumers

Costa Coffee recognises that food and beverage sites (e.g. coffee shops) can sometimes be used as a location for traffickers to groom or exploit people.

In 2021-22, we launched our first ever awareness-raising campaign on human trafficking with our partner, **STOP THE TRAFFIK**. To stop trafficking, communities must be resilient and risk aware, with an understanding of the signs and dangers of exploitation, as well as where to get help. We decided to use the reach afforded to us by the footfall in over 2,700 of our stores nationwide in the UK to launch a poster campaign. The posters explain key indicators of trafficking and a unique QR code directs customers to find out more about trafficking, the risks, the signs and what to do if they or someone else needs help.

STOP THE TRAFFIK
PEOPLE SHOULDN'T BE BOUGHT & SOLD

EXPLOITATION
CAN BE HIDDEN
IN PLAIN SIGHT

YOU CAN BE PART OF STOPPING IT

An estimated 130,000 people are trapped in human trafficking and modern slavery in the UK. There are a few things you can look out for to help you spot the signs of exploitation in your community.

Fear, Anxiety & Lack of Trust

A person in exploitation may be fearful or anxious around people. They may seem distrustful of authorities or distressed while in their presence.

Physical & Psychological Abuse

A person in exploitation may be coerced and controlled through abuse or threats of abuse. They may be visibly injured, and may seem withdrawn and unable to make eye contact.

Control & Coercion

Various tactics of control and coercion are used by exploiters. Some of these tactics (like violence) show visible signs, while others may be harder to spot. Exploiters may control access to finances, or use debt as a means of coercion.

Lack of Documentation

A person in exploitation may have had their identification cards or personal documents taken from them by an exploiter as a means of controlling their actions.

HAVE YOU SEEN SOMETHING THAT DOESN'T LOOK RIGHT?
DO YOU WANT TO FIND OUT MORE?

If you or someone you know is in danger or requires immediate assistance, please contact emergency services on 999.

You can find out more about available support by scanning the QR code.

SCAN HERE TO LEARN MORE
stopthetraffik.org



Scan me to learn more





7.1. Human Rights Working Group

In 2023, our Human Rights Working Group will be relaunched, following recent changes to Costa Coffee’s organisational structure. The group will be chaired by a senior member of The Coca-Cola Company’s Global Human Rights team, in order to ensure alignment with our parent company’s human rights strategy and commitments. Attendees will be selected from across multiple areas of the business, including Legal, Procurement and Supply Chain, People, and Sustainability teams.

7.2. Internal Handbooks

As part of our enhanced due diligence programme, we have created an internal handbook on our human rights due diligence processes. This handbook provides both our Procurement and Sustainability teams with in-depth guidance on how to carry out our enhanced due diligence procedures, outlining exactly what is required of them. Our Roastery team have also developed our ‘One Costa Governance’ playbook, which outlines our vision for governance across our international coffee supply chain operations. It focusses on the alignment of legality, compliance, store and product standards across our global coffee supply chains.





8.1. Procurement Team Training

In 2022, we engaged with our Procurement team to gather their feedback on previous training provided by **STOP THE TRAFFIK**. From these conversations, we were pleased to hear that the initial training was positively received and was helpful for our teams. We are therefore looking to conduct refresher training to keep knowledge up to date, as well as to account for people changes within teams.

In 2023, we will deliver a live training session for our Procurement and Supply Chain team. This session will cover broad background on the external human rights landscape and the responsibilities of businesses, before focusing in on Costa Coffee’s human rights programme and internal ways of working.

This session will be hosted digitally and can therefore be recorded as a useful reference tool for teams, and we will also look to repeat it annually as a minimum.

8.2. Global Teams Training

We delivered comprehensive training for core team members in 2022-23, including online learning modules with a focus on modern slavery.

This module was created with a global audience in mind, with our UK Store Managers and Costa Express field teams as the first key learner groups. In 2022-23, we will look to extend the reach of this module into additional markets overseas, to ensure a consistent level of understanding around modern slavery in all markets in which we operate. Alongside our global rollout, we will also be providing additional languages for our UK-based teams to ensure that our training is as accessible as possible.





9.1. STOP THE TRAFFIK

Costa Coffee has continued to work closely with long term partner, **STOP THE TRAFFIK** over the past year to ensure an expert-led approach to modern slavery, human trafficking and human rights across the organisation.

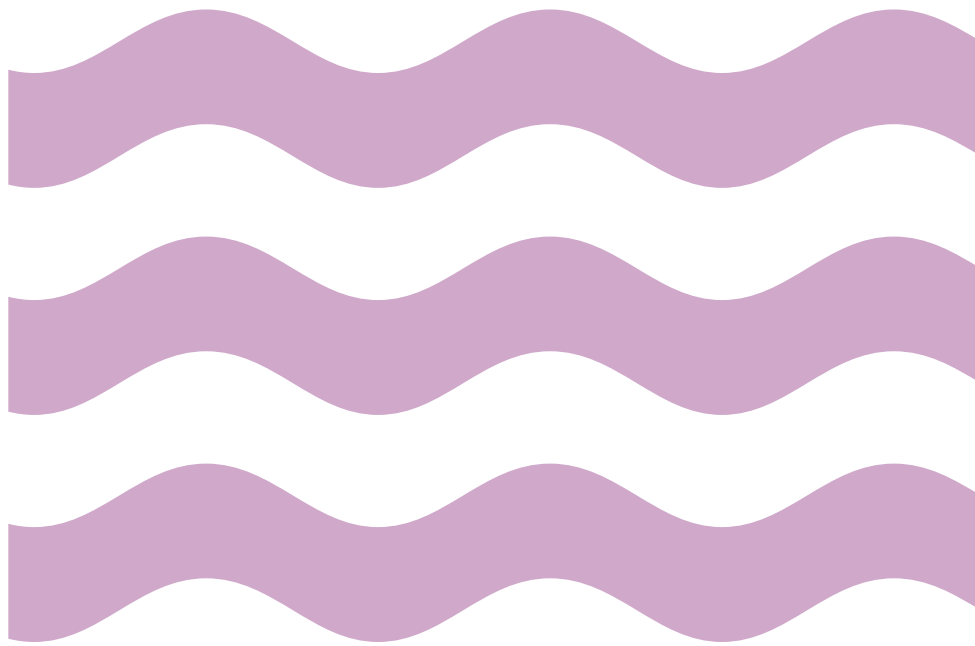
Some highlights of our work together the past year include:

- Conducting a human rights risk review and structuring our human rights programme to address these risks
- Adapting our modern slavery and human trafficking e-learning programme to new markets with bespoke case studies relevant to the local context

In 2023-24, **STOP THE TRAFFIK** will remain a close partner, assisting in the implementation of our human rights action plan with projects such as beyond tier one risk mapping and ongoing, intelligence-led advice on our approach.

“Costa Coffee remain a close partner, dedicated to their mission to end modern slavery and human trafficking. The past year, they’ve shown huge progress in their approach to understanding and preventing risk and prioritising the communities they serve. We’re thrilled to continue our collaboration and look forward to working together to drive change in their operations and the industry more widely.”

Becky Milon
Head of Consulting and Business Engagement
STOP THE TRAFFIK





9.2. The Rainforest Alliance

Another of our most valued partnerships is with the Rainforest Alliance – a partnership that looks to protect human rights and enhance sustainability across our coffee procurement.

You can watch a video about our partnership with the **Rainforest Alliance** [here](#) and read further information on our partnership above.



People, Planet, Profit - How to summarise the impact of **Rainforest Alliance** Certification





9.3. Roundtable on Sustainable Palm Oil

Costa Coffee is a member of the **Roundtable on Sustainable Palm Oil** (RSPO), a not-for-profit bringing together stakeholders from the palm oil industry to develop and implement global standards for sustainable palm oil. In order to be a member of the RSPO, Costa Coffee complies with set environmental and social criteria which help to minimize the negative impact of palm oil on the environment and communities.



9.4. Trade Associations and Industry Groups

We know how important it is to share best practice and improve our knowledge of the opportunities and risks relating to human rights and modern slavery. As members of the **British Retail Consortium** and the **British Coffee Association**, we are able to access expert insight and up to date information about the issues most relevant to consumers and other businesses – including human rights, diversity and inclusion, and other key sustainability topics. Together, we work to achieve collective progress that benefits our communities, consumers and our team members.

In 2022, we have also worked closely with our parent company to understand opportunities for Costa Coffee to access additional industry forums as part of the Coca-Cola Company. One key example of this our recent involvement in the BSR Sustainable Business Network, which works to enable businesses to spot emerging issues across a number of important sustainability topics – including Equity, Inclusion and Justice, Human Rights, and Supply Chain Sustainability. In 2023 and beyond, we'll continue to explore opportunities for participation in trade associations and industry groups.





10.1. Progress Against Our Targets

As we continue to develop our human rights approach, in our previous statement we worked with **STOP THE TRAFFIK** to develop a set of KPIs which align with best practice. The KPIs are focused on the effectiveness of our work to improve our reporting approach and transparency.

Risk Area	KPIs	Commitments	Progress	Actions
Team Members	Percentage and number of UK store team members who have completed human rights training within the last 2 years.	90% of store team members completing training.	Over 75% of UK Store Managers have completed training.	Expand training offering to other Costa Coffee markets.
	Average self-reported confidence of team members in understanding modern slavery, knowing the signs, and the ability to respond appropriately.	75% confidence target.	Team members were not surveyed in the previous year, but a survey will be included in the international roll out of training.	Survey team members on confidence metrics Plan for training improvements based on responses.
Supply Chain	% of suppliers with an annual spend of >£100,000, and fall within the high and critical risk categories audited to Supplier Guiding Principles (SGP) or equivalent.	Reach 60% by end of 2023 and 100% by end of 2025.	We have continued to conduct first audits with our global suppliers against the Supplier Guiding Principles standard, with follow-ups where required. We have also completed a supplier mapping exercise to enable prioritisation of audits in 2023.	Scale up the audit programme, completing audits on the c.300 global suppliers who fall within scope of the Supplier Guiding Principles.
	Percentage of in scope suppliers who can demonstrate compliance with the SGP.	90% have confirmed compliance with SGPs.	A commitment to reading and meeting the Supplier Guiding Principles has been integrated into supplier contract templates. The policy document has been published on our website in full, for increased transparency and ease of access.	Internally launch a live dashboard that enables tracking and reporting against our supply chain KPIs.
Community	Consumers and community members engaged by our awareness raising campaign.	Engage with customers and community annually.	We succeeded against our 2021-22 target of our awareness campaign collateral shared with 100% of UK&I stores.	We will utilise the learnings from this campaign and extend its reach further by sharing awareness-raising messaging around modern slavery and human trafficking on our Costa Express machine screens.
Sector Impact	Costa Coffee presence at key industry bodies or initiatives relating to ethical practice.	Involvement in all relevant areas.	We are currently members of the Rainforest Alliance; British Coffee Association and Roundtable on Sustainable Palm Oil, and engage with other organisations such as BSR alongside our parent company.	We will continue to explore opportunities for participation in trade associations and industry groups in alignment with our Coca-Cola colleagues.





INSPIRING THE WORLD TO LOVE GREAT COFFEE