

MODERN SLAVERY & HUMAN TRAFFICKING STATEMENT
FOR THE FINANCIAL YEAR 2021/22

Introduction

This statement sets out the actions and activities that Central England Co-operative ('the Society') has taken during the financial year ended 22 January 2022 and is continuing to take, to ensure that modern slavery or human trafficking is not taking place within the Society or its supply chain.

Modern slavery is a crime resulting in the abuse of the human rights of vulnerable workers. It can take the form of slavery, servitude, forced or compulsory labour or human trafficking. The Society has a zero-tolerance approach to modern slavery. We are committed to acting ethically, with integrity, and with transparency in all of our business activities and relationships in order to safeguard against any form of modern slavery taking place within the Society. We expect the same high standards from our suppliers and contractors.

Our Business

This statement covers the activities of Central England Co-operative, a business operating solely within the UK. During the financial year ended 22 January 2022, we held relationships with approximately 1,500 suppliers.

Our Focus Areas

We assess whether or not a particular activity is at risk of modern slavery or human trafficking by undertaking periodic assessments of new and existing suppliers.

During the period ended 22 January 2022, our assessments have not identified any activities to be at high risk of slavery or human trafficking within the Society's GNFR (goods not for resale) supply chain. Other risks considered during the period covered the sourcing of materials from North America, China, West Africa and India, in respect of the Society's funeral business.

Over 95% of the products sold in Central England Co-operative food stores are supplied by The Co-operative Group Limited under the terms of a buying services agreement managed by Federal Retail and Trading Services Limited (FRTS).

Our Policies

We operate a number of internal policies to ensure that we are conducting business in an ethical and transparent manner. These include:

- **Modern Slavery and Human Trafficking Policy** – this Policy sets out the Society's stance on modern slavery and explains how our colleagues can identify and report instances of modern slavery and human trafficking within our business activities or supply chain.
- **Whistle-blowing Policy** – this policy is designed to make it easy for our colleagues to make disclosures without fear of reprisal. Colleagues can use the Society's confidential telephone line to make such disclosures. Any disclosures in relation to modern slavery or human trafficking will be reported to the Police to investigate.
- **Colleague Code of Conduct** – we make it clear to our colleagues of the actions and behaviours that are expected of them when representing the Society.
- **Recruitment/Agency Workers Policy** – we operate a robust recruitment policy, which includes the checking of eligibility to work in the UK to help safeguard against human trafficking or forced labour. We only use specified, reputable employment agencies to source labour and always verify the practices of any new agency we use before accepting workers from that agency.

We strive to maintain the highest standards of colleague conduct and ethical behaviour when managing our supply chain.

Our Supply Chain

Our suppliers are expected to comply with the Society's standards in relation to modern slavery. This includes their commitment to comply with all legislation in relation to the Modern Slavery Act, to commit to not taking part in any action that might cause or lead the Society to be in violation of the Act, to assist the Society in the performance of activity by any regulatory body for the purposes of the Act.

There are currently several initiatives underway to improve and align new supplier selection and assessment criteria. These include supplier positions with regards to Co-operative Social Responsibility (CSR) and how these align to the Society's values and principles and now further rigour around the assessment of adherence to CEC's Modern Slavery and Anti-Bribery Policies.

The following short-term enhancements are being introduced to ensure the Society's supply chain is compliant with the Modern Slavery and Anti-Bribery Act:

- **Invitation to Tender** - A statement added to the Procurement Invitation to Tender document (for new suppliers) ensuring suppliers who complete and respond, comply to the Society's Modern Slavery and Anti Bribery Policies.
- **Supplier Audits** - The Society plans to undertake a one-off exercise and send out a statement to all existing registered suppliers where annual spend with the Society is above £50,000 (which represents approximately 90% of total Goods Not for Resale) to confirm they agree with our Modern Slavery and Anti-bribery statement. CEC will then carry out periodic audits on the supply chain to check on compliance with such statements.

Longer term projects scheduled for 2022 and beyond will focus on enhanced contract compliance with the Society's own standard Terms and Conditions to be issued, and new supplier mandatory criteria being set up as part of the Source To Pay supplier onboarding process. This will enable end-to-end supplier suitability assessments and ongoing management and auditing. The robust questionnaire will cover many areas including Modern Slavery and CSR.

Training

The Society provides awareness training around Modern Slavery as part of its three-year cycle of regulatory training for the Board and Management Team. This outlines the signs of modern slavery coupled with the steps and procedures to follow if modern slavery is suspected within our supply chain.

Our Performance Indicators

During the year ended 22 January 2022, no issues were highlighted through the confidential hotline in line with the Society's Whistle-blowing Policy, nor were any reports received from our colleagues, the general public or law enforcement agencies, to indicate that modern slavery practices have been identified.

Business Assurances

During March 2022 the Society's Head of Risk and Compliance sought assurance from senior representatives of our business in respect of the effectiveness of their controls around Modern Slavery.

The Society will continue to monitor key controls in respect Modern Slavery during 2022/23 and take appropriate action if we suspect or are advised of any instances of modern slavery or human trafficking within the Society or our supply chain.

[Approved by the Board of Directors]

April 2022