

Modern Slavery Statement 2019

Introduction

In its long history, The Southern Co-operative Limited has always prided itself on its ethical approach to business. The practice of modern slavery and human trafficking is unacceptable. We continue to wholeheartedly endorse that we should all take steps to eradicate modern slavery of any type from our operations and workplace.

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The Modern Slavery Act 2015 was brought into force to tackle the worryingly widespread problems of slavery, servitude, forced or compulsory labour and human trafficking which have caused concern in recent times. One of the areas it has dealt with is the introduction of transparency and reporting obligations. Like all large businesses, we are obliged to publish a 'Modern Slavery Statement' after the end of each financial year, detailing what steps we are taking to ensure the prevention of modern slavery and human trafficking within our business and supply chains. This is our third such statement. We continue to be committed to act with integrity and transparency, proactively applying our values and principles to safeguard against modern slavery within our business and supply chains.

This Modern Slavery Statement sets out the progress we've made in the last year to ensure that modern slavery, human trafficking and similarly unacceptable practices remain absent in our organisation and supply chain both now, and into the future.

Our business and supply chains

Southern Co-op is an independent co-operative society established in Portsmouth over 145 years ago. Owned by our 145,000 plus members, we operate across 11 counties in the south of England, with our main business being food where we have a network of over 200 stores. We also offer end of life services, including funeral homes, mason, florist, crematoria and a natural burial ground. We have several franchise partners who trade under either our 'Welcome' brand or the Co-operative Food brand and we're franchised ourselves to operate Starbucks coffee outlets. We're licensed to use the national brands associated with Co-operative Food and Co-operative Funeralcare but operate as an independent society with a team of over 4,400 employees and an annual turnover in excess of £450m.

Our core business is operated through Southern Co-op. It has a number of smaller subsidiaries* in its group through which some of the businesses are run. Although only Southern Co-op is required to publish a statutory statement, this Modern Slavery Statement sets out the attitude and work of the entire group in relation to our fight against modern slavery and similar practices.

*Mutual Associates Limited, Southern Co-operative Funerals Limited, Mutual Services (Portsmouth) Limited, Co-operative Franchising Limited, Cobra Coffee Limited, Southern Co-operative Properties Limited, Southern Co-operative Retailers Limited, Co-operative Independent Living Limited, Southern Co-operative Dairies Limited, South of England Funeral Partners Limited, Sussex Woodlands Limited and East Devon Crematorium Limited.





As a co-operative, we have a purpose beyond profit and apply sustainable, ethical business practices with a longstanding commitment to local communities; this includes a zero tolerance to modern slavery.

In relation to our food business, approximately 90% of the products we sell in store are supplied by The Co-operative Group Limited; a separate, independent co-operative based in Manchester. This supply relationship is managed via Federal Retail and Trading Services Limited which represents a number of independent retail co-operatives in a joint buying arrangement. We directly manage our other suppliers who provide the range of services we require in our business including cleaning services, stationery, security, IT support, software and hardware, flowers, facilities management and end of life products in addition to Local Flavours; our range of local food and drink stocked in many of our food stores.

Our Policies

This year our Modern Slavery Working Group, chaired by our Director of Sustainability and Communications, has considered our policies, processes, training and general reporting to ensure our business and supply chains are safeguarded from the abhorrent practice of modern slavery and that we are transparent and effective in this. In particular, we have obtained advice about specialist audit services to assist our higher risk suppliers in recognising the warning signs, ensuring that any risk of modern slavery within their organisations or supply chains is eliminated. We have drafted a new policy which is currently being reviewed internally to check it's robust and fit for purpose before being introduced across our business. This policy includes a commitment to work with our suppliers and franchise partners to make sure there are no incidences of modern slavery and similar practices. We continue to apply our existing policies and processes that demonstrate our commitment to trading in an ethical manner and serve to identify any risks of modern slavery incidences.

Specifically, 2019 has seen the launch of 'Our Plan' a strategic plan detailing how we will maximise the performance of our business over the next five years in a sustainable and ethical way through our three objectives; transform our customer experience, evolve what we do and, crucially, champion responsible business. This commitment runs through our core and is reflected in every decision we make whether that's in relation to colleagues, members, suppliers, partners or communities. By acting responsibly and standing up for what we believe in, we can encourage others to do the same and support communities and environments to give society and our planet, a chance to sustain itself and thrive locally, nationally and globally.



Our Plan is aligned with the UN's Sustainable Development Goals (SDGs) which address the world's biggest challenges and are a universal call to action to, amongst other things, end poverty and ensure that all people enjoy peace and prosperity. To implement these aims in relation to our supply chains, we're working with our suppliers to raise ethical standards and ensure people are treated fairly.



Our Plan underlines our fundamental ethos of a “fair, fresh approach for all” which is at the heart and soul of our brand. This reflects our attitude towards unacceptable practices such as modern slavery and human trafficking and encourages a business wide culture of driving out inequality and unfairness, both internally and externally, reinforcing our demonstration of co-operative values.

As reported last year, we have a number of longstanding policies that demonstrate our commitment to trading in an ethical manner. Our Code of Business Conduct sets out our expectations on the standard of behaviour required from suppliers and employees and how we, as an organisation, act towards our stakeholders. This will be reviewed in the context of ‘Our Plan’ to check it remains appropriate and effective in eliminating the risks of modern slavery. We have a whistleblowing policy which encourages employees, customers and suppliers to report in confidence, without fear of reprisals, any instances of wrongdoing such as modern slavery. This is backed up by an anonymous, free, confidential helpline service provided by an external independent specialist company. In accordance with the Immigration, Asylum and Nationality Act 2006, which aims to safeguard workers from exploitation and mistreatment, our recruitment procedures ensure checks on eligibility to work in the UK are carried out for all employees.

Our suppliers

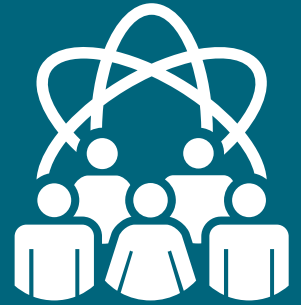
Our main supplier in relation to our food business, Co-operative Group Limited, has a robust, proactive anti-slavery policy consistent with its ethical trading stance as set out in its Modern Slavery Statement and the annual Co-op Way Report showing how it does business responsibly. It has a longstanding Sound Sourcing Code of Conduct based on the Ethical Trading Initiative Base Code. All its suppliers are expected to share the principles set out in that Code. As a result, we're confident that it has taken, and continues to take, considerable steps to minimise the risk of modern slavery within its operations and ensure its commitment in this area is applied across the business and supply chains.



The Modern Slavery Working Group remains responsible for overseeing implementation and monitoring this together with the efficacy of our processes in protecting the business and its supply chains from modern slavery.

Training

This year our Risk Manager has attended a modern slavery briefing hosted by The Co-operative Group Limited which raised awareness amongst independent co-operative societies of how to tackle the risks of modern slavery in our businesses and supply chains. We remain in close contact to see what can be learned from others' work in this area and are considering the steps which we can take as a result. The Modern Slavery Working Group is considering where training is required in our business to ensure that employees keep the issue uppermost in their minds in their everyday jobs; understanding the risks, identifying the warning signs and knowing what action to take where they suspect there might be instances of modern slavery. It is also envisaged that training will form an integral part of the audit programme for our local suppliers which is a work in progress.



Assessment of effectiveness

It's important for us to assess whether the steps we are taking are working to achieve the goal of defending our organisation as a whole from any modern slavery incidents. We can again confirm that this year we have not been made aware of any breaches of the Modern Slavery Act 2015 which have occurred in our business or supply chains. We'll remain attentive to the risks and dangers to be confident that we're in a position to prevent modern slavery and human trafficking in all its forms within our sphere of influence. We will report again on our progress towards this aim next year.



Approval for this Modern Slavery Statement

This statement was approved by the Board of Directors of The Southern Co-operative Limited on 25 July 2019.

Signed

A white rectangular box containing a handwritten signature in black ink. The signature appears to be 'Mark Ralf'.

Mark Ralf
Chairman