

Response from the Company

We respect all human rights and remain committed to improving the lives of workers in our supply chain. We know that a living wage is vitally important in addressing human rights and we are taking steps to understand the living wage gap and act on the findings in our supply chains.

However, wage issues in supply chains are complex; they are caused by a multitude of factors and cannot be addressed by one stakeholder alone. Recently, we signed an agreement with IDH-Sustainable Trade Initiative to work on Living Wage in our supply chain. IDH Sustainable Trade Initiative has developed a tool 'The Salary Matrix' which allows suppliers to assess how the salaries (including the in-kind benefits) they provide to their workers compare to the living wage benchmark. ekaterra is using IDH Sustainable Trade Initiative's tool to establish any living wage gaps in its supply chain and to create plans to address identified shortcomings in its tea supply chain. We make sure that the employees in our own tea operations earn a living wage in line with a benchmark approved under the IDH roadmap.

A living wage for tea estate workers is the responsibility of the entire tea industry. Working towards living wages is important, as it enables people to gain access to other human rights, such as education and healthcare. Low minimum wage levels set by governments; the prevalence of informal, low-paid labour; the low retail price of tea; and business practices that result in downward competitive pressure can all create a wage gap. The tea sector faces additional complexity as tea estates are often situated in remote locations where there is a lack of state investment in infrastructure. We're working with IDH Sustainable Trade Initiative and other peers towards a global industry commitment along with other stakeholders. As the industry leader, we are committed to transforming the sector and driving this agenda.