

2025

COSTA COFFEE MODERN SLAVERY STATEMENT



COSTA
COFFEE

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1. Foreword

Costa Coffee fully supports the provisions set out in the Modern Slavery Act 2015. This statement is published in accordance with Section 54 of the Act and covers the period from 1 January 2025 to 31 December 2025. It has been reviewed and approved by the Board of Costa Limited.



Philippe Schaillee

CEO Costa Limited, June 2026

2. Organisation structure and supply chains

Costa Coffee is committed to ensuring that all its business operations are free from involvement with slavery or human trafficking. We conduct our business fairly, ethically and with respect to fundamental human rights.

Costa Limited (Costa Coffee) is a UK-based entity that sits within a wider group of Costa Coffee companies. The group’s legal structure is centred in the UK, with a number of UK-incorporated entities supporting trading, holding and service activities, alongside a smaller number of directly owned international subsidiaries in selected markets (including China, Poland, UAE, Singapore, India and Malaysia).

In addition to its owned entities, Costa Coffee operates through a combination of company-owned stores, franchise partners and strategic partner arrangements. This includes operations in certain markets (such as the United States, Mexico and Japan) through Coca-Cola system entities, which form part of Costa Coffee’s extended value chain.

From an operational perspective, Costa Coffee has **over 4,100** stores and more than **17,000** Costa Express machines globally, organised across four regions: UK and Ireland (UK&I),

EMENA (Europe, Middle East, and North Africa), APAC (including Southeast Asia, Japan, China and India), and the Americas (United States and Latin America). The UK&I region represents the majority of directly managed operations, with over **2,700** stores and **15,000** Costa Express machines.

Worldwide, Costa Coffee employs over **21,000** team members, the majority of whom are store-based. These figures relate to employees of Costa Coffee entities; additional workers are employed across franchise and partner-operated locations within our broader system.

Our Global Procurement function represents areas of direct procurement including Food and Beverage, Goods Not for Resale (which includes store equipment, furniture, and consumables), IT and services, such as logistics and waste management. This function manages global supplier contracts and focuses on UK&I business and exports to EMENA. This year, we have continued to strengthen our approach to human rights within our supply chain, which includes delivering targeted training for supplier-facing teams.

3. Risk assessment and management

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:

- Supply chains
- Team members
- Consumers and our wider communities

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

Recognising that risk is dynamic, we review our risk management practices to ensure our framework and procedures remain aligned.

- In 2024, in collaboration with third-party advisors, we commissioned a report to identify key areas for developing our risk assessment and management strategies, with a particular emphasis on supply chain risks.
- In 2025, we further refined our external risk assessment process to prepare for compliance with the European Union Deforestation Regulation requirements. This includes evaluating key risk indicators, such as those related to labour rights within coffee-producing regions. We will continue leveraging external information sources to support ongoing risk assessment activities, consistent with our due diligence obligations.

3.1. Coffee sourcing and sustainability

We recognise that coffee growing countries and agricultural sectors often face inherent social risks and vulnerabilities. For this reason, we take our responsibility to them very seriously.

We select and approve tier 1 coffee raw material suppliers that meet our sustainable agriculture principles and supply chain policies. We use voluntary sustainability standards, which include farm and supply chain criteria relating to the prevention of modern slavery and human trafficking.

In the UK, Costa Coffee has been sourcing Rainforest Alliance certified coffee through our approved suppliers. 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. Find out more about the Rainforest Alliance 2020 Certification Program [here](#).



4. Policies in relation to slavery and human trafficking

4.1. Supply chain policies

Costa Coffee requires direct suppliers to comply with our Supplier Guiding Principles (SGPs). The SGPs communicate our values and expectations and emphasise the importance of responsible human and workplace policies and practices that comply, at a minimum, with applicable laws and regulations. These principles outline the social, ethical and environmental standards to which we hold our direct suppliers to and can be found on our website [here](#). Our supplier contract templates require suppliers to comply with our SGPs.

4.2. Team member policies

- **Code of Conduct** - Costa Coffee’s Code of Conduct sets out the ethical standards and behaviours expected of all team members, including commitments on human rights, fair treatment, lawful business practices and speaking up. It is provided to all employees on joining, it contains links to related policies, and compliance is mandatory. Employees complete training on an annual basis.
- **Human Trafficking Policy** - This policy explains what human trafficking is, how our business could be affected, what warning signs to look out for, and what to do if there are concerns. Team members and store managers can access the policy via our internal online portal and are



encouraged to report any suspicions to the safety and security team, who will investigate and refer matters to law enforcement where appropriate.

4.3. Incident response

Within our people policies, we outline 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 members** – We have a clear incident management process for UK&I stores, including clear escalation routes and a dedicated phone line and email to contact Costa’s safety and security team. Anyone affected by an incident can also access support through our Employee Assistance Programme (Hospitality Action), and no team member will face any detriment for raising genuine concerns in good faith, even if they are later found to be mistaken.
- **Supplier** – Any issues will be escalated within Costa depending on severity. The SGPs outline Costa Coffee’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 the SGPs, including in response to being made aware of an incident.



5. Due diligence processes

Our Global Procurement function manages relationships with our tier 1 (direct) suppliers, overseeing their selection, onboarding and ongoing management. This is critical to manage compliance with our SGPs, managing modern slavery risks, and delivering trusted products and services for our customers.

5.1. Supplier selection and onboarding criteria

For our tier 1 (direct) suppliers, we conduct a series of due diligence practices to ensure our supply chain parties meet our SGP requirements. This process begins at the earliest stages of selecting and onboarding new suppliers and continues as a standard component of our ongoing supplier relationships.

5.2. Supplier monitoring and auditing

The SGP audit requirement is identified by a risk-based assessment. Audits are conducted at site level, and the cycle is determined by the results of the most recent audit. Global social audit specialists support supplier monitoring and best practices to support continuous improvement.



6. Team members

Costa Coffee puts people at the core of everything we do. We know that maintaining a safe and inclusive environment, which empowers and protects team members, is what allows us to deliver high standards for consumers every day. To achieve this, we abide by the following policies (in addition to our Code of Conduct and Human Trafficking Policy outlined above) to prevent labour exploitation:

- Grievance Policy
- Speaking Out Policy
- Equal Opportunities Policy
- Right to Work
- Human Rights Policy

6.1. Recruitment and approach to labour agencies

All team members in our company-operated stores and central support functions are directly employed by Costa Coffee. We carry out identity and right-to-work checks through a third party, provide written contracts, pay in line with the law, and meet our legal obligations on health and safety, including working hours, rest breaks and holidays.

To reduce modern slavery risk, we limit the use of labour agencies. Where agencies are used for temporary or contract roles, they are vetted by our people team, operate in line with the Employer Pays Principle, and are subject to appropriate checks so we know who is working for us or on our behalf.

6.2. Costa Coffee franchising standards

As a franchisor, we work together with our franchisees in the UK to take a consistent approach on human rights and modern slavery. Costa requires all UK Franchise Partners to adhere to the Modern Slavery Act 2015, and this is reinforced in all contracts.

7. Training on modern slavery and trafficking

7.1. Team member training

As part of ongoing efforts to develop team member awareness, comprehensive training was re-issued for all store managers and barista maestros, including online learning modules with a focus on modern slavery in 2024. The training covers:

- Definitions of human trafficking, modern slavery and labour exploitation.
- How our teams might interact with exploitation, at work or in their daily lives.
- Hypothetical case study examples of human trafficking in the food and beverage industry.
- How to spot the signs of exploitation and report them to relevant parties.

The training remains available for all team members to either complete or refresh their understanding, on our learning portal.

7.2. Procurement and Supply Chain team training

We conduct regular internal training sessions for role holders with a direct impact on the implementation and delivery of our supply chain policies such as SGP.

In 2025, we developed and conducted internal training for role holders with direct impact on the implementation of our supply chain policies. The training covered:

- Definitions of human trafficking, modern slavery and labour exploitation.

- Policies and procedures regarding human rights in the supply chain.
- An overview of our SGPs audit programme.

This training increased internal awareness of human rights-related issues and the SGP audit programme, in parallel to regular communication of audit progress and supplier engagement.

8. Collaboration

- **The Rainforest Alliance** – We are proud to collaborate with the Rainforest Alliance, working together to help protect human rights and enhance sustainability standards across our coffee procurement, see [ra.org](#). We undergo independent audits to ensure our business operations continue to operate within their standard.
- **The Roundtable on Sustainable Palm Oil (RSPO)** – Costa Coffee is a member of the RSPO, which involves compliance with criteria that aim to minimise the impact of palm oil on the environment and communities. Our compliance is measured annually via a third-party audit.
- **British Retail Consortium and British Coffee Association** – Membership of these industry groups enables us to access expert insight and information about relevant sustainability issues, including human rights.

9. Measuring Progress and Program Effectiveness

During 2025, we prioritised and made progress in the following areas:

Focus Area	What we said we'd do	Progress
Internal Engagement	Build awareness of our policies regarding modern slavery.	Conducted targeted training sessions for supplier-facing teams. More details in section 7.2.
Supplier Performance	Continue to drive supplier participation in our audit programme.	Monthly reviews of supplier status and supplier specific meetings to support audit non-conformance resolution.

10. Looking forward

We will remain focused on mitigating key risks within our supply chains and operations, and continually assess our human rights approach and the key documents and controls that underpin it, to ensure that we continue to move our wider programme of work in the right direction and in alignment with wider business and legislative developments.

Our internal engagement activities will continue to build awareness of our policies, empowering team members to understand and identify the signs of human trafficking, modern slavery and labour exploitation, and we will continue to drive supplier participation and build capacity to support compliance to our Supplier Guiding Principles.