

Wellcome Speech to the Special Meeting Held By LEGCO Food Safety & Environmental Hygiene Panel ON 20TH April 2006

Wellcome is concerned about the recent industry wide vegetables issue and has been taking appropriate measures to improve food safety standards. The simple chart attached shows the supply chain of vegetables to our stores. The majority of Wellcome's vegetables are sourced from China nominated farms while less than 10% are from wholesale markets. Wellcome uses 7 suppliers using 21 farms in China. Upon receiving Green Peace's report, Wellcome has immediately taken the following actions.

- 1. Traced and terminated the concerned supply of effected products containing banned substances. Warning letters have been issued to all vegetable suppliers reconfirming and reminding them of the importance of stringent adherence to the current Hong Kong standards regarding food safety. In addition, Wellcome has also requested all vegetable suppliers to commit and comply with Codex safety guidelines proposed by World Health Organization to further elevate the quality of vegetables.
- 2. Wellcome has now implemented a revised procedure that ceases the sourcing from wholesale markets.
- 3. Improved the testing protocol at critical control points to monitor the total supply chain of product to our stores. This involves screen tests at pack house performed on a daily basis. In addition to other screen tests & GCMS tests (Gas chromatography mass spectrometry) using samples from the fresh food center & the store counters. In addition a more sensitive method is being used (ie 1 part per 100 million).
- 4. A series of Food Safety Campaigns will also be rolled out shortly to enhance both internal and consumer level understanding of food safety. It's our objective to continue to reinforce our high expectation on food safety standards with our supplier base.
- Wellcome maintains an open dialogue with the Food and Environmental Hygiene Department and other industry players. Working in a collaborative and coordinated effort to improve the overall quality of vegetables.

Product quality and food safety are Wellcome's top priorities. Wellcome adheres to Hong Kong's food safety standards and is committed to taking appropriate measures to ensure the ongoing safety and quality of our vegetables. We would like to work closely with all stakeholders including the SAR government, other retailers & wet markets to further improve food safety standards in Hong Kong.



Wellcome Vegetable Supply Chain

