

# FINLAYS SUSTAINABILITY REPORT 2024



SUSTAINABLE  
FUTURE 2030

Finlays 







# SUSTAINABLE FUTURE 2030

## FOREWORD

From Group Managing Director  
James Woodrow





# Welcome to Finlays' annual Sustainability Report

This year's report shows we are making good progress against our commitments.

Whether it's climate change, supply chain complexity, or Human Rights risks, the challenges facing our industry grow more severe by the day. Amid market volatility and a challenging trading environment, it's more important than ever that the beverages industry takes a long-term view of risks and works together on solutions.

When we launched our Sustainable Future 2030 strategy in 2023, we pledged to "take action today for the beverages of tomorrow" for the

benefit of our customers, our partners, our communities, and the world at large.

This year's report shows we are making good progress against our commitments. We have had our near and long-term greenhouse gas emissions reduction targets approved by the Science Based Targets initiative; we joined the United Nations Global Compact; and we have made significant headway toward paying all direct employees the Living Wage by 2030.



I am proud of these and many other achievements detailed in this report, but there is much more to do across our core pillars of Climate Net Zero, Sustainable Supply, and Our People, all of which are critical to the long-term prosperity of our industry and our business.

To guide our efforts in these areas, we are now drawing upon Finlays' refreshed core values. By "Acting for the Long Term", "Taking Accountability", "Doing Better Each Time", and "Succeeding Together", I know we will continue to make fast progress toward a better future for the beverages industry, while empowering our customers to create a world where every sip brings joy.

I am also pleased to report excellent progress is being made on Browns Plantations Kenya's action plan, delivering against its promise to ensure that BPK is a place of safety, inclusivity, respect, and

equal opportunity for all. As BPK's biggest customer, Finlays and especially Finlays Tea Extracts Kenya (our Kenyan business) remains closely involved in this action plan alongside customers, NGOs, and other stakeholders.

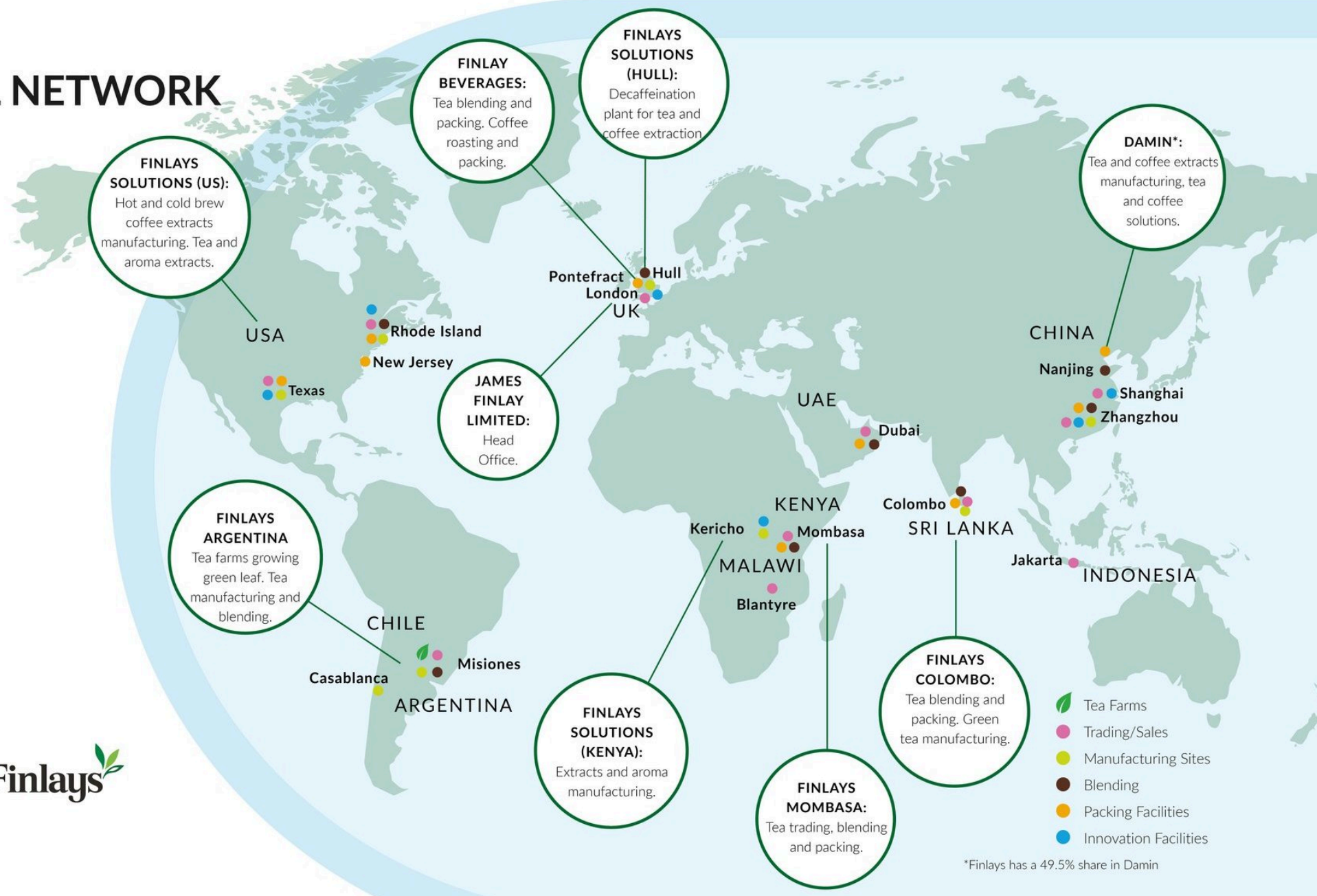
Thank you for taking the time to read about our progress and achievements. As ever, we welcome any conversations this report may spark. The challenges facing our industry are serious and complex, and will only be overcome through proactivity, transparency, and collaboration.

**James Woodrow**  
Group Managing Director  
James Finlay Limited





# Finlays GLOBAL NETWORK 2024







SUSTAINABLE  
FUTURE **2030**

# PROGRESS AND HIGHLIGHTS IN 2024







# 2024 HIGHLIGHTS

**34%**

of management  
roles globally  
occupied  
by women

Net zero  
targets approved  
by the

**SBTi**

**95%**

of waste is recycled,  
recovered, or reused

**100%**

of made tea  
remains traceable  
to the factory

**70%**

of employees  
globally are paid a  
Living Wage  
or more

**HRDD**

Salient human  
rights risks  
identified

**47%**

reduction in  
scope 2 emissions  
vs. 2023

**63%**

increase in  
renewable electricity  
used vs 2023

**99%**

green bean coffee  
is traceable  
to the mill

**UNGC**

Finlays joined the  
United Nations  
Global Compact

**Finlays**



# Sustainable Future 2030: Our progress in 2024

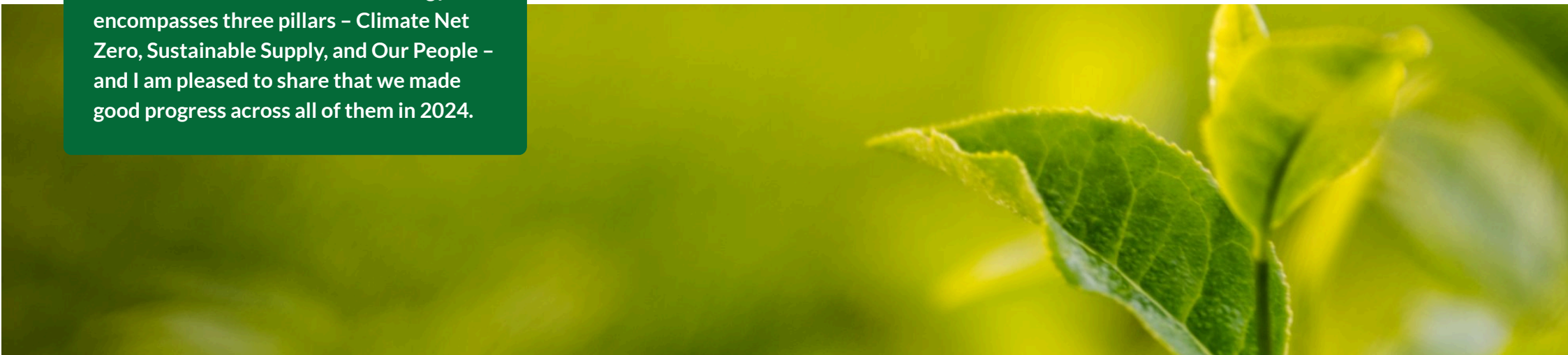
Our Sustainable Future 2030 strategy encompasses three pillars – Climate Net Zero, Sustainable Supply, and Our People – and I am pleased to share that we made good progress across all of them in 2024.

Our Sustainable Future 2030 strategy sets out our strategic approach to addressing the significant sustainability challenges facing the beverages industry and guides us in acting for the long term. It encompasses three pillars – Climate Net Zero, Sustainable Supply, and Our People – and I am pleased to share that we made good progress across all of them in 2024.

In our Climate Net Zero pillar, we reached an important milestone by gaining approval from the Science Based Targets initiative (SBTi) for our net-zero targets. In line with these targets, we have started implementing projects that will contribute to reducing emissions across our operations. We updated related sustainability policies and

standards, including our environmental and no-deforestation policies to further embed sustainability activities and expectations across the business. We have also widened the network of people within the business who are contributing their expertise in delivering net-zero projects and supporting the development of robust roadmaps.

In our Sustainable Supply pillar, we focused heavily on supplier due diligence throughout 2024. We further developed our Supplier Relationship Management (SRM) program and increased the number of suppliers aligned with our minimum standards. 88% of our tea and coffee volume was bought from approved suppliers, a great improvement on 2023.





We also expanded the scope of the SRM program beyond tea and coffee to include suppliers of direct materials for the first time. Our focus on strong supplier relationships not only means we are engaging more suppliers in active management of their performance, it will also help us understand and ultimately reduce suppliers' carbon emissions.

We continue to respond to the developing regulatory landscape around the European Union Deforestation Regulation (EUDR). A cross-functional team has been developing a process for compliance with the EUDR, work that will continue in 2025 and beyond.

We made good steps forward in Our People pillar and our approach to human rights due diligence (HRDD). We updated and rolled out a human rights policy and joined the United Nations Global Compact (UNGC), aligning our business with best practice. After conducting a business-wide human

rights risk assessment, we published our salient risks and our summary approach to addressing them. We also continued to focus on the representation of women in management positions and developed Living Wage baseline assessments for each of our businesses.

As we look ahead, our focus is on delivering positive and lasting change backed by clear accountability. We will continue to improve our plans, including better defining our supplier carbon reduction roadmaps and finalizing our approach to good water stewardship. Supplier engagement will remain central in the year ahead, with increased focus on training and upskilling. Across Our People, meanwhile, our main focus will be developing a detailed roadmap to 2030 with aligned business plans to embed human rights due diligence.

I look forward to keeping you updated on our continued progress.



**Joe Valley-Ogunro**  
Head of Sustainability, James Finlay Limited





SUSTAINABLE  
FUTURE **2030**

# PILLARS AND PRIORITIES



## CLIMATE NET ZERO

*Protecting the Planet to Safeguard  
Tea and Coffee*

**Achieve 50%  
reduction in Scope  
1 & 2 emissions by  
2030 and net-zero  
emissions by 2040**

### Focus Areas

- Scope 1, 2 and 3 emissions reduction roadmaps
- Supplier engagement programme
- Carbon mitigation approach
- Framework for protecting nature



## SUSTAINABLE SUPPLY

*Building Trusted Partnerships  
for Stronger Supply Chains*

**Sustainable and  
ethical sourcing  
across tea, coffee,  
and extracts  
by 2030**

### Focus Areas

- Improve traceability
- Enhanced supplier due diligence
- Manage performance and risk of key suppliers
- Partner with suppliers on continuous improvement



## OUR PEOPLE

*Advancing Human Rights  
to Empower All*

**A business where  
people are valued  
and treated fairly,  
encouraging growth  
and development**

### Focus Areas

- Human Rights Due Diligence approach
- Achieve 39% women in management by 2027
- Build a culture of belonging where everyone feels engaged, connected and empowered
- Become a Living Wage Employer





## CLIMATE NET ZERO

*Protecting the Planet to Safeguard  
Tea and Coffee*

# CLIMATE NET ZERO







# CLIMATE NET ZERO

Protecting the  
Planet to Safeguard  
Tea and Coffee

## OUR AMBITION:

Achieve net-zero  
emissions by 2040

SCOPE 1 & 2

**50%**  
reduction  
by 2030

SCOPE 3

**42%**  
reduction  
by 2030

FLAG\*

**30%**  
reduction  
by 2030

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## WHAT WE'RE DOING

- Developing carbon reduction roadmaps for our SBTi approved net-zero targets.
- Aligning our policies and due diligence procedures to our net-zero ambition by 2025.
- Developing a no-deforestation approach by 2026.
- Increasing energy efficiency to reduce our overall energy consumption.
- Developing a Good Water Stewardship approach to improve our water footprint by 2028.
- Committing to 100% renewable electricity by 2030.
- Engaging with suppliers on reducing their carbon emissions.

\* FLAG stands for Forestry, Land and Agriculture

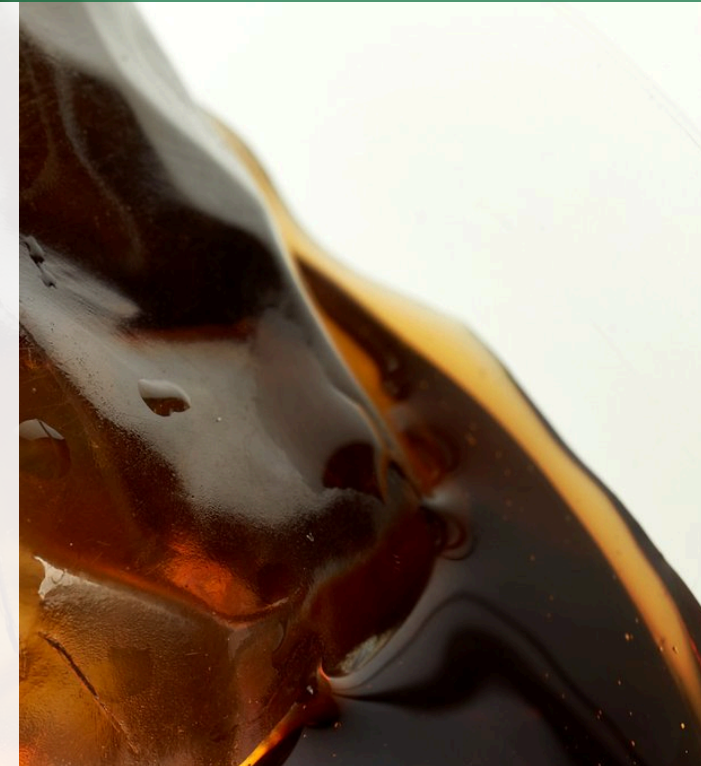


## CLIMATE NET ZERO

*Tea and coffee production depends on a healthy climate and environment. Climate change is an existential threat to our industry, which is why Finlays is committed to working toward having a positive impact on the world around us. From bush to beverage, we take a multistakeholder approach to mitigating the short and long-term effects of climate change on our operations and supply chains.*

## PROGRESS IN 2024

- Completed Finlays' 2024 corporate carbon footprint, with Scope 1 & 2 emissions independently assured
- Near and long-term carbon reduction targets approved by the Science Based Targets initiative (SBTi)
- Use of renewable electricity increased by 63% in 2024 vs. 2023
- 47% reduction in scope 2 emissions vs 2023
- Our response to CDP Climate 2024 received an improved B rating (up from C in 2023)
- Developed our deforestation-free approach in accordance with EUDR requirements
- Finlays Argentina secured renewable electricity for all its tea factories
- Finlays Colombo invested in a second rooftop solar system, covering 96% of that site's daytime electricity
- Finlay Beverages improved waste data and achieved zero waste to landfill as of mid-2024
- Improvements in refrigerant reporting across the business
- 95% of waste recycled, recovered, or reused







SCIENCE  
BASED  
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

## SECURING VALIDATION BY THE SCIENCE BASED TARGETS INITIATIVE

A key achievement for Finlays in 2024 was having our near and long-term targets for reducing greenhouse gas emissions (GHG) validated and approved by the Science Based Targets initiative (SBTi), including our 2040 net-zero target. This made Finlays one of just 30 companies in the food and beverages processing sector to have an SBTi-approved net-zero target that includes targets for reducing emissions from Forestry, Land and Agriculture. More details on our targets can be found on the [SBTi website](#).

The SBTi is a corporate climate action organization that enables companies and

financial institutions worldwide to play their part in combating the climate crisis. It develops standards, tools, and guidance which allow companies to set GHG emissions reductions targets in line with limiting global warming to 1.5°C, to mitigate the worst impacts of climate change and reach net zero by 2050 at the latest.

Receiving validation of our targets by SBTi is a critical step on our journey to achieving net zero by 2040 and demonstrates Finlays' commitment to act for the long term and protect the planet.





# OUR 2024 ENVIRONMENTAL DATA

## GHG EMISSIONS

Finlays understands the scale and urgency of climate change and the need to limit global warming to 1.5°C, in line with the Paris Agreement. We are striving to increase both our energy efficiency and our use of renewable energy to drive down our GHG emissions.

We quantify and report our organizational GHG emissions to the standards of the Greenhouse Gas Protocol and therefore report a location-based as well as a market-based figure for our Scope 2 emissions. In line with the GHG Protocol's latest guidance, our report also discloses Scope 3 emissions and FLAG (emissions from forestry, land, and agricultural activities across our operations and value chain). Our data tables can be found in the next chapter.

GHG emissions from the supply chain (Scope 3) account for 96% of our total non-FLAG emissions. Similarly, our Scope 3 FLAG emissions represent 88% of our total FLAG emissions. Work has started on developing robust roadmaps for our three workstreams (Scope 1 & 2, Scope 3, and FLAG) with a view to reducing our emissions in line with science.





# OUR 2024 ENVIRONMENTAL DATA

## GHG emissions



The graph focuses on greenhouse gas emissions in our operations. Scope 1 & 2 (market-based) emissions decreased by 15% in 2024 compared with 2023. Scope 2 emissions fell by 47.2% thanks to significant efforts to switch to renewable electricity sources across a number of different sites, in particular Finlays Argentina, Finlays Colombo, and Finlays Solutions, Kenya. In 2024, we also improved the quality of our reporting, specifically applying more accurate market-based emission factors, which further explains the decrease in our Scope 2 emissions versus 2023. Our Scope 1 emissions rose by 4.2%, mainly due to longer run times at our Finlays Solutions, US and Kenya sites, which resulted in higher natural gas and diesel consumption; an increase in production at Finlays Argentina's sites, resulting in higher diesel consumption by vehicles during harvest; and improvements in the reporting of our refrigerant usage globally.



# GHG EMISSIONS

## Assurance Statement



Bureau Veritas UK Limited ("Bureau Veritas") has been engaged by James Finlay Limited ("Finlays") to provide limited assurance of its Scope 1 and Scope 2 Greenhouse Gas (GHG) emissions data within the Finlays Sustainability Report 2024. The review covered the period 1 January – 31 December 2024. Bureau Veritas performed the work to a limited level of assurance in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised).

The full verification statement including the scope of work and Bureau Veritas' assurance conclusion, methodology, exclusions and limitations, and a statement of independence and impartiality will be published alongside the Report and [available here](#).



**BUREAU**  
**VERITAS**

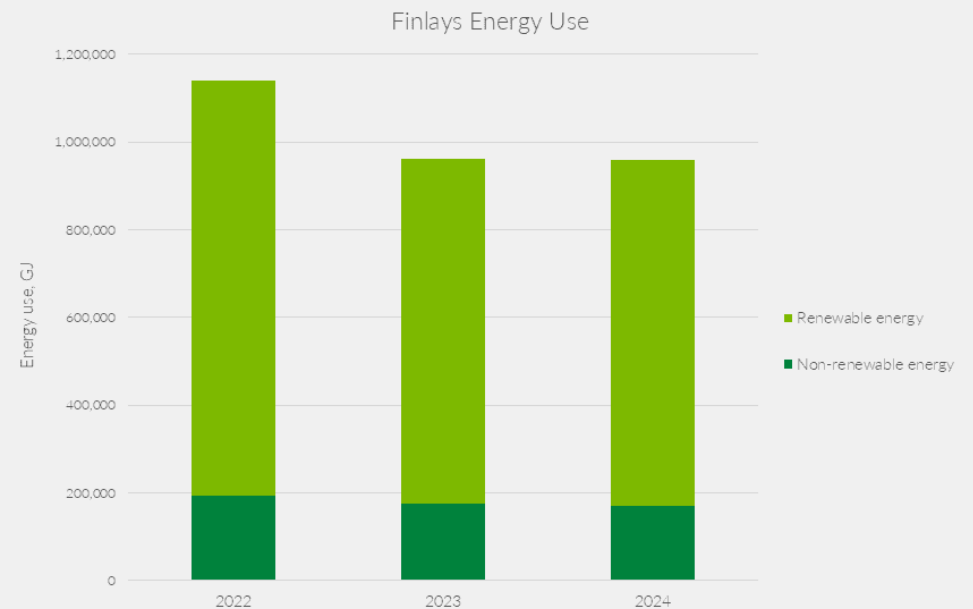


# OUR 2024 ENVIRONMENTAL DATA

## Energy



Our energy usage remained consistent between 2023 and 2024, showing a 0.3% decrease. This was achieved despite longer operating hours at our biggest manufacturing plants over the year, reflecting the impact of some of our energy efficiency initiatives. Our use of non-renewable energy decreased by 3.9%. Despite a significant increase in the use of renewable electricity in 2024, our overall use of renewable energy increased by just 0.5%. This was due to a slight decrease in biomass consumption, which offset increases in solar, hydro, and biogas use.

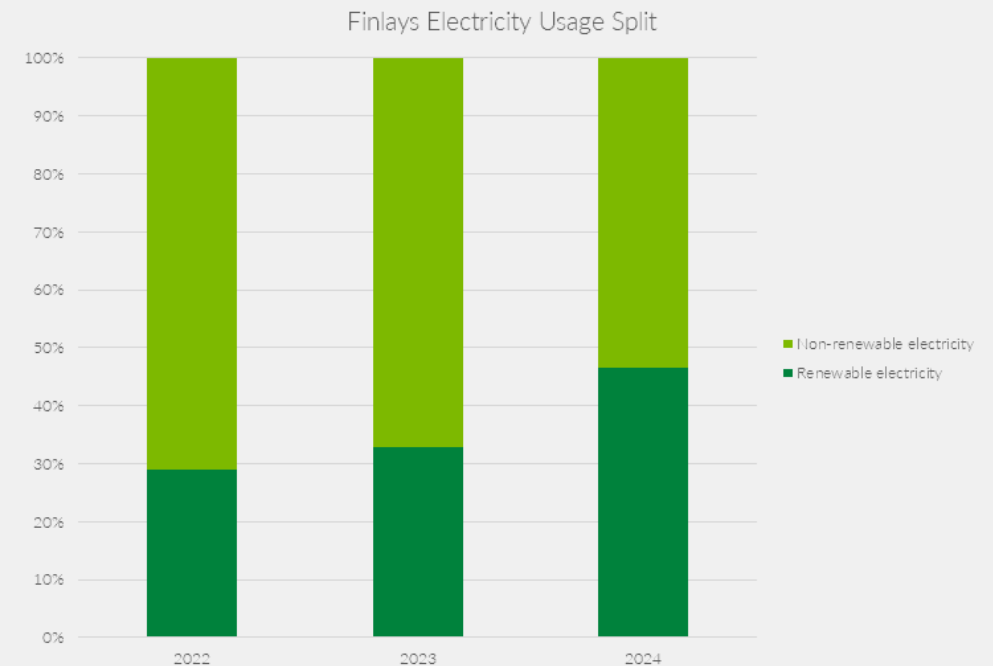


# OUR 2024 ENVIRONMENTAL DATA

## Electricity



We continue to make good progress toward our target of operating with 100% renewable electricity by 2030, with several milestones achieved during 2024 and further projects in the pipeline for 2025 and beyond. Finlays Argentina started purchasing renewable electricity (solar) for the first time in 2024, and Finlays Colombo installed a second solar system at its Haldummulla site, which was commissioned in October 2024. We also benefitted from a year of on-site solar electricity generation at Finlays Colombo's Welisara site, after photovoltaic (PV) panels were commissioned in early 2024. Meanwhile, Finlays Solutions, Kenya covered 48% of its electricity needs through renewable sources (biogas, hydro, and solar), up from 33% in 2023 and 23% in 2022.



*Figures include biogas and diesel consumed on-site to generate electricity. Electricity consumed from the national or local grid has been categorized as non-renewable, even if the grid mix contains a significant proportion of renewable sources.*



# OUR 2024 ENVIRONMENTAL DATA

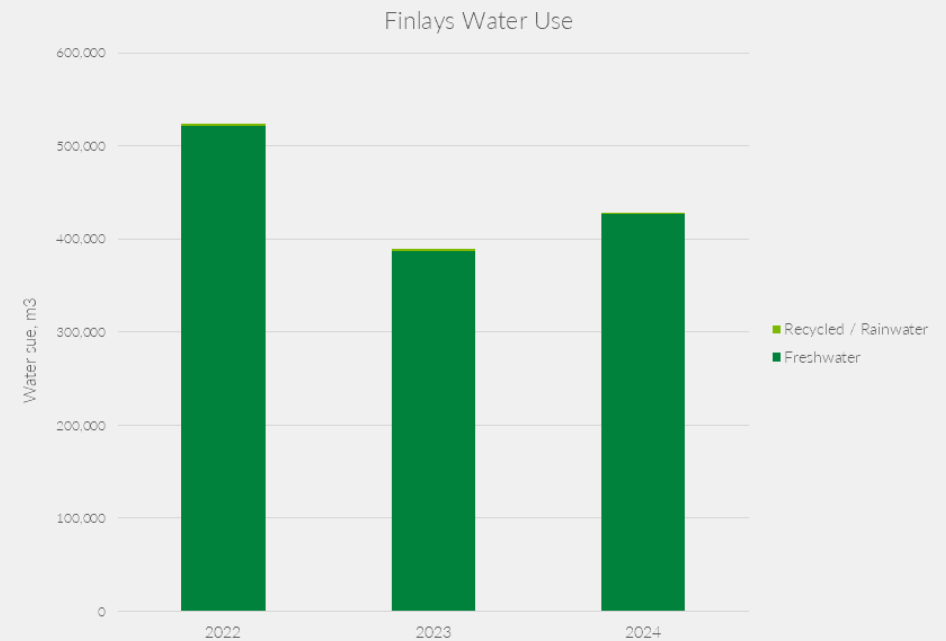
## Water



Our consumption of freshwater increased by 10.4% in 2024, driven mainly by significantly longer operating times at our tea and coffee extracts sites. These include our Finlays Solutions site in Kenya; the Finlay Solutions site in Hull (where decaffeinated production increased by 16% and we opened our cold brew plant for trials and cleaning); and the Finlays Solutions site in San Antonio, US.

The amount of rainwater and recycled water used decreased by 95.4% versus 2023. Rainwater and recycled water represents a very small proportion of our overall water use, and the decrease was due to water no longer being recycled at our Finlays Solutions site in Hull due to a change in drainage system at the end of 2023. All effluent, which is regularly tested in-house as well as by our supplier, is now returned to the municipal water treatment stations through regular drainage.

We continue to develop our approach to good water stewardship at our most material sites by improving metering and developing clear water balances, with a view to setting water targets at the end of 2025.



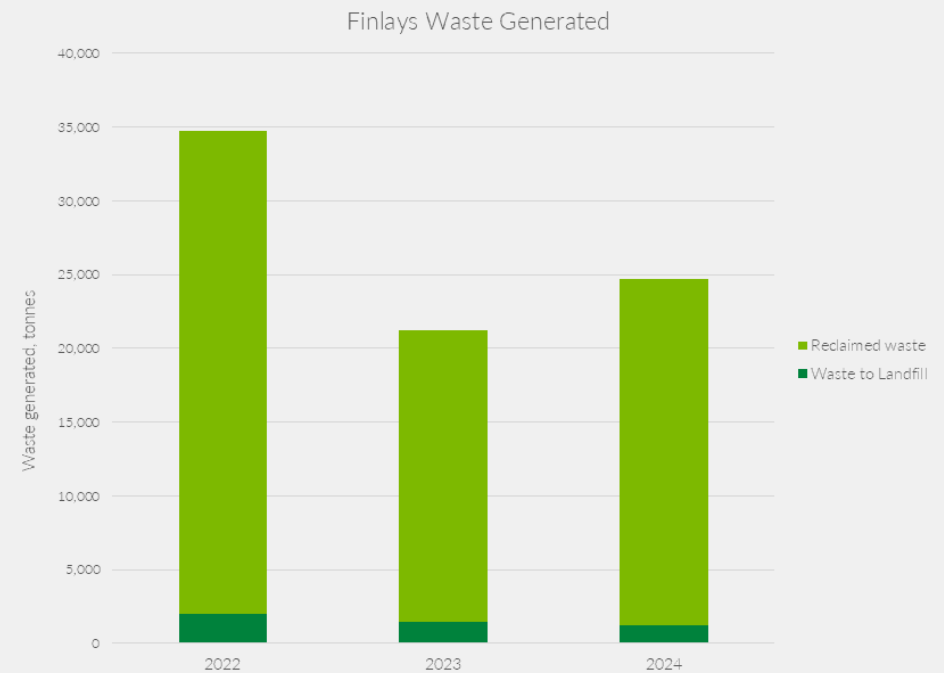
# OUR 2024 ENVIRONMENTAL DATA

## Waste



Our operations generated 16% more waste in 2024 than in 2023. This was primarily driven by significantly longer operating times at our biggest manufacturing sites in Kenya, the US, and the UK. Waste data collection and management at our Finlay Beverages site also improved significantly.

Over the same period, waste sent to landfill across our sites decreased by 17% and reclaimed waste increased by 18%. Thanks to continued concerted efforts to improve waste segregation and divert waste from landfill, the overall proportion of waste reclaimed across our operations stood at 95% in 2024, up from 93% in 2023.



*Reclaimed waste refers to waste that has been either recycled, recovered, or reused*



## RENEWABLES REVOLUTION

### CASE STUDY:

### *Switching sites to 100% renewable electricity (Finlays Argentina)*

As of November 2024, six sites belonging to Finlays Argentina run on 100% renewable electricity. It's a major step forward on our journey to reduce our carbon footprint, and the team worked hard to enable access to the Argentinian renewables market. They are now exploring how to switch over the rest of our sites.





## RENEWABLES REVOLUTION

### CASE STUDY:

#### *Expanding use of solar energy to cut emissions (Finlays Colombo)*

In October 2024, our Sri Lankan tea business installed a 180 kW roof-top solar system at its site in Haldummulla. This is the second such installation for Finlays Colombo, which already uses solar energy at its Welisara site.

Since becoming fully operational, the Haldummulla solar system has covered 96% of the factory's daytime electricity needs, significantly reducing our emissions and contributing toward our target of cutting Scope 1 and 2 emissions by 50% by 2030.

Based on this success, the Finlays Colombo team now plans to add further capacity to the existing system at Welisara.





## ENERGY FOR EFFICIENCIES

Across the business, we've been evaluating opportunities to improve energy efficiency and drive down our overall energy consumption.

### CASE STUDY:

#### *Finlays Solutions, (Hull, UK)*

Our facility in Hull, UK, improved energy efficiency significantly in 2024, thanks to a comprehensive approach that made power usage a central focus across multiple projects over the course of the year.

Key measures implemented by the team included a more robust tracking system for electricity usage, replacing outdated equipment, and completing a power factor correction project.

While overall power usage increased (partly due to the opening of a new cold brew coffee plant), energy intensity—as measured by amount of power used per kg of product—fell by 13% for electricity and 14% for gas.



## ENERGY FOR EFFICIENCIES CASE STUDIES

Across the business, we've been evaluating opportunities to improve energy efficiency and drive down our overall energy consumption.



### *Finlays Mombasa*

Air conditioning is a major contributor to energy consumption in our business in Mombasa, Kenya. In 2024, we launched a pilot project to investigate the impact of switching to more energy-efficient air conditioners.

19 out of 63 units were replaced, with data showing a 50% cut in energy consumption for the new models. The team are now working on phasing out the remaining units.



### *Finlays Malawi*

Our Malawian business is very small but sends large numbers of tea samples around the globe. In June 2024, it switched to a new type of airfreighting contract from our courier partner DHL which reduces emissions by 30% through carbon insetting.

In less than nine months, the team were able to remove 95kg of CO<sub>2</sub>e from the airfreight of our tea samples to our three largest customers alone.



### *Finlays Solutions (Kenya)*

At our tea extracts site in Kenya, we upgraded the pumps in the factory cooling tower and automated them by using a variable frequency drive for greater efficiency.

This led to a 17% reduction in energy use. To further improve energy efficiency, translucent roofing sheets were installed on the factory, reducing the need for electricity during the day.



## CASE STUDY:

### *Transforming waste management as part of an award-winning sustainability drive (Finlay Beverages, UK)*

In 2024, Finlay Beverages completely overhauled the way it manages and reports on waste. The objective was to gain full visibility on waste removal and volumes from its site, with a view to achieving zero waste to landfill backed by full reporting.

To get control of waste, the team created a clear governance structure, collated relevant data, and rationalized the number of waste suppliers across the site from 11 down to one. Suitable recovery and recycle options were identified using circular economy principles, including having our coffee jute sacks go to a recycling facility where the fibers are reclaimed for carpet manufacture. Crucially, a waste reporting tool was introduced to provide full visibility and substantiate any zero waste to landfill claims.

As a result, Finlay Beverages was able to hit its zero to landfill target in the second half of 2024, with 100% of waste now being recycled and nothing going to landfill.

Thanks in part to these efforts, Finlay Beverages won a major sustainability award at the 2024 Supply Chain Awards, organized by the UK's Institute of Supply Chain Management. The judges highlighted Finlays' 'remarkable progress' in areas such as recycle, reuse, and reclaim, and commended the business for its 'strong commitment to sustainability'.



## **CASE STUDY:**

### ***Reducing waste and boosting soil health with a new composting site (Finlays Argentina)***

To improve crop productivity and soil health, our Argentinian tea business built its own composting facility in 2024. The state-of-the-art plant, which is located at our Argente CF tea field site, allows us to turn waste from our own factories, as well as waste from local industries, into high-quality compost with full traceability in every batch.

A significant amount of work went into getting this project off the ground, including undertaking an environmental study and public hearing; forging long-standing agreements with local industries to ensure a steady stream of waste material; employee training; and numerous production trials to adjust methodologies and improve results. Construction has now been completed, and we are excited to start compost production in 2025.

Once fully operational, the site will produce up to 4,000 metric tonnes of compost a year, improving the physical and biological structure of our soils and significantly reducing our FLAG emissions and dependence on external inputs.





# ALIGNING BUSINESS STRATEGY TO SUPPORT PROGRESS

## Climate risks

In 2023 our parent company, John Swire & Sons Limited (Swire), undertook a climate risk assessment in line with the framework created by the Task Force on Climate-Related Financial Disclosures (TCFD). This task force was created to improve reporting of climate-related financial information. The assessment enhanced Swire's climate risk and opportunity assessment methodologies and gave Finlays a better understanding of our own climate risks and opportunities. During 2024 our Corporate Risk Register (CRR) was updated to include the most material climate-related risks to Finlays. The CRR will enable us to review our processes in line with best practice and inform our future disclosures. Further information on the CRR can be found in the Governance chapter of this report.

## Good water stewardship

Water is essential to life and a basic human right – and it is increasingly under stress. Competing demands from agriculture, business, and communities, along with the effects of climate change, are putting growing pressure on this precious resource, prompting widespread regional and global concern. Water is also essential to the beverages industry and Finlays, and we take our responsibility seriously to preserve its availability and quality. As part of Sustainable Future 2030, we have started shaping our approach to good water stewardship. In 2024, we worked with our business units to maintain their water balances throughout the year and report on them, and evaluated opportunities for improved water metering. Similar to our work on GHG emissions, our aim is to develop an ambitious plan for good water stewardship, with credible targets in place by 2026.

## Shadow Carbon Price (SCP)

With guidance from our parent company Swire, Finlays has implemented a shadow carbon price (SCP) since January 2024, applied to specific financial reports and CapEx/project appraisals. Shadow carbon pricing assigns a hypothetical cost to carbon emissions and allows the potential costs to be factored into decision making, serving as a complementary short-term tool to better identify carbon exposure and inform decarbonization plans. The SCP will help us better understand and assess carbon risks, and supports Swire's aim to reach net zero by 2050 or earlier. The price was set at US\$100 per tonne of carbon dioxide equivalent (tCO<sub>2</sub>e) and will increase annually by a fixed value of US\$10 from 2025.

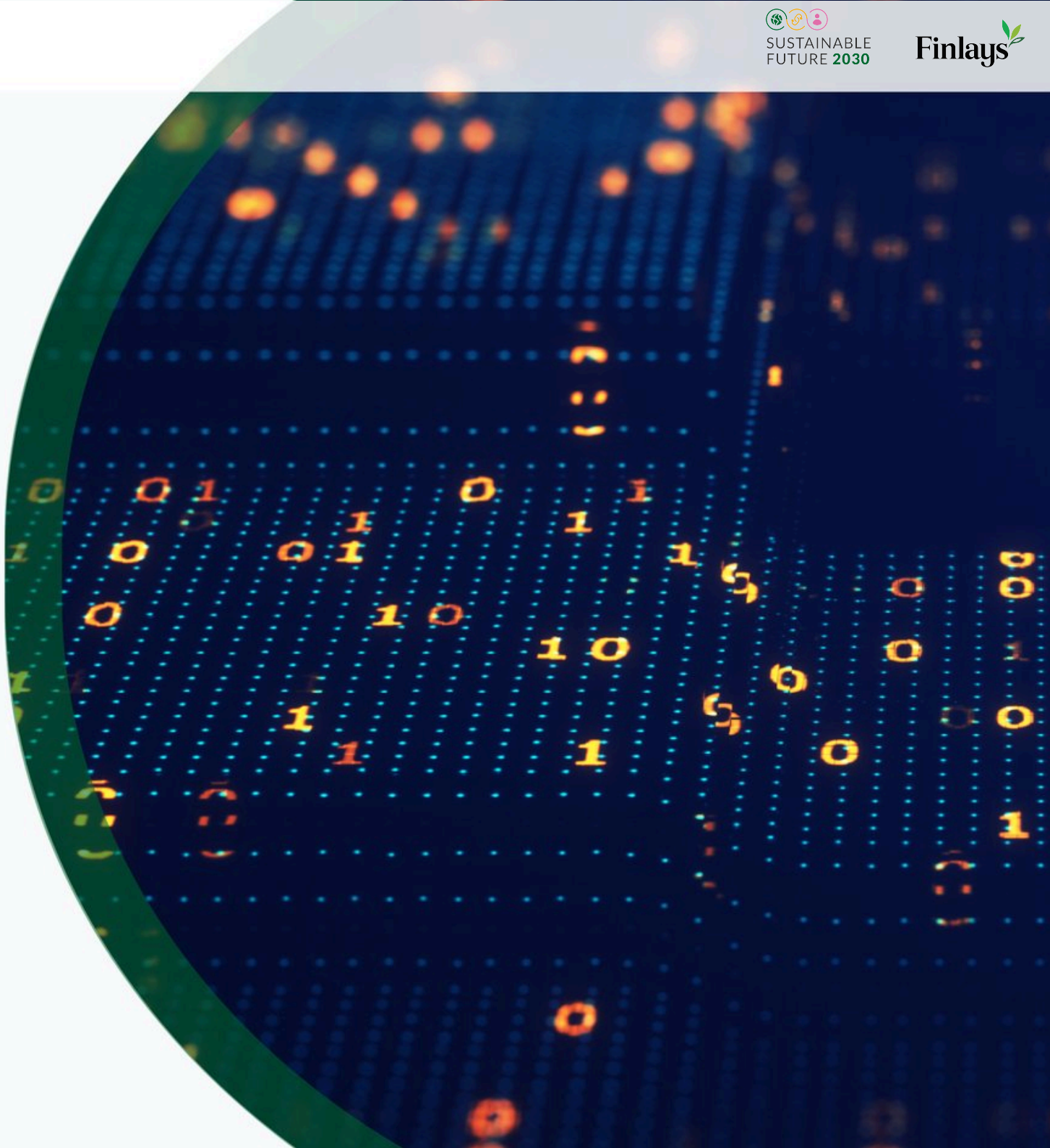




## CLIMATE NET ZERO

*Protecting the Planet to Safeguard  
Tea and Coffee*

# CLIMATE NET ZERO DATA





## OUR GHG EMISSIONS

*Scope 1, 2 and 3 emissions*

Non-FLAG Scope	2022 (rebased <sup>1</sup> ) - Baseline	2023 (rebased)	2024
Scope 1	9,247	8,324	8,671
Scope 2 (location-based)	5,816	6,256	6,182
Scope 2 (market-based)	4,651	4,954	2,614
Total – Scope 1 + 2 (location-based)	15,063	14,580	14,853
Total – Scope 1 + 2 (market-based)	13,898	13,278	11,285

All figures in table are above are in tCO<sub>2</sub>e

[1] This scope reflects the boundaries of the group as of January 2024 and therefore does not include emissions from Finlays Botanicals, James Finlay Kenya, and James Finlay Guizhou, which are no longer part of our business.

# OUR GHG EMISSIONS

## Scope 1, 2 and 3 emissions

Non-FLAG Scope	2022 (rebased <sup>1)</sup> - Baseline	2023 (rebased)	2024 (3)
Total – Scope 1 + 2 + 3 (location-based)	405,295	358,032	
Total – Scope 1 + 2 + 3 (market-based)	404,130	356,730	
Scope 3 <sup>2</sup>	390,231	343,452	
Scope 3.1 – Purchased Goods and Services	142,555	139,716	
Scope 3.2 – Capital Goods	2,231	9,095	
Scope 3.3 – Fuel- and Electricity-related Activities	2 675	3 804	
Scope 3.4 – Upstream Transportation and Distribution			

Open full table in browser:

<https://finlays.turtl.co/story/finlays-sustainability-report-2024/page/5/2>

All figures in table are above are in tCO<sub>2</sub>e

[1] This scope reflects the boundaries of the group as of January 2024 and therefore does not include emissions from Finlays Botanicals, James Finlay Kenya, and James Finlay Guizhou, which are no longer part of our business.

[2] Although Finlays leases some upstream assets, related emissions are considered under Scope 1 & 2 instead, as these are long-term agreements which allow Finlays to control and decide how these assets are operated. Finlays does lease a building to a third party in Pakistan, but related emissions have been considered as negligible. Finlays does not operate any franchises.

[3]Calculation of Scope 3 2024 emissions (non-FLAG and FLAG) is underway, along with the assurance process for Categories 1 and 4, the data table will be updated following completion of these processes.



## OUR GHG BASELINE FLAG

Forestry, Land & Agriculture (FLAG) Category	2022 (rebased)	2023 (rebased)	2024 [1]
<b>FLAG - Land use change</b>	<b>66,394</b>	<b>174,296</b>	
Land use change - Scope 1	1,331	72,163	
Land use change - Scope 3	65,063	102,133	
<b>FLAG - Land management</b>	<b>606,888</b>	<b>433,307</b>	
Land management - Scope 1	18,580	995	
Land management - Scope 3	588,308	432,312	
<b>FLAG - Scope 3 - Unknown</b>	<b>53,174</b>	<b>19,845</b>	
<b>Total FLAG</b>	<b>726,456</b>	<b>627,448</b>	

All figures in the table above are in tCO<sub>2</sub>e.

[1] Calculation of Scope 3 2024 emissions (non-FLAG and FLAG) is underway, along with the assurance process for Categories 1 and 4, the data table will be updated following completion of these processes.

# Environment data tables

## Finlays Energy Use

Sources	2022	2023	2024
Renewable energy	947,137	785,782	789,815
Non-renewable energy	193,653	176,103	169,290
Total (GJ)	1,140,790	961,885	959,105

All figures in the table above are in GJ

## Finlays Electricity Usage

Sources	2022	2023	2024
Renewable electricity	33,410	32,396	52,805
Non-renewable electricity	82,101	66,077	60,856
Total (GJ)	115,511	98,474	113,661

All figures in the table above are in GJ. Figures include biogas and diesel consumed on-site to generate electricity. Electricity consumed from the national or local grid has been categorized as non-renewable, even if the grid mix contains a significant proportion of renewable sources.



# Environment data tables

## Finlays Waste Generation

Sources	2022	2023	2024
Waste to landfill	1,985	1,462	1,212
Reclaimed	32,785	19,785	23,446
Total (tonnes)	34,770	21,247	24,658

All figures in the table above are in tonnes. Reclaimed waste refers to waste that has been either recycled, recovered, or reused

## Finlays Water Use

Sources	2022	2023	2024
Recycled/Rainwater	2,149	2,742	127
Freshwater	521,768	386,557	426,698
Total (m <sup>3</sup> )	523,917	389,299	426,825

All figures in the table above are in m3



## OUR PEOPLE

*Advancing Human Rights  
to Empower All*

# OUR PEOPLE







## OUR PEOPLE

Advancing  
Human Rights to  
Empower All

### OUR AMBITION:

A business where people are valued and treated fairly, encouraging growth and development

#### HUMAN RIGHTS

**2030**

Implement a Due Diligence Framework (HRDD)

#### WOMEN IN MANAGEMENT

**39%**

Management roles to be held by women by 2027

#### LIVELIHOODS

**2030**

Finlays to be a Living Wage Employer

### WHAT WE'RE DOING

- Defining a roadmap to embed HRDD by the end of 2025.
- Business Units developing risk and HRDD action plans by the end of 2025.
- Active membership of the UN Global Compact.
- Collaborating with experts to enhance our working practices.
- Build a culture of belonging where everyone feels engaged, connected and empowered.
- Implementing action plans for Women in Management and Living Wage.



## OUR PEOPLE

*People are central to everything we do. It is vital that we safeguard people against human rights risks, proactively support them, and help their communities to thrive. Protecting the human rights of everyone connected to our business, and ensuring they are valued and empowered, is critical to our long-term growth.*

## PROGRESS IN 2024

- Conducted a human rights risk assessment (HRRRA) to identify the salient risks to people within our operations and supply chain
- Reviewed, updated, and published our human rights policy
- Joined the United Nations Global Compact
- Continued to develop and engage the business on our approach to human rights due diligence (HRDD)
- Completed a Living Wage baseline assessment with 70% of employees receiving a living wage or more
- 34% of management and leadership roles globally are held by women





## REPORTING ON OUR PEOPLE

### *Employee data*

Country	Total Number of Employees	Male Employees	Female Employees
<b>TOTAL 2024</b>	<b>1,773</b>	<b>1,327</b>	<b>446</b>
Argentina	347	304	43
China	4	2	2
Indonesia	2	1	1
Kenya	504	400	104
Malawi	3	3	0
Sri Lanka	225	184	41
United Arab Emirates	7	5	2
United Kingdom	425	271	154
United States of America	256	157	99

*Note: This data covers the headcount of permanent and fixed-term employees of Finlays as at the end of December 2024. Finlays' HR team has been working to improve and align the employee data across all our businesses to ensure definitions and methodologies are consistent. Through this project we are increasing the data being collected in a phased way, enabling us to deliver a full suite of people data and insights by the end of 2025.*

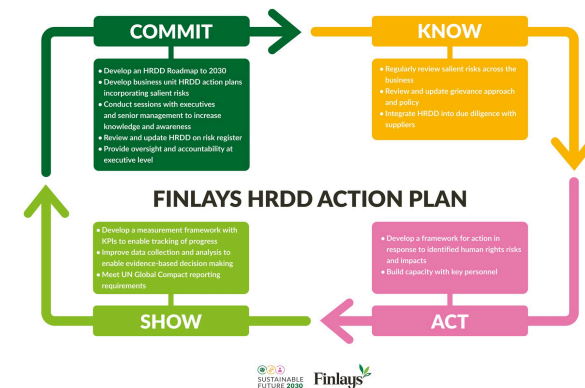
# HUMAN RIGHTS DUE DILIGENCE (HRDD) ACTION PLAN

As outlined in the United Nations Guiding Principles (UNGP), human rights due diligence is an ongoing risk management system for identifying and prioritizing human rights issues directly or indirectly connected to the business; ceasing, preventing, or mitigating them and remediating any harm; measuring the progress; and reporting on what is done.

To progress our commitment to embed human rights due diligence by 2030, we have developed and begun implementing an HRDD action plan. The action plan is focused on the important elements of 'commit', 'know', 'act' and 'show' and requires that we review and update our policies, and commits the business to align with global expectations and standards such as the UNGP. We have also established a governance structure that places accountability for human rights at board and executive level, with responsibility for delivery lying with our global Head Office and individual business units.

In 2024, we focused on developing our understanding of the risks to people across our business and how we can plan for and develop mitigating actions appropriately. As part of this, we engaged with experts from two human rights consultancies: Twentyfifty and CLC, to conduct a human rights risk assessment (HRRR). More information about the assessment approach can be found later.

The next step for our HRDD action plan in 2025 is to develop a detailed roadmap that will support Finlays to aggregate the actions being implemented and the tracking of progress against our ambition to embed HRDD by 2030. The roadmap will also be used to support our businesses to incorporate salient risks into localized HRDD action plans. We will continue to develop a practical approach that focuses on appropriate activities and interventions to protect human rights across the business and develop a measurement framework that allows us to clearly demonstrate the impact of our actions.



Click image to zoom



## COMMIT

# Human Rights Policy and joining the UNGC

Business has a legal and moral responsibility to respect human and labor rights.

We are committed to operating our business in a way where people across our operations and supply chain are valued and treated fairly, and we respect the human and labor rights of those impacted by our business activity. In support of this, we updated and published our [human rights policy](#) in 2024 and require every employee to be aware of the policy and their obligations under it. The policy reflects our respect for the Bill of Human Rights and the International Labour Organization (ILO) Declaration on the Fundamental Principles and Rights At Work, and aligns us with key UN conventions including Rights of the Child and the Elimination of Discrimination against Women.

In a further commitment to sustainability and alignment with global standards on human rights, we were pleased to become a member of the United Nations Global Compact (UNGC) during 2024. The UNGC is a voluntary leadership platform for the development, implementation, and disclosure of responsible business practices, particularly in the areas of human rights, labor, the environment, and anti-corruption. In joining the UNGC, Finlays has committed to taking responsible business action to help create a more sustainable beverages industry.

This is critical as our industry relies on intensive labor practices, and people within tea and coffee growing regions can be more vulnerable to human rights and labor risks where a proactive approach to risk prevention and mitigation is required.



## KNOW

# Human Rights Risk Assessment and Finlays' Salient Risks

Following a gap analysis on our human rights due diligence (HRDD), we conducted an assessment of risks to people across our global operations and supply chain. A human rights risk assessment (HRRRA) is a foundational step in human rights due diligence and helps to identify the salient risks. Salient human rights risks are the risks that present the greatest likelihood of the most severe negative impacts on people, either from our company's activities or business relationships.

### The salient risks identified by our risk assessment are:

- gender inequality
- occupational health & safety
- livelihoods: wages, incomes, and standard of living
- child labor
- forced labor and human trafficking
- excessive working hours





## KNOW

# Human Rights Risk Assessment and Finlays' Salient Risks

The risk assessment, conducted by experts Twentyfifty and CLC, incorporated data analysis, development of risk tools, and stakeholder interviews across the business. Having identified and prioritized the salient risks for our business, we are now working to integrate these into our corporate approach to risk management and ensure human rights are regularly reviewed as part of our risk register.

### Current actions in place include:

- understanding and addressing structural issues of gender inequality, for example within the recruitment process
- engaging suppliers on human rights issues through stakeholder engagement and purchasing practices
- our 'Always Safe' approach to health & safety
- conducting supplier audits and establishing stronger requirements on human rights in supplier management

We are also developing mitigating action plans to address our salient human rights risks. These include making sure people across the business are appropriately trained, and aligning our business with human rights frameworks.

We will continue to be aware of other human rights risks that may become more salient to Finlays in time, and we will look to consult other external stakeholders as we continue to develop and strengthen our approach.



# ACT & SHOW

## Health and Safety Data

We capture a wide range of metrics, but as part of our proactive safety culture we currently focus on four key performance indicators to measure safety performance. These include two lagging and two leading indicators, providing a balanced scorecard:

Key Performance Indicator		2023	2024	Diff
Lagging	Lost Time Injury Frequency Rate (LTIFR)	0.31	0.47	+0.16
	Total Incident Rate (TIR)	2.62	3.51	+0.89
Leading	Hazard Report Closure Rate	83%	92%	+9%
	Safe Day Attainment Rate	50%	54%	+4%

Notes:

[1] Total Incident Rate (TIR) = Fatalities + LTI's + Minor Injuries/Total Hours Worked x 200,000  
[2] Hazard closure and safe day attainment rates are measured by number of hazard raised/number of hazards closed x 100, and number of safe days recorded/number of safe days available x 100. Reported as percentages.

### Truth over targets

In 2024, a key focus of our health & safety program was improving transparency, honest reporting, and ownership. We had become aware of instances where not everything was being reported, particularly at a minor injury and near-miss level, which reduced our ability to identify where more serious incidents might occur in the future. While we set annual targets for our four KPIs, we have always believed that accurate reporting is more important than hitting targets. Throughout 2024, we therefore focused on instilling and reiterating the importance of honest reporting to our employees and made clear our priority is having a full picture of what is happening, and where, so we can take mitigating actions and improve.

Our data shows reporting has improved significantly, as demonstrated by the increase in the Total Incident Rate (TIR) and a 40% rise in minor injury reports in 2024. Our root cause and trend analysis is also much improved, which in turn has allowed us to identify tangible opportunities for further improvement in 2025.



## ACT & SHOW

# Women in Management

In 2024, women occupied 34% of leadership and management roles at Finlays. This was down 0.8% on 2023, when we achieved 35%, and follows a re-baseline after the sale of some businesses. (Previously, we had reported 31%.)

The slight drop in headline numbers is mainly explained by an internal reorganization at one of our businesses and changing personnel at several other locations. The biggest success was at Finlays Solutions, US, which achieved 43% of women in leadership, up from 41%. (More detail in the case study on the following pages.)

There are many other positive stories of progress across the business. At Finlays Colombo, the proportion of women in senior management positions exceeded 30% for the first time. Meanwhile, Finlay Beverages saw women in senior management grow from 11% in 2023 to 30% in 2024. This means women now account for more than 30% of roles at every level of management at Finlay Beverages, demonstrating the transformative impact of our succession planning and development programs.

Finlays Argentina is steadily building its pipeline of female leaders. In 2024, it made good progress in increasing the representation of women in non-

management, junior, and middle management roles, all of which saw growth of 2% or more.

We began rolling out unconscious bias training in 2024, starting with our UK businesses where 87% of mid-senior management employees have now successfully completed it. We will continue the rollout across our UK and global sites in 2025, further complemented by in-depth workshops.



## ACT & SHOW

# Living Wage program

“Acting for the Long Term” is one of Finlays’ core values, and this commitment is very much at the heart of our Living Wage program.

Finlays strives to pay a fair wage to all our employees, and we are committed to paying a Living Wage to every direct employee by 2030—an ambition that is aligned with the UN Global Compact’s ‘Faster Forward’ strategy. It will also contribute to acting on the livelihoods-related salient risk identified and prioritized under our human rights due diligence action plan.

To ensure our Living Wage program is robust and embedded, we have used the UN Global Compact’s 10-step implementation framework as the basis for project delivery. This includes developing the strategy, structures, and processes to successfully deliver our ambitions.

Our focus in 2024 was setting up strong foundations. Working collaboratively with external partners and senior stakeholders, we developed the governance structure and tools that will be used for project implementation. As part of this process, we carried out a baseline assessment for all direct and permanent employees against publicly available 2024 Living Wage benchmarks.

Our preliminary assessment suggests that of the 1,500 employees included in

our assessment, over 70% are being paid the relevant Living Wage for their location. With the baseline having now been completed, we are in a strong position to develop and deliver our action plans.

Going forward, we are committed to reporting our progress on an annual basis and sharing our learnings to build a stronger Finlays for our colleagues, customers, and suppliers.



## ACT & SHOW

# Update on Browns Plantations Kenya/Finlays Tea Extracts Kenya actions

In February 2023, BBC Panorama broadcast a documentary containing allegations of sexual abuse by two contractors working at James Finlay Kenya (JFK), now Browns Plantations Kenya (BPK), following the purchase of the business in November 2023. After taking immediate action to strengthen safeguarding at James Finlay Kenya, Finlays commissioned an in-depth investigation into the extent and nature of misconduct at JFK. This investigation was conducted by Partner Africa, a responsible business practices NGO, and completed at the end of 2023.

Since the completion of the report, work has taken place to implement a robust action plan based on Partner Africa's recommendations. The action plan has been led by Browns with support from Finlays as well as NGOs, customers, and other experts. It takes a 'root and branch' approach that encompasses urgent action being taken on immediate priorities; structural changes to prevent the occurrence of further abuse; and a rigorous approach to human rights due diligence.





## ACT & SHOW

# Update on Browns Plantations Kenya/Finlays Tea Extracts Kenya actions

### Key actions include:

- During Q1 2024 the report and action plan were formally disseminated. Workers and the community were involved in the development of the action plan through open sessions and able to provide feedback.
- Use of contractors has been reduced. The remaining contracted workers now benefit from deeper management and engagement, ensuring – for example – that they are represented on committees, join daily briefings, and have access to BPK services.
- In the spirit of contributing to industry knowledge about sexual and gender-based violence in Kenya, BPK has engaged members of civil society on the investigation findings. It is in dialogue with them about how they can potentially support delivery of the action plan and BPK more widely in addressing sexual and gender-based violence.
- Browns Plantations Kenya has been working with external experts to develop an updated human rights strategy and remediation framework aligned with the UNGPs and human rights due diligence is progressing.
- A new independent whistleblowing line has been put in place in direct consultation with workers. This is available to the whole local community and has been operational since July 2024.

- In December 2024, Ethical Trade Services Africa conducted independent monitoring and evaluation of the action plan objectives and outcomes. Two further action plan reviews will take place in 2025.

Finlays remains closely involved as Browns Plantations Kenya's biggest customer. Delivering the action plan is a long-term process, but Browns has made a strong commitment to ensuring the action plan is implemented as quickly as possible and that BPK is a place of safety, inclusivity, respect, and equal opportunity for all.

Finlays, alongside the Ethical Trading Initiative (ETI) and customers, have been supporting multi-stakeholder dialogue in Kenya to address the systemic issue of sexual and gender-based violence in the tea sector. We continue to support the exploration and development of a multi-stakeholder platform in the Kenyan tea sector to facilitate industry-wide action and responses to human rights-related issues.

# The HRDD journey: Human rights as business imperative

*A message from Claire Lynch , Director, CLC Human Rights Advisory*

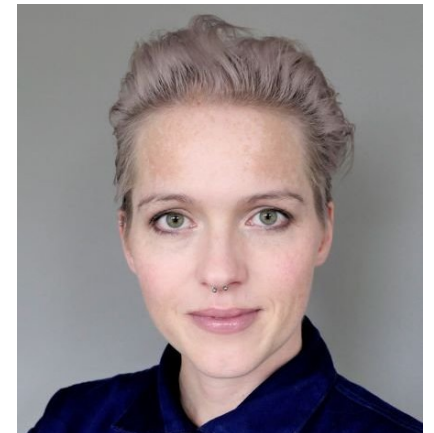
In recent years, the beverages sectors have faced unprecedented scrutiny regarding human rights impacts across their supply chains. When serious allegations of abuse surfaced in Kenya's tea sector in 2023, many companies were caught unprepared. The reactive scramble that followed revealed a painful truth: without systematic human rights due diligence (HRDD) processes, real harm occurs to vulnerable workers and communities, while businesses face significant reputational and operational risks.

In my work supporting Finlays and others across the industry, I've observed how their journeys—from reactive crisis management to proactive risk identification—mark a fundamental shift in business thinking. It's not merely about compliance but about protecting the millions of people who work within the sector producing our beverages. Ensuring the wellbeing and dignity of people has become both a moral imperative and, increasingly, a business necessity.

The business case is compelling. Beyond meeting increasing regulatory requirements, companies with robust HRDD systems build resilience against disruption, strengthen supplier relationships, and align with customer expectations. They demonstrate that ethical practices and commercial success are not competing priorities but mutually reinforcing goals.

Yet, for Finlays and many other businesses, the journey has only begun. While project-based activities provide essential foundations, true HRDD integration means embedding human rights considerations into everyday business decisions. For Finlays, their *Sustainable Future 2030* strategy presents a valuable opportunity to advance this integration, during a period when the distinction between forward-thinking companies and those slow to adapt will become increasingly pronounced.

The sector's future belongs to companies that proactively address human rights impacts—not because regulation demands it, but because it is fundamental to responsible and sustainable business practice. This is how we safeguard the rights and dignity of agricultural workers and producers, while building businesses that can thrive for generations to come.



## CASE STUDY:

### *Launching a vibrant and inclusive community for women (Finlays Solutions, US)*

Finlays' Women in Business (FWIB) network launched to great success in the US in 2024, supported by a rich roster of activities and events co-created by employees. A key objective for the network was to help Finlays women connect with other females across the organization, foster a sense of belonging, and improve access to tools and training resources.

To this end, Finlays Solutions' US team launched three business clubs for women: a Book Club, a Public Speaking Club, and a Mentor Club. In addition, monthly FWIB events were held virtually, featuring guest speakers on topics such as career planning and stress management.

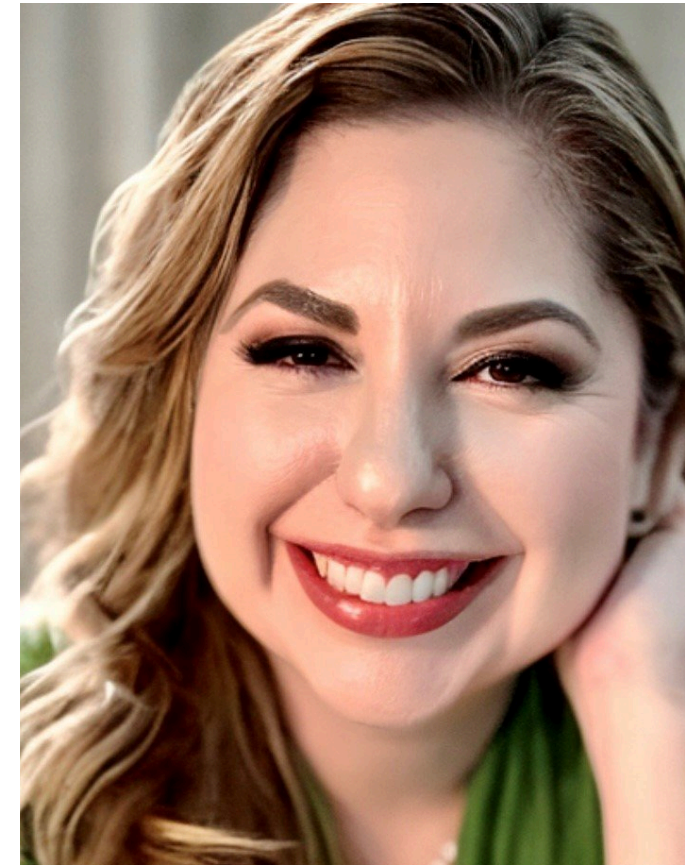
The approach proved a hit with employees, and attendance at Women in Business events grew from an average of 30 women at the start of 2024 to almost 70 by the end of the year. Finlays Solutions employs about 90 women in the US in total. The proportion of women in management roles also increased during the year, jumping from 41% in 2023 to 43% by the end of 2024.

The team now plans to build on this by adding new clubs focused on key business skills and incorporating male allies into the network. The success of WIB has also inspired veteran employees to create a similar group, with a new Employee Resource Group for Veterans to launch in 2025.



**A key objective for the network was to help Finlays women connect with other females across the organization, foster a sense of belonging, and improve access to tools and training resources**

✕ in f



Dolores Wuepper  
Chair of FWIB, USA



## Building a culture for women to fulfill their potential

### CASE STUDIES



#### *Finlays, UK*

The UK branch of Finlays' Women in Business (FWIB) network continued to deliver a busy program of events throughout 2024, including upskilling sessions on artificial intelligence and leadership, quarterly menopause wellbeing sessions, workshops, and the introduction of a new internal networking tool called Coffee Pals.

Its efforts to create a truly equitable workplace also contributed to improvements in employee perception. In an internal survey, Finlays UK was rated 4.18 out of 5 as an employer of women, up from 3.86 in 2022.



#### *Finlays Colombo*

Our Sri Lankan business launched a major new initiative to support women's careers in 2024, encompassing dedicated programs, policies, and events targeted at female employees. At the heart of the EmpowHer Movement is long-term, structured action to overcome biases and create an inclusive workplace that empowers everyone to reach their full potential.

Key actions already taken include new progressive policies on parental leave, fertility support, and flexible work arrangements; a new mentorship program for female employees; and new career advancement pathways for those with high potential, which have already resulted in several women being promoted into leadership roles.

## *Building a culture for women to fulfill their potential*

### **CASE STUDIES**



#### *Finlays Mombasa*

In 2024, Finlays Mombasa took a big step toward reaching its goal of having women account for 39% of leadership roles by 2027.

Thanks to a holistic HR strategy focused on attracting, retaining, and promoting more female talent—combined with unconscious bias training for senior managers—it managed to increase the proportion of women in management from 30% in 2023 to 36% in 2024.

The total proportion of women employed across the business also went up, from 31% in 2023 to 33% in 2024, and representation of women on key committees improved significantly.



#### *Finlays Argentina*

Supported by a dedicated women's committee, Finlays Argentina continues to remove barriers to inclusion in Argentina's male-dominated tea sector. In 2024 it finished installing women's locker- and restrooms at our Campo Grande site, enabling female workers to be hired in that factory for the first time. Across Finlays Argentina, there are now three factories with appropriate facilities. The team also held awareness talks in all plants, aimed at breaking down cultural biases and promoting a more inclusive environment.

This has already resulted in a noticeable shift in male perceptions across the business. Women made up 13% of Finlays Argentina's workforce during the 2024/25 season, up from 9% in 2023/24.





## Making great training available to all (Finlays Solutions, Hull, UK)

In response to employee feedback, our Hull business doubled the amount of training provided to staff at all levels in 2024. By setting aside more time for training during the working day and providing a wider range of options, Finlays Solutions, Hull was able to complete more than 1,200 training hours through the Finlays Academy and external providers in 2024 versus 600 in 2023.



## Setting young people up for lasting success (Finlays Colombo)

For International Women's Day 2024, female employees at Finlays Colombo led an engaging life skills project for more than 50 students at Nungamuwa Damsen Central College. The Nature & Nourish initiative involved refurbishing the school's home economics room; donating appliances and utensils; giving demonstrations on cooking, kitchen safety, and nutrition; and facilitating workshops on culinary and entrepreneurial skills.

More than 20 students also participated in leadership training, equipping them with valuable soft skills for their future careers. The school reported a marked increase in student engagement afterward, and the Finlays Colombo team are now exploring opportunities to expand this model to other local schools and provide longer-term support to students.





## SUSTAINABLE SUPPLY

*Building Trusted Partnerships  
for Stronger Supply Chains*

# SUSTAINABLE SUPPLY







# SUSTAINABLE SUPPLY

Building Trusted  
Partnerships for  
Stronger Supply  
Chains

## OUR AMBITION:

Sustainable and ethical  
sourcing across tea,  
coffee and extracts by  
2030

TEA & COFFEE

**100%**  
traceable by 2025

TEA & COFFEE SUPPLIERS

**100%**  
approved by 2025

STRATEGIC SUPPLIERS\*

**100%**  
managed through  
SRM by 2030

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## WHAT WE'RE DOING

- Implementing a Supplier Relationship Management (SRM) program to provide a consistent and systematic approach to supplier engagement and management.
- Building stronger relationships to understand the challenges and risks, and support suppliers to address these through continuous improvement initiatives.
- Expanding the scope of SRM to include direct materials and services.
- Mapping categories and spend across purchased goods and services by product and Business Units.
- Measuring quantitative progress against our key objectives.

\*For tea, coffee, direct materials and services



## SUSTAINABLE SUPPLY

*By building long-term, trusted relationships with our suppliers, we can help them grow their businesses and ensure traceable and resilient supply chains. This, in turn, means we can mitigate our social and environmental impacts and reduce supply chain risk for our customers.*

## PROGRESS IN 2024

- 100% of made tea traceable to tea factory/garden mark
- 100% of green leaf traceable to farm<sup>1</sup>
- 99% of green bean coffee traceable to mill, up from 94% in 2023
- 72% of soluble coffee traceable to mill
- 100% of green leaf supplied to Finlays Argentina now Rainforest Alliance certified
- 88% of tea and coffee was bought from approved suppliers, up from 59% in 2023
- Continued deepening engagement with suppliers through our Supplier Relationship Management (SRM) program

[1] This is the first year we have reported on green leaf traceability





# OUR SUPPLY CHAIN

Due to Finlays' position within the value chain as a supplier to brands and retailers, we are one step closer to the origin of the products we make. We have worked with many of our tea and coffee suppliers for years and look to build close relationships wherever possible.

**Tea sourcing:** We source green leaf from our own tea farm and local suppliers in Argentina, tea estates and farming cooperatives in Kenya, and through smallholders in Sri Lanka. We source made tea from our own tea farm in Argentina, private contracts with third-party suppliers, and through auctions.

**Coffee sourcing:** We source our green bean coffee through private contracts with farmers, farming cooperatives, and brokers. We buy soluble coffee directly from third-party manufacturers.

To date, our focus has been on the key raw materials that go into our products, i.e., tea and coffee. This is because they are both high-risk commodities in terms of human rights, and because we purchase significant volumes globally and therefore have a significant potential impact. However, we recognize there are risks in our other supply chains. In 2024 we widened the scope of our approach to map these out, focusing initially on suppliers to Finlays Solutions, including primary packaging, ingredients, co-manufacturers, co-packers, and warehouses. As we bring these into scope of our Supplier Relationship Management program, we have clarified our definitions of the suppliers in these categories and started collecting centralized data on them.

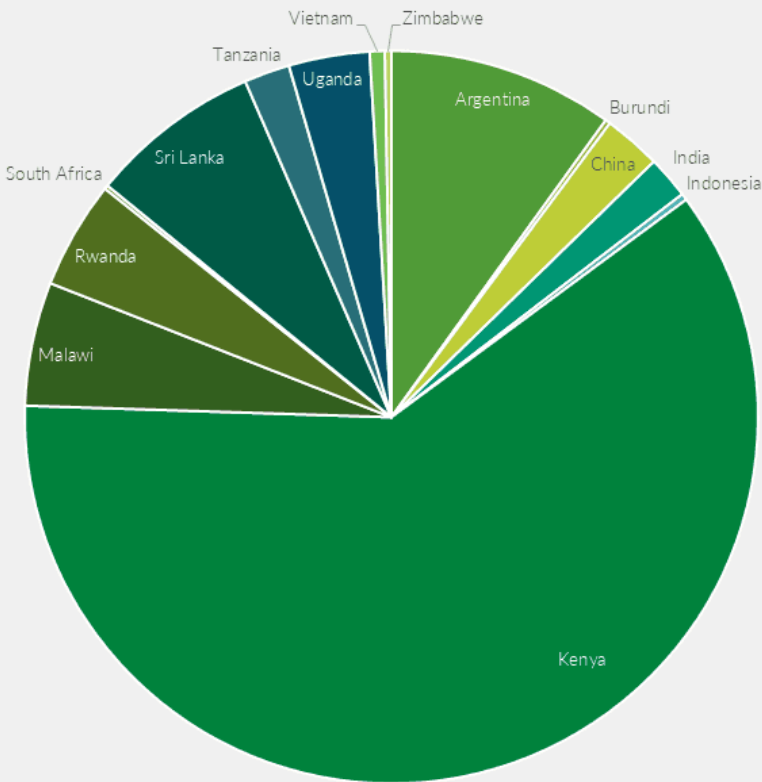




# OUR SUPPLY CHAIN

## Tea

% volumes of tea purchased in 2024 per origin



Country of origin	% volume
Argentina	9.9%
Burundi	0.2%
China	2.5%
India	1.9%
Indonesia	0.3%
Kenya	60.6%
Malawi	5.5%
Rwanda	4.8%
South Africa	0.2%

Open full table in browser:

<https://finlays.turtl.co/story/finlays-sustainability-report-2024/page/7/4>

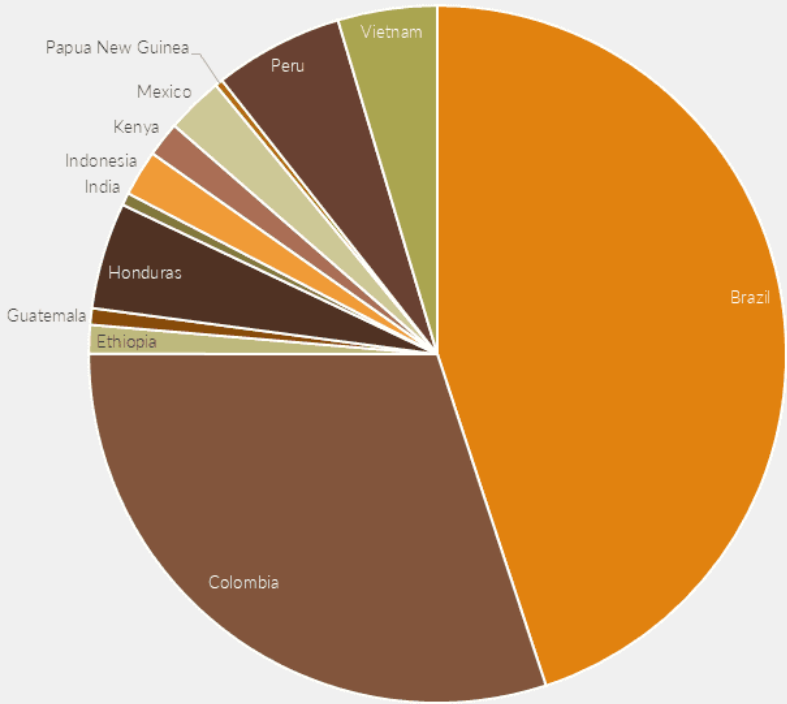
Sri Lanka7.6%

Tanzania2.0%

# OUR SUPPLY CHAIN

## Green Coffee

% volumes of green bean coffee purchased in 2024 per origin



Country of origin	% volume
Brazil	45.0%
Colombia	30.1%
Ethiopia	1.3%
Guatemala	0.8%
Honduras	4.9%
India	0.6%
Indonesia	2.1%
Kenya	1.6%
Mexico	2.6%
Papua New Guinea	0.4%
Peru	4.0%
Vietnam	4.0%

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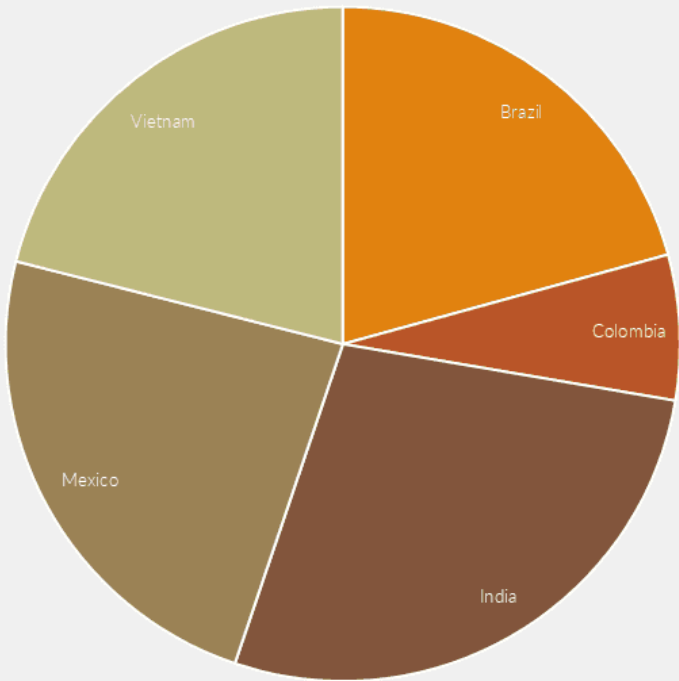
<https://finlays.turtl.co/story/finlays-sustainability-report-2024/page/7/5>



# OUR SUPPLY CHAIN

Soluble Coffee

% volumes of soluble coffee purchased in 2024 per country of manufacturing site



Country	% volume
Brazil	21%
Colombia	7%
India	28%
Mexico	24%
Vietnam	21%
Total	100%

## ASSESSING RISK IN OUR SUPPLY CHAIN

Finlays has developed country-level risk ratings that cover both inherent risks and sector-specific risks in each sourcing country. These are reviewed and updated annually, using a number of sources including:

- Sedex radar tool
- Rainforest Alliance risk maps
- Modern Slavery Index
- International Trade Union Confederation (ITUC) global rights index
- Global Gender Gap report
- Yale Environmental Performance Index
- Climate change: Notre Dame Global Adaptation Initiative, Global Climate Risk Index
- Publicly available human rights impact assessments (HRIAs)
- Other relevant reports, publications, and media

The country-level risk is combined with further information about the supplier, such as whether they have third-party sustainability certifications and signed Finlays' Sustainable Sourcing Policy, to provide a risk rating per supplier.

In 2024 we commenced a project to undertake a human rights risk assessment to further develop our work on identifying our most salient human rights risks (see Our People section for more details). We have worked to incorporate these salient risks into our risk assessment work.





## CASE STUDY:

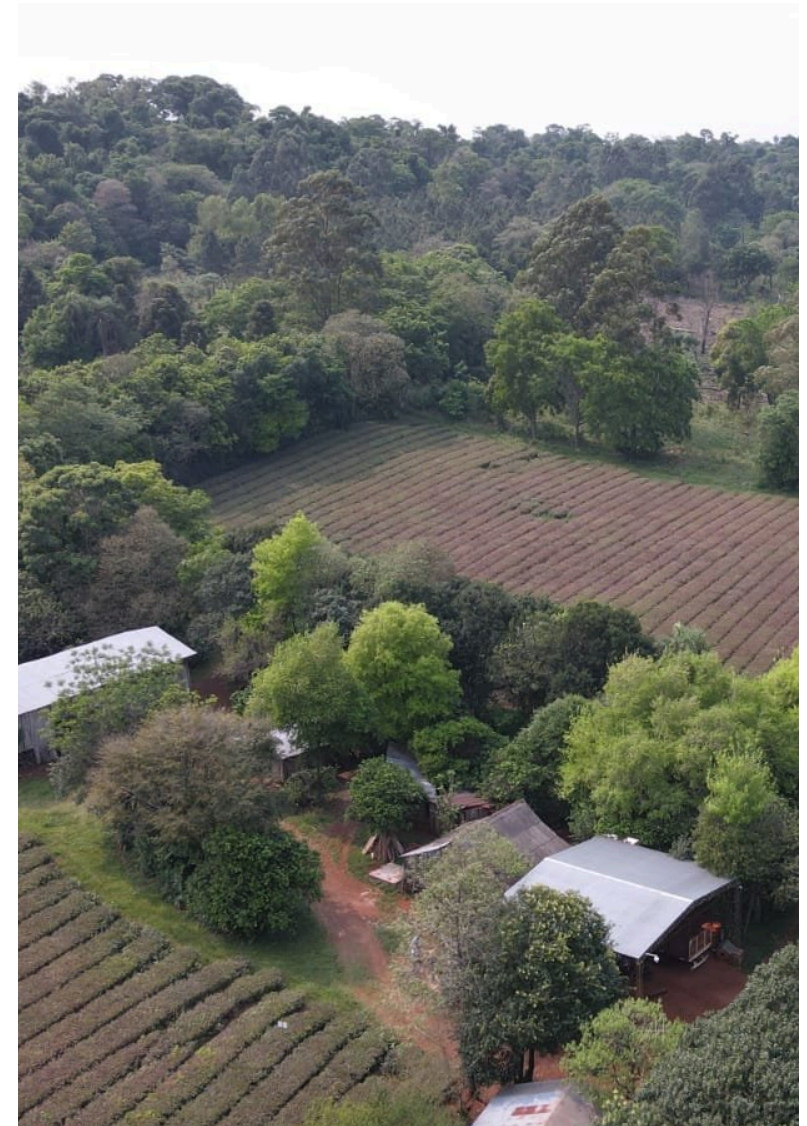
### *Supporting small producers to achieve Rainforest Alliance certification (Finlays Argentina)*

To improve traceability and embed strong social and environmental protections along our entire value chain, our Argentinian business has for some time wanted to supply its factories with 100% Rainforest Alliance certified green tea leaf. However, it ran into resistance from small-scale producers who struggled to meet the stringent certification criteria.

To overcome this, Finlays Argentina's sustainability and agronomy teams worked closely with non-certified producers to identify the barriers to reaching Rainforest Alliance standards and supported them with targeted measures. These included training, document management, soil and water analysis, as well as practical guidance on the construction of tanks and containment for agrochemicals and lubricants. Support was offered to existing green leaf suppliers, but the initiative also attracted new farms to the business.

Thanks to these efforts, 12 small producers achieved Rainforest Alliance certification for the first time in 2024, adding 200 hectares of certified green tea to our Colonos de Casa Fuentes certification group. As a result, Finlays Argentina was able to hit its goal of supplying all its factories with 100% Rainforest Alliance certified green leaf.

The team is now scouting for even more farms to be certified and continues to offer ongoing support to small producers to boost standards and help maintain certification.



## CASE STUDY:

### *Bringing tea suppliers and brokers together for a landmark engagement program (Finlays Colombo)*

In September 2024, Finlays Colombo hosted its first-ever supplier engagement event, bringing together 40 participants—including CEOs and sustainability managers from 21 regional plantation companies and CEOs of eight tea brokering firms—for a day of learning, discussion, and strategic alignment around Finlays' Sustainable Future 2030 strategy and Supplier Relationship Management (SRM) program. This level of collaboration is rarely seen in the industry and created a valuable platform for collective action. Following the session, the Finlays Colombo team has seen improved supplier engagement and greater support from brokers during the supplier approval process. It plans to run a similar session for smallholders in 2025.





## CASE STUDY:

### *Strengthening partnerships, enhancing traceability (Finlays Solutions, US)*

At Finlays, responsible and sustainable sourcing is at the heart of our coffee supply chain. Having already achieved 100% traceable coffee at Finlay Beverages, we reached a significant new milestone in 2024: 99% traceable supply for our green coffee for Finlays Solutions in the US. This achievement is a direct result of our Supplier Relationship Management (SRM) program, which aims to strengthen partnerships, enhance transparency, and reinforce our commitment to ethical sourcing.

Our SRM program is built on collaboration, trust, and shared values. By working closely with our suppliers, we've fostered long-term relationships that prioritize sustainability, quality, and social responsibility.

Traceability is crucial in today's coffee industry, providing assurance to customers and consumers alike. We have made good progress thanks to:

- Direct engagement with suppliers: Including origin visits, training, and supplier reviews which help align our sourcing teams and suppliers on traceability expectations and best practices

- Data-driven transparency: Our new Enterprise Resource Planning system and supplier reporting portal allow us to track coffee origins and suppliers with greater accuracy

Our journey doesn't end here and we remain committed to reaching full traceability by the end of 2025. Through our SRM program, Finlays continues to work toward a more sustainable future for coffee, from farm to cup.



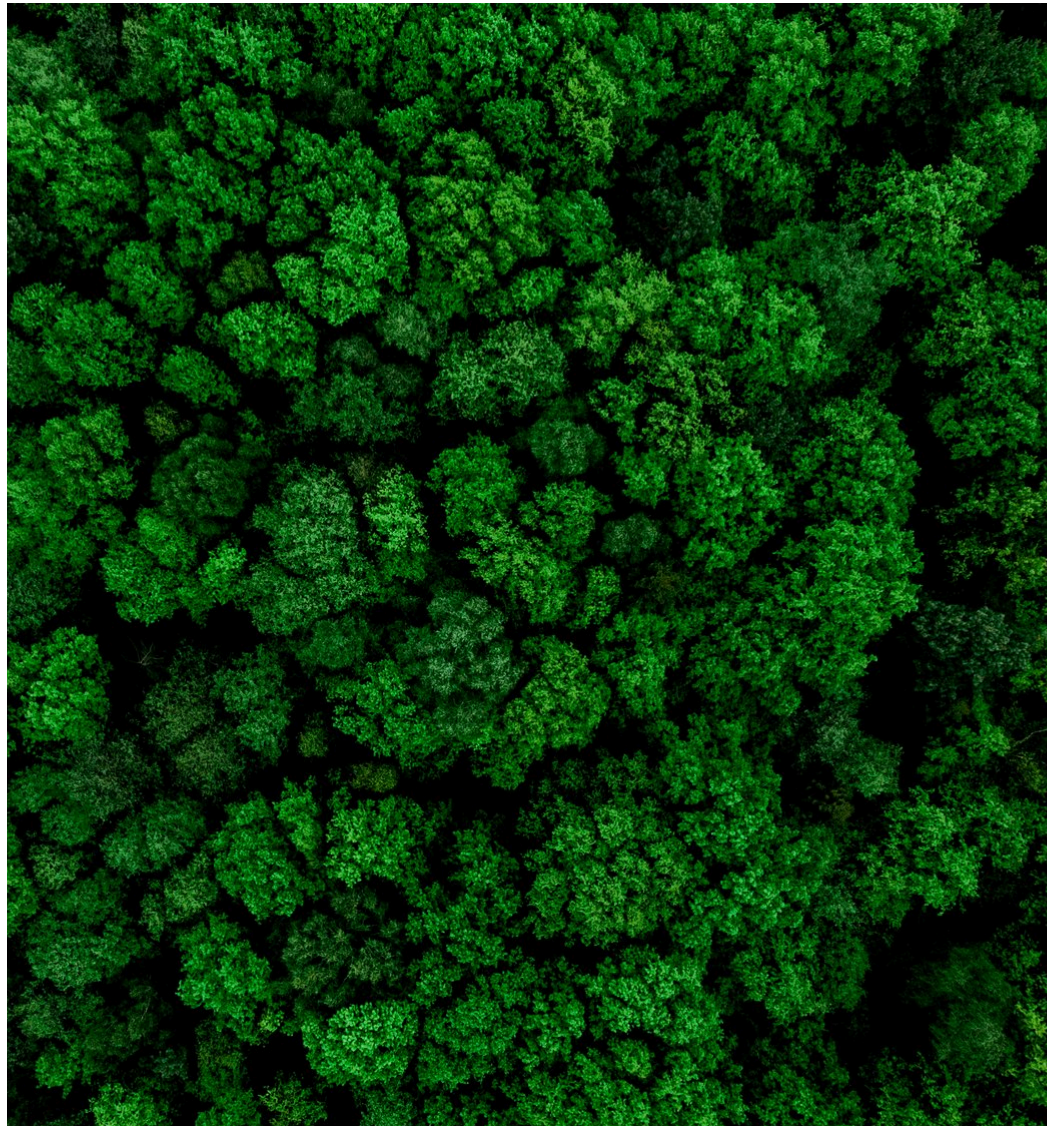


## CASE STUDY:

### *Preparing for the European Union Deforestation Regulation*

The European Union Deforestation Regulation (EUDR) is potentially game-changing regulation for businesses involved in global supply chains. It mandates that companies trading in key commodities—such as soy, palm oil, wood, cocoa, coffee, rubber, and cattle—prove that their products are made within deforestation-free supply chains before entering the EU market. Suppliers will need to provide verifiable proof that their goods and products come from land that has not been deforested after December 31, 2020. This will mean enhanced supplier due diligence requirements, which businesses will be required to verify, and roles for certification processes to ensure compliance. Compliance will include tracking geolocations of products at farm level and risk assessments of product deforestation and legality. Non-compliance with EUDR can result in penalties, including fines or product market restrictions.

There is potential for companies that proactively adapt to EUDR standards to gain a competitive edge. Buyers may prioritize compliant suppliers, and businesses with strong approaches to sustainability may benefit with market differentiation. However, commodity markets are likely to be influenced as changing market dynamics place demand on compliant products. It is likely that regulation may also eventually extend beyond the EU.





## In 2024, Finlays took the following actions on EUDR:

- Engaged third-party support to interpret the regulation and train and inform internal stakeholders
- Mapped out a detailed process of the steps required to achieve EUDR compliance
- Engaged with coffee suppliers on awareness and preparedness
- Engaged with relevant software solutions providers

Compliance with EUDR will likely mean investing in new technology, supply chain audits, and data collection. This could lead to short-term cost increases, but it may also reduce long-term risks related to regulatory penalties and reputational damage. Customer and consumer expectations for sustainable products mean that demonstrating compliance with EUDR could enhance reputation, customer trust, and market positioning. For B2B companies like Finlays and its suppliers, aligning with EUDR will not just be a legal obligation but could be a strategic move toward long-term sustainability and competitiveness.

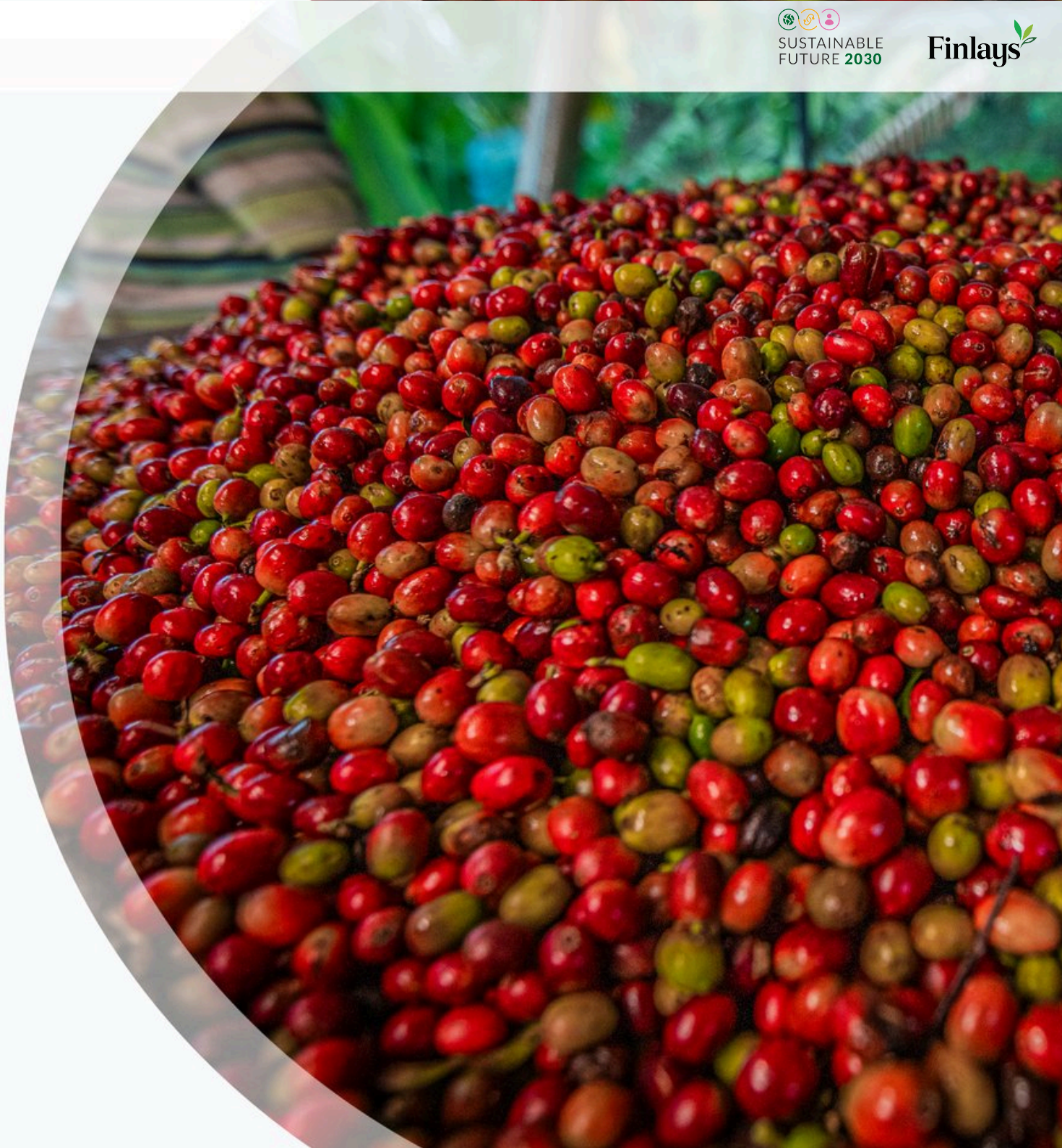






SUSTAINABLE  
FUTURE **2030**

# PARTNERSHIPS







We can only deliver Sustainable Future 2030 with the support of our global partners. The challenges facing our industry affect us all. That is why Finlays is committed to working closely and collaboratively with our partners and suppliers to succeed together in creating a more sustainable future.

This includes utilizing our memberships of the Ethical Trading Initiative (ETI), Sedex, and World Coffee Research, as well as being active on key industry bodies. For example, Finlays sits on the Board of the UK Tea & Infusions Association, the Tea Association of the US, and the British Coffee Association, and we are members of the US National Coffee Association. We also engage and collaborate with certification bodies such as Rainforest Alliance and Fairtrade.

# EXPLORING COFFEE'S FUTURE: A JOURNEY TO COSTA RICA WITH WORLD COFFEE RESEARCH

As part of Finlays' ongoing involvement with World Coffee Research (WCR), Tom Blackwall, our Global Head of Coffee, joined a trip to Costa Rica in November 2024 to visit some of the most important sites for coffee breeding and research. His goal was to learn more about the latest advances in breeding techniques and the work that is essential for ensuring the future resilience and quality of coffee. Here he shares key learnings and impressions from the trip.

## UNDERSTANDING COFFEE GENETICS

Our journey began at CATIE (Centro Agronómico Tropical de Investigación y Enseñanza), a renowned agricultural research center that plays a vital role in coffee breeding. Here, researchers are

using advanced methods to identify genetic variations in coffee trees. By mapping these variations, they can breed plants with desirable traits, such as disease resistance, improved cup quality, and climate adaptability.

## F1 HYBRID TRIALS IN ACTION

We went on to visit AQUIARES Coffee Estate, one of Costa Rica's largest and most innovative coffee farms. AQUIARES is a key trial site for F1 hybrids - first generation crosses between genetically distinct coffee plants that offer higher yields and improved cup profiles. The farm's dedication to testing and scaling these varieties in real-world conditions highlights the potential of F1 hybrids to reshape the coffee industry.

## THE FUTURE OF COFFEE BREEDING

My visit to Costa Rica reaffirmed the importance of scientific collaboration in safeguarding coffee's future. The work being done by WCR, CATIE, and pioneering estates like AQUIARES is crucial for ensuring a more sustainable and resilient coffee supply chain.

At Finlays, we are committed to supporting these efforts through our WCR membership, ensuring that coffee farmers have access to the best possible plants to thrive in a changing world.

For more information on World Coffee Research visit [worldcoffeeresearch.org](https://worldcoffeeresearch.org)



Tom Blackwall,  
Global Head of  
Coffee



# SWIRE THRIVE

Finlays is a wholly owned subsidiary of John Swire & Sons Limited (Swire).

There is a Group-level commitment at Swire on key sustainability issues, delivered through the SwireTHRIVE strategy. At Finlays, this is embedded through our Sustainable Future 2030 strategy.

SwireTHRIVE focuses on five key areas that are highly material across the Swire Group:

- **Climate:** Decarbonize our business and build climate resilience
- **People:** Foster a company culture that is accessible, inclusive, and safe
- **Water:** Use and manage water responsibly
- **Communities:** Position our community initiatives as part of our core business value
- **Waste:** Turn today's waste into tomorrow's resource

Swire's Sustainable Development Committee has set up a sustainable development fund, which operating companies can apply to for financial support for sustainability initiatives.





SUSTAINABLE  
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# GOVERNANCE





# GOVERNANCE

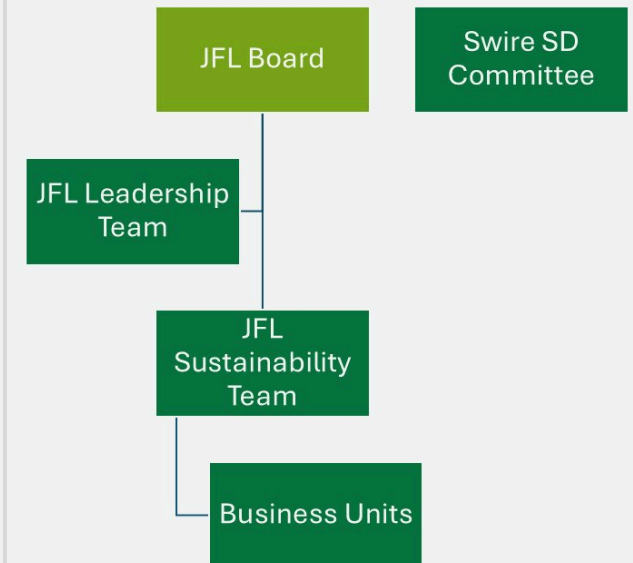
## *Sustainability oversight and accountability at James Finlay Limited (JFL)*

**Board:** The JFL Board is comprised of three executive directors and five non-executive directors. The Board meets three times a year and has direct oversight of the sustainability strategy as well as decision-making responsibility for all commitments and targets.

**Global Leadership Team:** The James Finlay Global Leadership Team oversees the day-to-day running of Finlays, including all business units and sites. This executive function plays a key sponsorship role for the sustainability strategy and provides oversight and direction on all areas.

**Finlays Sustainability Team:** The Head Office Sustainability Team is responsible for setting Finlays' sustainability strategy, commitments, objectives, and targets. The Team also works to develop and put in place effective delivery plans and roadmaps within the business units, making sure effective accountability is in place.

**Swire Sustainable Development Committee:** The Sustainable Development Committee of Finlays' parent company, John Swire & Sons Limited (Swire), oversees the approach to sustainability for its operating companies. Reports and updates are shared with the Committee at least twice a year to ensure alignment on approach and progress.



# GOVERNANCE

## *Our approach to policy and compliance*

Corporate policies at James Finlay Limited are part of our compliance program and overseen by Finlays' Corporate Affairs Director. The Compliance team ensures all employees understand and are able to access those policies. This is an important part of increasing awareness of key policies within our businesses.

In 2023 we reviewed all policies directly linked to our Code of Conduct. In 2024, the following policies were approved and shared with all employees:

- Code of Conduct\*
- Anti-Money Laundering
- Whistleblowing
- Procurement
- Competition Law
- Anti-Bribery and Corruption
- Conflicts of Interest
- Gifts and Hospitality
- Data Privacy\*
- Political Activity and Charitable Donations

\* Policies available on our external website

In 2024 Finlays also developed its 'No Deforestation Policy'\* and updated the following:

- Sustainable Sourcing Policy
- Human Rights\*
- Environmental\*
- Fraud
- Modern Slavery Statement

Internal stakeholders participated in the review of policies relevant to their day-to-day activities, and a company-wide communication was sent to everyone with access to our global policies.

### **Training**

In 2024 in-person training was given to some of our business units on compliance and ethics, covering topics such as modern slavery and human rights. The following online training was updated and delivered in 2024 to all employees globally: Code of Conduct, Modern Slavery, Human Rights.

### **Internal audit**

James Finlay Limited has an extensive Internal Audit function that monitors financial and certain non-financial aspects of the business. It, in turn, is monitored by a series of committees that report to an Audit Committee comprising one independent non-executive director and two representatives of Swire. In addition, the JFL Managing Director, JFL Chief Operating Officer, and Director of Corporate Affairs also attend the Audit Committee meetings together with the Internal Auditor and, as required, a representative from our external auditors, Grant Thornton.



# GOVERNANCE

## *Risk management*

The risk management program at James Finlay Limited is operated via a corporate risk register (CRR), which is a Board responsibility that records and tracks the risks that management is concerned about. The CRR document is a live document that sets a risk agenda which can be included in the company's business plan. The program itself is overseen by the Corporate Affairs Director and the Compliance Manager.

### The CRR evolves by following the steps below:

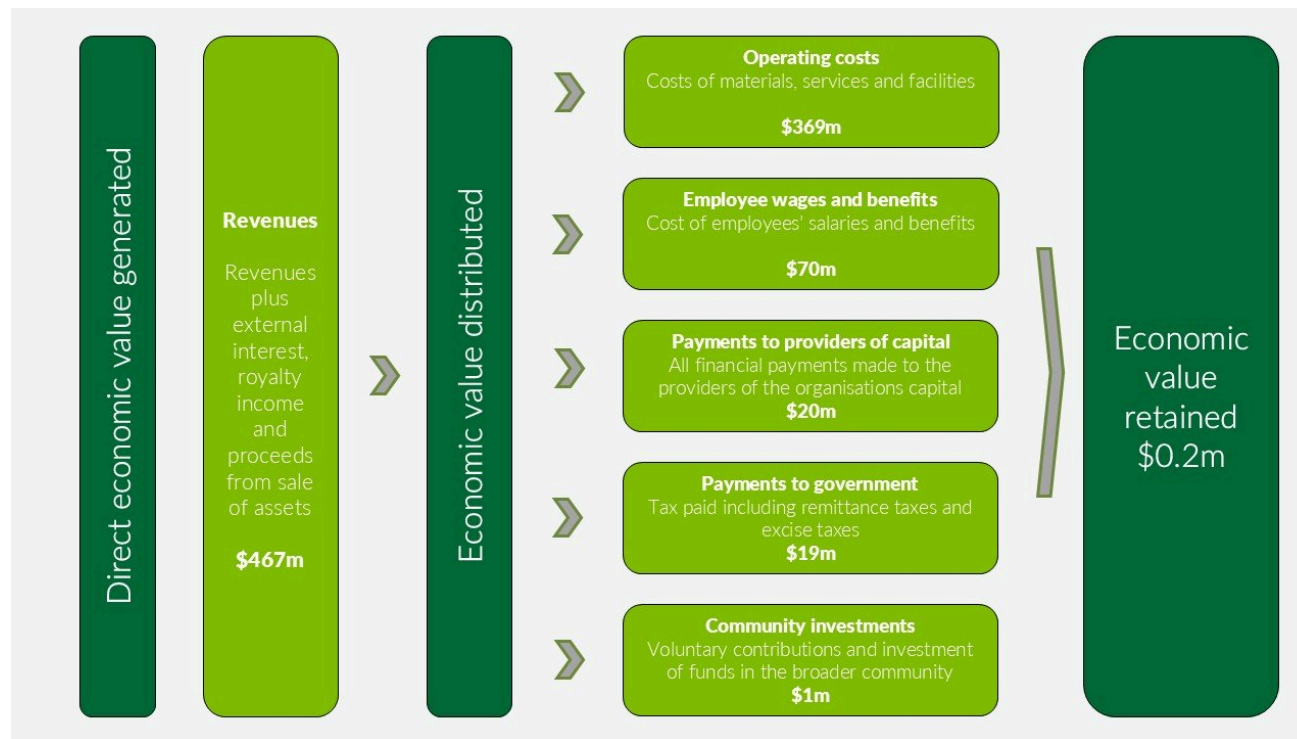
1. **Identification:** Executives identify a range of risks in workshops, and management agrees the top risks based on a standardized risk taxonomy.
2. **Quantification/dimensioning:** Executives define, describe, and score risks in dimensioning workshops, evaluating risks by considering scenarios in which they might occur and breaking out scores by impact and vulnerability.
3. **Mitigation and action plan:** A subject matter expert (SME) works with the Compliance Manager to review the risk profile and develop mitigation measures via a questionnaire. Management agrees action plans to target specific impacts and vulnerabilities as part of the business plan.
4. **Reporting:** Risks are monitored, reported, and visualized on a risk heatmap and various dashboards using the Risk360 integrated risk management platform.

In 2024, a risk workshop was delivered to JFL senior leadership to update the CRR and review any emerging risks. Once mitigations and action plans were agreed, the Compliance Manager met with risk owners on a quarterly basis to track the status of the action plans and ensure Finlays is on course to close any gaps identified during the risk workshop.

In 2023, members of Finlays' global management team, assisted by the Sustainability team, conducted an exercise to understand the nature of climate risks to the business. This was done using the framework defined by the Task Force on Climate-Related Financial Disclosures (TCFD). The process was facilitated by our parent company (Swire) and a third-party expert, Environment Resources Management (ERM). The key climate risks identified from the process are now being managed through the CRR process. The CRR will be updated further based on relative sustainability risks established through the process outlined above.

# GOVERNANCE

## 2024 Financial overview



This was prepared in accordance with statutory reporting guidance, meaning this year, Damir is counted as an investment and therefore not included in the figures.





# SUSTAINABLE FUTURE 2030

## SCOPE OF THE REPORT





## SCOPE OF THE REPORT

This report covers organizational activity for the 2024 calendar year (January – December). It includes information from our global businesses and spans all our products and services, except as set out below. Finlays uses the Resource Advisor platform to manage our environmental data for reporting, tracking key performance indicators, and providing ongoing visibility into our global operations.

### Exceptions to full disclosure:

- Finlays holds a 49.5% share in Damin International Holdings Limited, China. As we do not have operational control, data from Damin is not included in this report, except in our Scope 3 GHG emissions as an investment.



Thank you for reading

**For more information on  
this report contact**

[sustainability@Finlays.net](mailto:sustainability@Finlays.net)

