CO-OP MODERN SLAVERY STATEMENT 2024

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OWNED BY YOU.
RIGHT BY YOU.

CEO STATEMENT

2024 sadly continued to see tragic global unrest and conflict, creating opportunities for inequality and exploitation and bringing human rights issues to the forefront.

We are a different way of doing business, owned by our members and based on co-operative values and principles created in 1844. These values drive us to work ethically and protect people. And it is for this reason that our members tell us they expect our Co-op to lead in this field.

All human rights matter, there is no place in any business for exploitative practices. Our Co-op has, and will always remain, committed to doing the right thing.

Brave and honest leadership, alongside transparency is key in improving our processes and ways of working. My thanks go out to all of my colleagues for making this possible.

I'm very proud that an independent review of how we manage human rights conducted in 2023 translated into action in all parts of our Co-op during 2024.

The findings demonstrate that our Food business, which is of course our greatest area of risk, leads in this area, driving best practice.

We spent a lot of time during 2024 consulting with colleagues and partners to better understand our approach to pan Co-op human rights risk as well as sharing experience from our Food business.

We found that a more holistic approach is needed across all of our business areas to standardise and advance our approaches in setting the standards we use to assess ourselves in this area – and we have focused on addressing this.

We have also seen real progress in embedding the management of human rights risks into the procurement of goods and services that support our business.

We will never be complacent in this area. We will continue to place human rights first, striving to further improve and protect those who work in or with our Co-op.

Shirine Khoury-Haq CEO, The Co-op Group

OUR KEY ACHIEVEMENTS IN 2024

- We undertook a **pan-Co-op human rights risk assessment** with ten business units to ensure greater coherence in our approach to identifying, preventing and addressing human rights risks (see page 7)
- We underwent an **independent benchmarking analysis to assess our reporting framework for modern slavery** which recognised our Statement as the strongest performing modern slavery disclosure compared with our peer group (see page 33)
- **In Food**, we supported **6,778 improvements to working conditions**, we reached **3,135 people in our global supplier engagement programme** and **raised awareness of over 60,000 seasonal workers** in the UK at risk of workplace exploitation (see page 9)
- We worked collaboratively to conduct **independent investigations, research and pilots in the UK, Türkiye, Kenya, Spain, Italy and seafood supply chains**. These covered the embedding of effective grievance mechanisms, tackling issues of modern slavery, gender-based violence and child labour (see Food Case Studies 2, 3, 4 and 5)
- **In Goods and Services Not for Resale (GNFR)**, we successfully **completed our EcoVadis assessment, earning a Silver Medal** and ranking in the top 15% of rated companies (see page 17)
- **In Funeralcare, we strengthened our due diligence** by adopting GNFR pre-contract processes, adapting our supplier management framework and expanding the scope of our monitoring activities (see page 21)
- Internally, we have successfully refreshed and **rolled out our Modern Slavery Awareness training** to 720 colleagues in high-risk business areas (see page 25)

ABOUT CO-OP

Our Co-op is the UK's largest consumer Co-operative, with more than six million active member-owners and a presence in every postal area in the country.

We're a major food retailer and wholesaler, the largest funeral services provider in the UK, a major provider of regulated consumer legal services, particularly probate and wills, and a major provider of life-planning and insurance products. Our businesses are all UK-based and our main support centre is in Manchester.

Since 1844, the Co-operative movement has promoted organisations with a clear social purpose and our Co-op continues that tradition. A stronger Co-op means stronger communities. We're here to create value for our member-owners and the communities in which we trade and we can only do this by running a successful Co-operative business.

How we run our business is important to us. We set ourselves high standards for responsible retailing and service. We have a responsibility to be a campaigning business, speaking out on the issues that matter to our member-owners.

By offering great products and services, we grow our customer base, our membership and the positive Co-op impact and value we can bring to wider society.

You can read more information about our business in our 2024 Annual Report and Social Value and Sustainability Report here.

OUR PEOPLE

Co-op has a long and proud history of looking after our people and making sure that dialogue with colleagues is at the heart of how we make decisions. Our recognised trade unions are Union of Shop, Distributive and Allied Workers (USDAW) and Unite. We engage with them regularly in accordance with our agreed Employee Relations (ER) Frameworks and have developed effective working relationships across Co-op to help manage ER issues and deliver change. 99% of colleagues across all areas of Co-op are covered by Collective Agreements covering annual salary reviews and some terms and conditions. We also have six colleague networks that play an integral part in creating an inclusive culture at Co-op. They provide a community for colleagues to come together and discuss topics and issues that need to be addressed.

All colleagues should receive regular one-to-one conversations with their Line Manager each year. Our annual confidential colleague survey (Talkback) helps Co-op to understand how colleagues are feeling.

78% OF COLLEAGUES WHO RESPONDED TO THE SURVEY FOUND THESE CONVERSATIONS USEFUL

In addition to Talkback, throughout the year our colleagues can have their say on what it's like to work for Co-op and how we can improve, through a range of colleague communications channels such as Colleague Voice, Pulse surveys, specific topical research and focus groups. This year, we've strengthened our Colleague Voice network, consulted colleagues on our new vision, used colleague insight to support the development of our new People Strategy and surveyed colleagues regularly to get their views on new operational initiatives.

In 2024, we:

- Launched our new Assessment and Selection tool as part of our recruitment process
- Launched a new screening provider to improve the candidate experience, shorten screening times, and help us protect Co-op from legal, reputational, or commercial risks
- Standardised our onboarding process for support centre colleagues, which included performance review checks at weeks four, eight and 12
- Invited over 43,000 colleagues across our Retail and Funeralcare frontline businesses to complete a number of mandatory training modules throughout the year. This supports colleague safety, through understanding of, and adherence to, key processes and legislation, ultimately ensuring that our Co-op operates safely and legally as a business
- Gathered feedback from 85% of our colleagues via Talkback

OUR SUPPLY CHAINS

At Co-op, we buy products and services from thousands of suppliers across the globe. Our teams review human rights risks across the business, from physical goods for internal use or for resale, to services we use or offer.

Food – Co-op brand supply chain. 48% of the goods we sell in our Food stores are own-brand products[1], across a variety of categories. Our supply chain is complex and varied, including farms, abattoirs, fishing vessels, processing factories, finishing and canning, packing facilities and assembly units. Our Food Ethical Trade Monitoring Programme covers 3,035 sites (665 Tier 1 and 2,370 Tier 2), as well as 758,339 workers across six continents and 63 countries[2]. For further details about our Food Monitoring programme, see page 11. In 2024, we on-boarded 654 new sites to our programme and 847 were removed from the scope of the monitoring programme, with most of these being beyond Tier 1.

We are committed to supply chain transparency. Since 2020 we have published details of our Co-op Food brand Tier 1 sites and disaggregated worker data on our website, and since 2022 we have further increased our disclosure by publishing details of all tiers of three high-risk supply chains - stone and top-fruit, pork and warm-water prawns. In 2024, we took the step of disclosing our Tier 1 and top and stone fruit data on the Open Supply Hub, which is an interactive map that enables our stakeholders to interrogate our supply chain data. We will be expanding the scope of the interactive map to cover more beyond Tier 1 supply chains in 2025.

Goods and services not for resale (GNFR) include the essential goods and services required to operate our business. Sourced by our Procurement function, we transact with c.2,000 suppliers across five key categories: Property, Logistics, HR and Professional Services, Technology and Marketing. In 2024, approximately 84% of our total £1.4 billion GNFR spend was primarily with our top 259 managed suppliers.

Other own-brand and third-party products and services we sell. We also sell a range of third-party, branded products and services in Co-op Food, Co-op Funeralcare and Co-op Insurance.

Co-op Funeralcare sells coffins, caskets, headstones, memorial stones and flowers, some of which are Co-op own-brand products.

91% OF OUR IMPORTED COFFINS ARE MANUFACTURED BY TRAIDCRAFT-CERTIFIED MANUFACTURERS

We have 35 Tier 1 suppliers that account for circa £25m of spend, with the largest share of spend in the Coffins and Flowers categories. These Tier 1 suppliers source raw materials from 31 countries globally, while manufacturing of goods takes place in 14 countries. About 4% of our coffins are imported from outside the UK, mainly from East Asia and Canada. Of this figure, about 91% are manufactured by Traidcraft-certified manufacturers. Our masonry comes mainly from India and China. We value sourcing locally, so Funeralcare also offers wider services through local third-party suppliers, such as specialist vehicles and floristry.

Co-op Insurance works with a wide range of trusted partners to provide comprehensive and specialist coverage across car, van, home, travel, pet and life insurance.

Co-op Legal Services is a major provider of regulated consumer legal services, particularly probate and wills.

[1] Defined at Co-op as dairy and frozen, produce and protein, impulse, food to go and in-store bakery, bakery and local, meats and events, health and personal care, edibles, beers, wines, spirits and soft drinks and grocery staples.

[2] A Tier 1 site is a production site where goods are finished, ready for supply to, or to be sold by, the end company. A Tier 2 site is a production site that supplies goods or materials to a Tier 1 site for incorporation into the finished products. Sites 'Beyond Tier 1' include sites at Tier 2 and further down the supply chain, depending on the nature and complexity of the supply chain.

POLICIES AND GOVERNANCE

Ethical trade and respect for human rights are rooted in our Co-operative heritage. Our Co-operative Values and Principles underpin the way we conduct our business and form the basis of our policies and governance.

POLICIES

Our approach to ethical trade and human rights focuses on protecting the fundamental rights of colleagues in our own operations and in our supply chains. These encompass all international labour rights, including protection from forced labour, modern slavery and harsh or inhumane treatment. Our work is rooted in the principles of the Universal Declaration of Human Rights, core International Labour Organisation (ILO) standards, the Ethical Trading Initiative (ETI) Base Code and national and international laws. We are guided by the UN Guiding Principles on Business and Human Rights in how we protect and respect human rights across our operations.

Our commitments are set out in policies and protocols that guide the recruitment and behaviour of our colleagues, our sourcing of products and services and our relationships with, and expectations of, suppliers and partners.

COLLEAGUE POLICIES

Eligibility to work process: Ensures everyone who works with us has a legal right to work in the UK to minimise the risks of employing people who have been trafficked and/or cannot legally work in the UK. Supported by a Right to Work app that further reduces risk of illegal working.

Whistleblowing policy: Encourages colleagues to share concerns about working practices at Co-op, including possible modern slavery in our business or supply chain. Also accessible to workers at our Tier 1 own-brand supplier sites in the UK.

Code of Business Conduct: Sets out expectations of how colleagues should engage with our members, customers, suppliers and the wider community.

Ethical trade guidance for colleagues: Separate guides to support Co-op Food Technical team colleagues and Group Procurement colleagues buying and managing products and services for our own business. Our 'Food Buyer's Guide' includes an escalation process to help address emerging risks and non-conformance.

Bullying and Harassment policy: Co-op Bullying, Harassment and Discrimination Policy applies to all colleagues, agency workers and individual contractors. This sets out our standards and expectations. Updated in 2024 to meet requirements of Worker Protection Act.

SUPPLIER AND SUPPLY CHAIN POLICIES

Our supplier contracts: Ensure that our suppliers meet robust standards for human rights and labour conditions and include a requirement to complete assessments on Sedex or EcoVadis. We aim to foster accountability and continuous improvement by assessing the ethical trade capabilities of suppliers in high-risk categories during tenders and embedding these expectations in our approval processes. Our contracts also support long-term partnerships essential for driving sustained progress in working conditions.

Human Rights and Ethical Trade Position Statement: A Co-op-wide approach to protecting the fundamental rights of workers in our supply chains. It covers all international labour rights, including protection from forced labour, modern slavery and harsh or inhumane treatment.

Sound Sourcing Code of Conduct (SSCC): Workplace and employment standards expected of suppliers based on the ETI Base Code and core international labour standards. Includes checks on forced labour and modern slavery.

Grievance and Remedy Policy: A Co-op-wide approach to the responsibility we share with suppliers to identify grievances and provide remedy for human rights abuses in global supply chains.

Anti-Bullying, Harassment and Discrimination Policy – Supplier Facing: Supplier equivalent of internal policy that extends our standards and expectations to suppliers.

NEW UK Food Retailer Serious Incident Protocol: Co-op, other retailers and stakeholders updated the UK Food Retailer Serious Incident Protocol which outlines a five-stage process for serious incident management, including modern slavery and exploitative practices. It also includes a collaborative protocol, to guide situations where multiple retailers and suppliers are involved in an incident.

Third-Party Supply Management Policy: Guidance for colleagues buying products and services for use in our business. Supported by an ethical sourcing process, ethical screening and e-learning for all colleagues engaged in spending Co-op's money.

Supplier Management Framework: Governance requirements for managing GNFR suppliers, including regular ethical reviews with the highest-risk suppliers.

Supplier Guides to Ethical Trade and Sustainability: Co-op provides various internal guides and performance frameworks for our suppliers in Food and GNFR. These explain in detail what suppliers need to do to meet our ethical trade requirements and expectations. In 2024, we updated our GNFR guides to reflect new EcoVadis requirements for suppliers. In addition, suppliers are provided with guidance covering broader sustainability issues.

UN Women's Empowerment Principles (UN WEPs): Co-op has signed up to the UN WEPs which is a holistic framework for businesses to promote gender equality and women's empowerment in the workplace, marketplace and community.

GOVERNANCE

Overall responsibility for modern slavery sits with our Board, and our Modern Slavery Statement is signed off by our CEO. Development and oversight of our ethical and sustainability policies and our response to emerging issues in our supply chain and operations is dealt with by Co-op business units. It takes place across various forums, including our ongoing Ethical Trade and Human Rights meetings and our monthly Procurement Risk and Audit Committee (PRAC). Additionally, our Sustainability Leadership Forum has pan-Co-op oversight of ethical trade and human rights performance and management.

Ethical trade and human rights are also embedded in our risk framework, with consideration of modern slavery included in our Brand and Reputation, Regulatory Compliance and Supply Chain and Operational Resilience Principal Risks. Oversight of pan-group risks sit with our Business Risk and Assurance Committee (BRAC), and these risks are reported directly to the Board.

ASSESSING AND MANAGING RISK

Risks relating to modern slavery for people employed by Co-op in our own operations are managed primarily through our colleague policies, processes and guidance documents outlined previously. Our Co-op ethical trade programmes ensure these policy frameworks are being implemented in our supply chains.

We have well-established programmes in place to ensure that workers making the products and services we sell or use are treated fairly. In 2024, we continued to adapt our ways of working to ensure they are fit for purpose in the face of new and ongoing challenges. Please see each business area for how we do this.

PAN CO-OP AUDIT AND RISK ASSESSMENT

AUDIT AND RISK ASSESSMENT BACKGROUND

During 2023, we underwent an audit to assess controls to mitigate the risk of modern slavery within Co-op and our supply chains. The audit was delivered by human rights specialists from our co-source partner BDO, allowing them to draw on their experience of how Co-op compares to other organisations.

The audit focused on Co-op's workforce, goods for resale in our Food and Funeralcare businesses, GNFR and our franchise business, as well as the role of relevant policies, committees and the Board for oversight.

FINDINGS

The audit findings show that we have strong controls in our area of greatest potential risk – Food - Co-op brand suppliers.

Our audit found increasing collaboration between teams managing suppliers in different parts of Co-op in seeking a more consistent approach to managing modern slavery risks. It also found a more general move towards a consistent supplier engagement experience and a set of non-negotiables for suppliers who want to work with us.

The most significant gap identified was that there was no pan-Co-op minimum standard, which meant that different business units were implementing different practices for assessing and managing modern slavery.

OUR RESPONSE

In 2024, we have implemented the following:

- We worked together with Inherently Human, a specialist human rights consultancy, to conduct a pan-Co-op human rights risk assessment to ensure greater coherence in our approach to tackling modern slavery, with ten business units and high-risk teams producing action plans.
- We ran three workshops which included our CEO, Board members and senior leaders. These workshops aimed to raise awareness of human rights and modern slavery, support teams in developing the pan-Co-op human rights risk assessment and discuss tactical and strategic collective risk controls. This included presentations on emerging human rights risks from the Ethical Trading Initiative (ETI) and third-party human rights consultancy Ergon.
- We undertook a thorough benchmarking exercise conducted by Ergon of our Modern Slavery Statement in comparison to nine other leading retailers and brands. See page 33.
- We formalised six monthly updates for the Risk and Audit Committee on serious issues.
- We rolled out mandatory e-Learning on modern slavery to 720 colleagues.
- We ran an awareness-raising campaign across Co-op during Anti-Slavery Month.
- We have defined minimum standards required across Co-op as well as a governance map for human rights, so all businesses and functions are clear on what needs to be reported and when.

OUR SALIENT PAN CO-OP HUMAN RIGHTS RISKS

In 2024, we conducted a pan Co-op human rights risk assessment to ensure greater coherence in our approach to tackling modern slavery. The below summarises our pan Co-op salient human rights risks. Details of our Food and GNFR risk assessments and how we are responding to these risks can be found further in our statement and on our website.

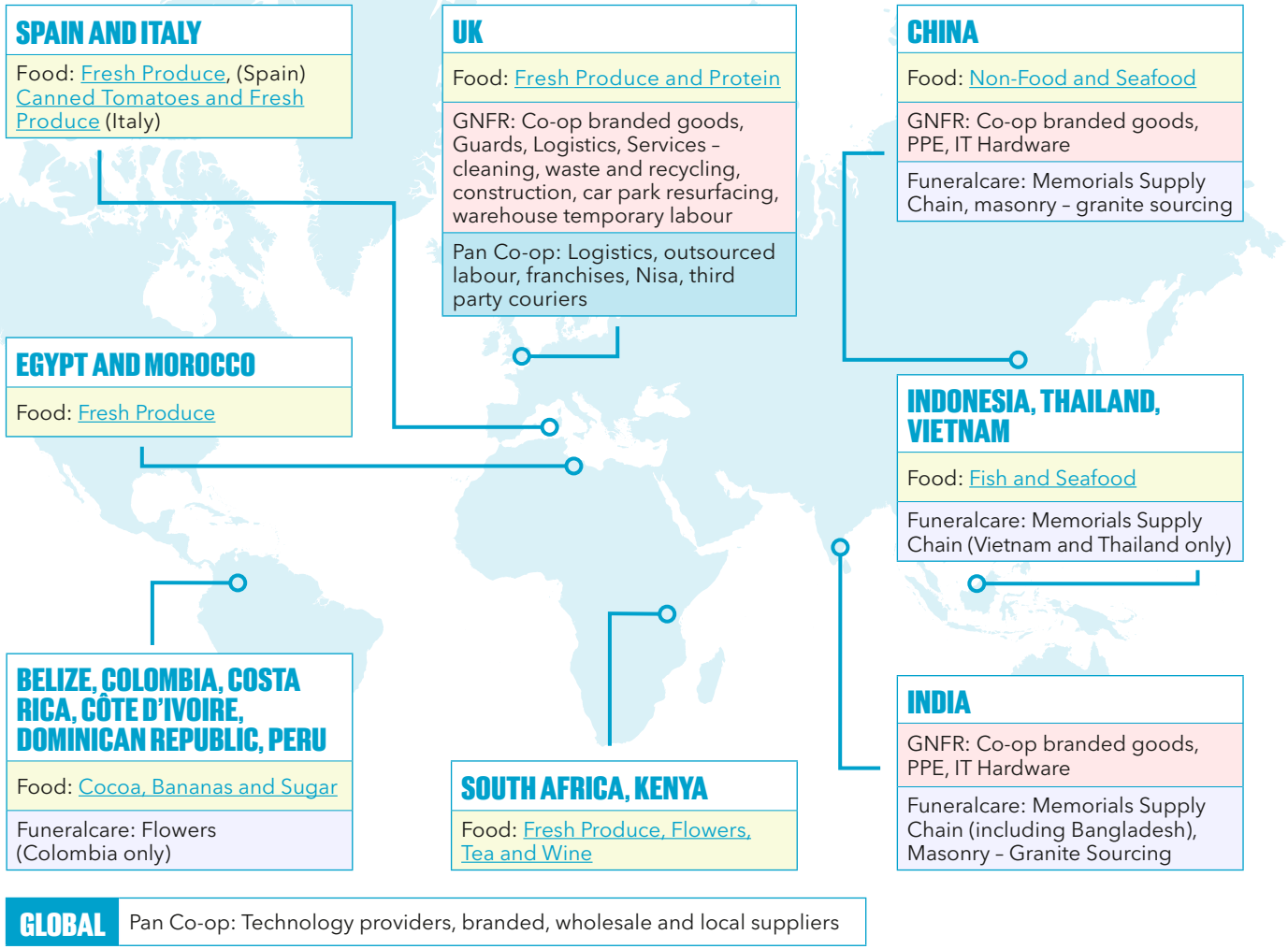
Co-op aligns to the UN Guiding Principles on Business and Human Rights in defining saliency. Business units considered the scale of an issue, the number of people possible in scope and the remendability of an issue to determine severity as well as the likelihood of the risk occurring against reputable third-party data and our supply chain knowledge.

From our analysis the following groups of people are considered most **Vulnerable Demographics** of exploitation and/or victims of modern slavery.

- Temporary and agency workers
- Migrant workers
- Informal and gig workers
- Workers in countries with weak labour laws or enforcement
- Female and marginalised peoples

From our analysis the following **Types of Exploitation** are the most saliant across Co-op supply chains.

- Weak worker voice
- Unethical recruitment and recruitment fees
- Discrimination
- Underpayment
- Long working hours
- Inadequate HR policies and processes



FOOD – CO-OP BRAND SUPPLY CHAIN

Our main responsibility, and the area where we can have the biggest impact in managing the risk of modern slavery and wider labour abuses, is with our Food – Co-op brand suppliers and supply chain.

Our processes for managing modern slavery and labour exploitation risks within Co-op brand supply chains are well established. We hold long-term strategic relationships with many of our suppliers, which allows us greater visibility and management of risks.

We ensure that when new suppliers are on-boarded, Co-op's Human Rights and Ethical Trade team is involved in the tender processes, where, among other things, suppliers are assessed on their capability to manage human rights in high-risk categories. Our goal is to eliminate risks associated with new suppliers and promote continuous improvement with existing suppliers.

ASSESSING AND MANAGING RISK

Co-op brand Tier 1 sites must complete a self-assessment questionnaire (SAQ) on Sedex, a data platform which stores, analyses and reports on sustainability practices. Tier 1 sites in high-risk countries must also have an independent social audit in place prior to approval. We use a variety of tools to assess and identify risk, including site assessments and audits, direct worker reporting and information raised through channels such as whistleblowing lines or grievance mechanisms.

In 2024, Co-op continued to support suppliers in completing the new Sedex Goods Provider SAQ, which had been revised to gather more information on the risks associated with recruiting workers and managing third-party labour, and was fully rolled out in May 2024. Co-op has also supported suppliers with the roll-out of the new SMETA 7 audit methodology (see Food Case Study 1).

Since 2019 we have identified and published our top eight human rights risks and have activity in place to mitigate risks and improve working conditions. In 2024, we reviewed our priority risks as part of the Pan Co-op Human Rights risk assessment (see page 7). The scope of our priority risk areas encompasses 16 countries, 2,259 sites and 596,519 workers.

Site audits and assessments. Despite increased awareness of their limitations, social audits remain an important part of our monitoring programme as the first step in understanding risk across our supply chains at scale. We detail how our Ethical Trade Monitoring programme supports the identification of modern slavery issues on page 12.

Innovative investigation techniques. The approaches we take to investigative due diligence evolve in the face of ever-changing human rights risks. In 2024, we have tailored our approach in collaboration with the industry to investigating new and emerging risks to ensure we uncover issues and implement sustainable action plans that address root causes.

One investigation concerned the ethical recruitment of UK seasonal workers through a new recruitment corridor. It examined the risks and identified how retailers can support the development of new responsible recruitment channels in future.

We are collaboratively working through the ETI to address the risk factors of systemic sexual and gender-based violence and harassment in the agricultural sectors in South Africa and Kenya (see Food Case Study 5).

Working with the Seafood Ethics Action Alliance (SEA Alliance), we continued to address systemic issues in seafood supply chains in 2024. This included engaging with the UK catching sector to tackle human rights risks in Northern Ireland's fishing industry and completing a study of responsible recruitment and the Employer Pays Principle in the tuna industry (See Food Case Study 1 in our 2023 Modern Slavery Statement).

In 2024, Co-op joined a collaborative initiative of retailers, suppliers and Partner Africa to research and develop best practice accommodation guidance in Morocco. The research consists of a survey, field visits and management and worker voice discussion. The guidance will be launched in 2025.

Issues raised through non-audit channels. Given the limitations of audits alone for identifying potential cases of modern slavery and other labour rights issues, we also track issues through non-audit channels which are managed and resolved. See Box 1 for relevant cases managed in 2024.

Supply chain visits. Supplier visits are a vital part of our due diligence and collaborative approach with our supply chain. They support us in understanding stakeholder perspectives on human rights risks, serve to quality check our due diligence methods, and help to inform our policies and positions. In 2024, our Co-op Food Human Rights and Ethical Trade team undertook the following visits:

- **Kenya** – We joined a multi-stakeholder visit to a tea supplier in Kenya, along with buying teams, to follow-up on investigations into the issues raised. This concluded in an event to address the root causes of gender-based violence (see Food Case Study 5).
- **Spain** – Alongside two strategic direct suppliers, we visited growers in Cartagena and Murcia to discuss regional risks with site management, carry out due diligence investigations and engage with workers on their experiences. We also attended the Spain Ethical Trade Forum's International Conference (see page 22).
- **Indonesia** – We accompanied a strategic supplier on a visit to an integrated shrimp supply chain in Indonesia to evaluate human rights practices and risks across different parts of the supply chain, including hatchery, feedmill, farm and the processing site. At each site, workers, management, Human Resources (HR) and trade union representatives were interviewed to understand working conditions on site.
- **UK** – Visits to UK key supplier sites across fresh produce, protein and ambient categories. This included visiting workers' accommodation, as well as understanding measures to improve workers' health and wellbeing.

FOOD - CO-OP BRAND ETHICAL TRADE MONITORING PROGRAMME 2024

- **3,035 sites with 758,339 workers** (665 Tier 1 and 2,370 Tier 2)
- **100% of Tier 1 sites with completed Self-Assessment Questionnaires** (SAQs)
- **100% of high-risk Tier 1 sites independently audited**
- **1,581 sites with valid audits**
- **953 audits took place in 2024** (315 Tier 1, 638 Tier 2)
- **6,778 issues were raised in audits**

Of those, 136 issues (2%) are breaches of the Sound Sourcing Principle of 'employment is freely chosen' (reflecting issues such as isolated occurrences of deductions taken from workers' wages, compulsory overtime and excessive fees paid upon termination of contract). 131 (96.3%) of these issues had been addressed by suppliers at the end of 2024, resulting in changes such as policies to reduce workers' fees, revised terms and conditions in contracts and clearer payment processes. Five issues are overdue. See our Social Value and Sustainability Report for more details.

Food Case Study 1

WORKING COLLABORATIVELY TO ADDRESS SERIOUS ISSUES

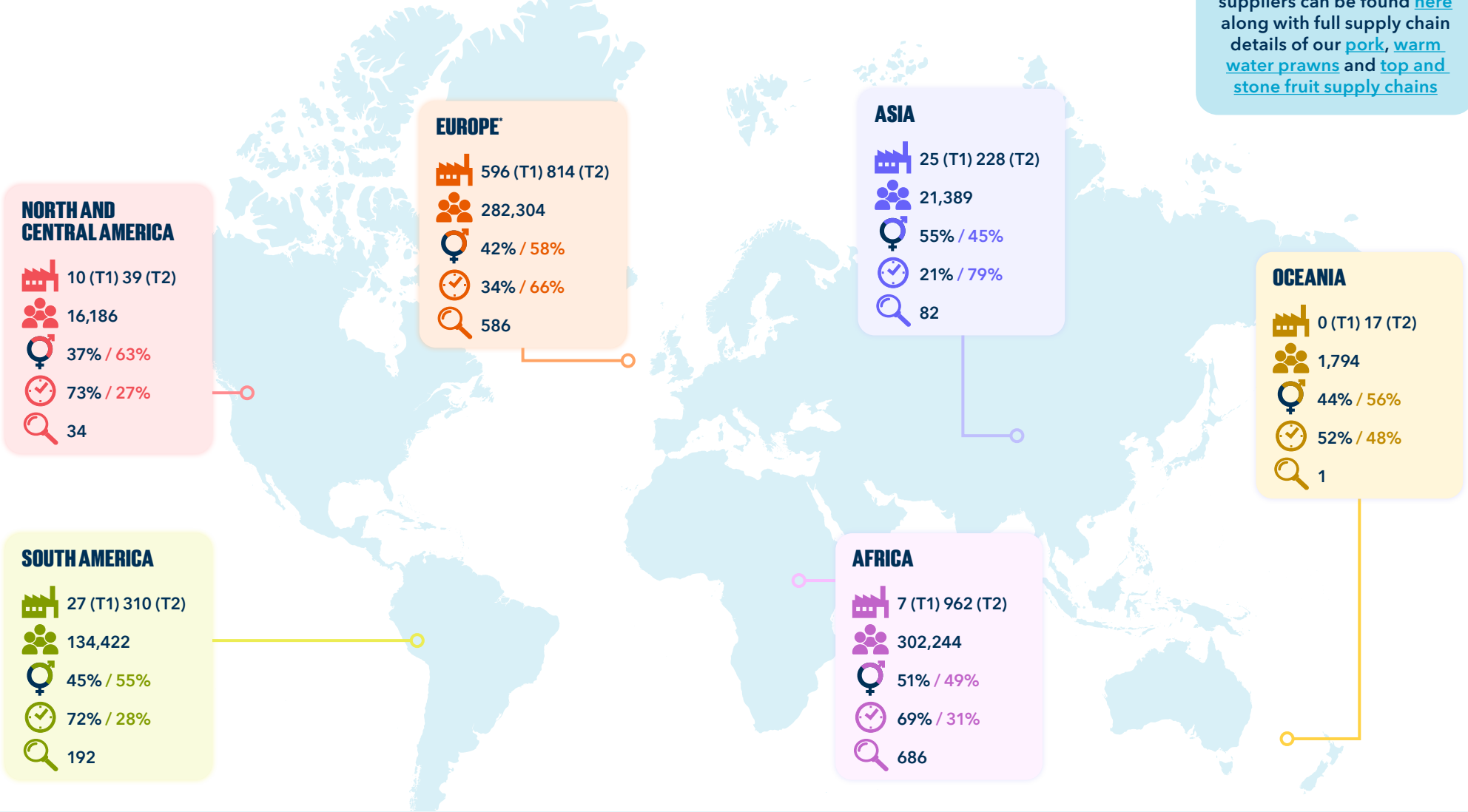
In 2024, the new SMETA 7 audit methodology introduced Collaborative Action Required (CAR) findings in four audit areas of child labour, responsible recruitment, living wage and discrimination. These all contribute to factors that increase workers' susceptibility to modern slavery and labour exploitation globally. CAR findings recognise where an activity on site does not meet the ETI Base Code, but the closure of the issue falls outside of audit scope and/or reside with more multiple stakeholders.

Co-op worked with retailers, the British Retailer Consortium (BRC), the Food Network for Ethical Trade (FNET) and other stakeholders to align our processes to develop a process for suppliers to manage CAR findings and to embed the CAR findings relating to child labour and illegal recruitment fees into the UK Food Retailer Serious Incident Protocol. The Protocol guides the safeguarding of impacted people, provides clear roles and responsibilities, ensures that serious issues are quickly escalated to implicated stakeholders and that they are brought together at key stages. We are committed to rolling out this protocol to handle issues in the UK and we continue to work collaboratively to align on common approach to handling serious issues globally.

Co-op also held its own workshop for strategic suppliers to ensure that our approach to CAR findings will smoothly embed into our existing collaborative ways of working (see Training: Case Study 1).

FOOD ETHICAL TRADE MONITORING PROGRAMME

A full list of our Tier 1 suppliers can be found here along with full supply chain details of our pork, warm water prawns and top and stone fruit supply chains



3,035 (665 T1 / 2,370 T2)

758,339 Total workers

46% Female identifying workers **54%** Male identifying workers

55% Temporary workers **45%** Permanent workers

1,581 Valid audits

*In the UK, Co-op Food Ethical Trade Monitoring Programme covers 725 sites (358 T1 / 367 T2) and 154,808 workers, of which 37% identify as female and 63% identify as male. 31% are temporary workers and 69% are permanent workers. There are 150 valid audits in the UK across all sites.

Box 1

MANAGEMENT OF ISSUES RAISED IN OUR FOOD SUPPLY CHAINS THROUGH NON-AUDIT CHANNELS

To support our monitoring programme and better identify potential cases of modern slavery or other labour rights issues, we use information from workers through grievance mechanisms and whistleblowing lines, as well as from suppliers and other independent sources. We achieve this by having long-term partnerships and trust with our suppliers, encouraging them to disclose issues they face, and providing a supportive environment to help resolve these challenges. Additionally, we work closely with the Unseen Modern Slavery Helpline, which raised several issues in 2024 within our supply chain. For further details on how we work with Unseen, see page 29 of Collaboration table.

Examples of issues raised and how we responded.

NO.	SOURCE CHANNEL	COUNTRY	ETI BASE CODE	SUMMARY
1	Unseen Modern Slavery Helpline	UK		A report was made to Unseen's Modern Slavery and Exploitation Helpline raising welfare and exploitation concerns for workers at a farm. Unseen convened a collaborative call between retailers and Co-op's tier 1 supplier which agreed for the supplier to investigate activities at the farm. Whilst the concerns raised were not substantiated, the supplier has worked with the site to implement an action plan to improve the farm's management systems, worker communications and key personnels' skills and knowledge.
2	Collaborative Investigation	UK		Collaborative retailer due diligence in our shared supply chains identified issues of sexual harassment, favouritism and bullying at a site. The findings were shared with the supplier. The supplier took action to dismiss the perpetrator immediately and put in place regular listening groups to hear from workers at the site, among other corrective actions.
3	Direct Supplier	UK		A potential issue concerning fee payments within the recruitment process was identified at a UK farm participating in the Seasonal Worker Scheme. The grower conducted interviews and investigated the allegation, determining that the incident was historical. Following the initial investigation, the grower worked with the labour provider, retailers including Co-op, and an independent third party to ensure a thorough and fair investigation. The investigation is currently ongoing.
4	Retailer	UK		A worker raised a potential issue concerning harassment and bullying at food processing site through another retailer's whistleblowing hotline. The site was a shared site between multiple retailers, so it was agreed to co-commission an independent unannounced audit to follow up on the concerns raised by the worker. Some of the issues concerning harassment and bullying were found and the supplier agreed to commission its own independent in-depth investigation. Following this, the supplier took immediate steps to address the concerns raised and embedded improvement actions into the site's worker-manager engagement plan.
5	Media	UK		Co-op was approached by the BBC, who were producing a documentary about human trafficking and modern slavery victims related to an historical supplier of Co-op that is now in administration. During the period of supply, Co-op was alerted via a retailer's whistleblower mechanism about worker issues surrounding payment of wages. It responded by initiating an unannounced audit. During this process no modern slavery issues were raised. Co-op provided a statement to the BBC to reflect this.

The ETI Base Code

- Employment is freely chosen
- Freedom of association and the right to collective bargaining are respected
- Working conditions are safe and hygienic
- Child labour shall not be used
- Living wages are paid
- Working hours are not excessive
- No discrimination is practised
- Regular employment is provided
- No harsh or inhumane treatment is allowed

Box 1 continued

NO.	SOURCE CHANNEL	COUNTRY	ETI BASE CODE	SUMMARY
6	Media	UK		A news and media outlet highlighted poor accommodation standards on two farms in the UK, one of which supplies Co-op. Co-op liaised with its direct supplier, which carried out an investigation that partially substantiated the claims. The supplier and the farm have created an action plan to resolve the issues. In addition, the supplier has carried out accommodation inspections at all sites supplying Co-op that do not have a SMETA audit in place and found no further issues with accommodation standards.
7	Unseen Modern Slavery Helpline	UK		A concern was raised at a farm that, workers were experiencing problems with hours, pay and supervisor/management behaviour. Unseen facilitated a call with Co-op and the other retailers, and a decision was made to collaboratively commission an unannounced ethical audit by a third-party expert given the nature of the concerns and that historical concerns had been raised of a similar nature. While the audit did not substantiate the concerns relating to pay and supervisor/management behaviour, it did reveal a concern relating to excessive working hours. Co-op is working with stakeholders to implement an action plan to improve the use of the site-based grievance mechanisms and to ensure working hours do not become excessive in future seasons.
8	Direct Supplier	UK	Other undocumented migrants	A supplier informed Co-op that undocumented migrants were identified in a lorry carrying Co-op products from Spain to the UK. Emergency services carried out a welfare check and investigation at the scene. The direct supplier's investigation identified the haulage company's policies and protocols relating to clandestine vehicle entry to vehicles. The haulage company carried out its own investigation too. The authorities had no further queries following investigations.
9	Direct Supplier	France	Other undocumented migrants	A supplier notified Co-op that undocumented migrants were identified in a lorry carrying Co-op goods. French authorities were notified; however the migrants had vacated the area by the time they arrived. The supplier reviewed the police report and logistics company's protocol, and shared this with Co-op. No further action could be taken to ensure the migrants' welfare while the authorities carried out an investigation.
11	Direct Supplier	Brazil		A grower reported the fatal accident of an electrician. An experienced electrician was carrying out routine maintenance at a water pumping station when he was hit by electrical discharge. The site supported the family by covering funeral costs and providing emotional and financial support that is beyond the legal requirement. The site also provided emotional support to colleagues. The site worked with authorities and commissioned an independent review which concluded that the worker did not take necessary safety precautions. The actions taken ensured that the deceased worker's family was supported and that the site was safe for work to continue.
12	Multi-Stakeholder Organisation	Kenya		We were notified about a media enquiry into sexual harassment and worker ill-treatment claims at some flower growers in Kenya. One of the implicated growers supplies Co-op and our direct supplier worked with the site to create a robust response. The site's response included reviewing the sexual harassment claim, which was also raised through their grievance mechanism, in line with their gender policy. This resulted in the individual perpetrator being dismissed. Co-op and its supplier are part of a strategic gender-based violence and harassment collaborative project organised by the ETI, which aims to prevent and address the root causes of these issues. See Food Case Study 5.
13	Direct Supplier	Asia		Between August and September 2024, worker interviews identified several forced labour indicators including recruitment fees, document retention and excessive working within our protein supply chain. In response to these issues, a collaborative working group was formed as the implicated sites were in the supply chains of multiple UK food companies. A timebound action plan was subsequently developed and approved by the working group and the supplier to remedy the issues. Co-op continues to attend working group meetings, which are chaired by an independent third party, to monitor progress made.

Food Case Study 2

EMERGING RISKS: HUMAN RIGHTS AND THE IMPACT OF CLIMATE CHANGE

Climate change is the largest, more pervasive threat to the global population and the natural environment. Solving the global climate crisis requires multi-stakeholder collective action as no single entity can address it alone.

As a founding member, Co-op has actively participated in the ETI Just Transitions Working Group. We have supported the development of resources for members that explain how extreme heat increases risks for workers, and provided expectations and recommendations for brands and suppliers. Additionally, through our participation in the FNET Human Rights and Climate Working Group, which aims to enhance members' understanding of climate change impacts through a human rights perspective, we have contributed to the development of practical resources to integrate climate and environmental factors into human rights due diligence programme and risk assessment tool.

We are also actively supporting a number of programmes including:

- Fairtrade Alliance on Climate-Smart Supply Chains in Africa (FACSCA) - Tea, coffee, and flowers: a three-year programme with Fairtrade Africa supporting 19,430 producers from 12 organisations in Kenya, Ethiopia and Rwanda, supporting producers to become more resilient and adaptable to climate change by implementing mitigation measures at farm level.
- Productivity Improvement Programme (PIP) - Partnering with the Latin American and Caribbean Network of Fair Trade Small Producers and Workers (CLAC), Fairtrade Foundation and Fyffes to improve soil health and productivity in Dominican Republic and Colombian small holder banana farms, resulting in an increase in banana yield and farmer income.
- Along with Waste and Resources Action Programme (WRAP) we are investing in water security programmes within our own supply chain aiming for half the UK's fresh food to come from areas with sustainable water management by 2030. We are working with farmers, local stakeholders and government authorities in areas of high-water risk in the UK, Southern Spain, South Africa, Peru and Kenya.
- Through sales of Co-op own-brand bottled water we support The One Foundation. We've donated more than £21m over the past 18 years and over £2m in 2024 alone. These funds helped to drive water security and deliver safe water and improved sanitation to over 193,000 people living and working in Kenya, Rwanda, Ghana, and Malawi during 2024. Over the past 18 years, over 3.2 million lives have been changed through this partnership.

For further details about Co-op's approach to climate change please refer to our Social Value and Sustainability Report.

Food Case Study 3

GRIEVANCE MECHANISMS IN OUR SUPPLY CHAINS

Co-op recognises the responsibility that we share with our suppliers to identify grievances and provide remedy for human rights abuses in our operations and our supply chains. We recognise that grievances are likely, if not inevitable, in any organisation and that successful remediation is not easy to achieve and requires a victim-led, consultative and multistakeholder approach. We recognise the UN Guiding Principles on Business and Human Rights for effective grievance mechanisms, which underpin our Grievance and Remedy Policy

We are committed to supporting grievance mechanisms that are confidential, equitable, accessible, and trusted and ensuring that workers can raise concerns without fear of retaliation. These principles serve to build worker trust that their concerns will be managed safely and acted upon. All grievances raised to Co-op are recorded. We assess the severity of the claim and our connection and leverage to determine next steps, often investigating and engaging with relevant stakeholders to understand the issue and impact. We then drive remedy and long-term improvements to prevent recurrence. We recognise that it is best practice to work collaboratively and seek neutral independent expert parties for case management and investigation, and we are guided by the UK Food Retailers Serious Escalation Protocol (See Food Case-Study 1)

We sponsor initiatives that continuously improve worker voice channels and approaches establishing effective grievance mechanisms in key sourcing countries:

- **Spain & Italy** - In 2024, we continued our support ETI's Grievance Mechanism in Agriculture project seeking to improve access to grievance mechanisms for vulnerable workers in selected agricultural supply chains by piloting a process to establish effective operational grievance mechanisms at grower level in Spain and Italy and establishing and supporting a network of civil society organisations in selected countries of origin and transit for migrant workers to share and disseminate accurate information on labour rights and the risk of labour exploitation. In Spain we also sponsor Canal Foros which is a mechanism that anonymously and confidentially collects the grievance and complaints of workers and different stakeholders and helps to resolve these situations.
- **UK** - Through our support for the Seasonal Worker Scheme (SWS) Taskforce, we have co-supported the development of an Independent Seasonal Worker Survey in the UK, which will be rolled out in 2025. This will provide regular, anonymous in-season worker voice opportunities to agricultural workers and communicate them to relevant stakeholders such as the farm, scheme operator and retailers. Co-op is also one of six supermarket sponsors that has confirmed its sponsorship of a programme of work to strengthen UK horticultural seasonal workers' access to effective grievance mechanisms. We support the Unseen Modern Slavery Helpline and have handled a range of issues raised through this channel in 2024. For further details of how we work with Unseen and the issues raised through this channel see Box 1 and Page 29 of collaborative table.

Food Case Study 4

CHILD LABOUR PREVENTION IN TÜRKIYE

After being alerted to safety risks in our Turkish flower supply chains in 2023, Co-op joined a collaborative group led by the ETI to implement an action plan throughout 2024 (see Food Case Study 4, Modern Slavery Statement 2023). Partnering with The Centre for Child Rights and Business and Ethica Ltd, we worked with three flower farms to strengthen child labour prevention practices, improve working conditions including worker-management dialogue, establish family friendly and child safe environments, and assess access to basic services:

- **Training and awareness:** 24 managers received training on child labour, with 97% demonstrating understanding post-training (up from 47% before). Additionally, 123 workers were educated on their rights, responsibilities, and health and safety, including heat stress.
- **Policy and systems improvement:** 29 policies were developed or improved, and 18 managers were trained on social compliance systems. Three action plans were created in collaboration with each farm.
- **Employee representation:** 21 employee representatives, supervisors, and HR personnel received training to enhance worker-management dialogue.

The project's outcomes revealed key challenges and opportunities for improvement. Based on these insights, NGOs provided recommendations for retailers, suppliers, and farms, as well as strategies to scale up the programme. These will be reviewed in 2025.

Food Case Study 5

TACKLING GENDER-BASED VIOLENCE AND HARASSMENT

Throughout 2024, Co-op collaborated with other retailers, the ETI, suppliers and key stakeholders to address gender-based violence and harassment (GBVH):

- **Kenya Action Plan:** We supported Browns Plantation Kenya (BPK) (formerly James Finlay Kenya) in implementing a detailed action plan to address systemic GBVH following a 2023 independent investigation by Partner Africa (See Modern Slavery Statement 2023 – Food Case Study 3). The past year has seen progress on the implementation of the action plan which has included worker and community engagement, and involvement in delivery of the action plan, alongside independent third-party verification. We have joined buyers involved in the Kenya Steering Group (SG) in committing financial resources to BPK in direct support of the action plan implementation.
- **Multi-Stakeholder Dialogue:** In April 2024, we joined other SG members to sponsor a roundtable event in Kenya that sought to unite key stakeholders to address the systemic issue of GBVH in the tea sector, fostering dialogue and leveraging existing efforts and good practice. The event was organised by Partner Africa and brought together 58 participants from NGOs, trade unions, government, retailers, packers, producers, multistakeholder initiatives, certification bodies and industry bodies. Participants agreed that to address the systemic issues, there needed to be a survivor-centred approach, an understanding of power dynamics that supports culture and behavioural change, a shared responsibility by all actors and ongoing multi-stakeholder collaboration. We have also joined with other SG members to sponsor continued efforts to establish a multistakeholder structure in the Kenyan tea sector to facilitate industry-wide action and responses to GBVH and broader human rights issues.
- **ETI Gender Action in Agriculture Initiative (GAIA):** In 2024, we joined eight retailers to fund the GAIA Initiative which aims to engage with companies, workers and their representatives, non-governmental organisations, international institutions, and thematic experts, to arrive at a shared understanding of what factors increase the risk of GBVH in supply chains and how it can be prevented and addressed, building on existing good practice and lessons. These principles, will be shaped by input from over 100 global stakeholders and informed by experiences in South Africa and Kenya, will be ready for adoption and testing from November 2025.

For further details of work in this area please see the ETI website

GOODS AND SERVICES NOT FOR RESALE (GNFR)

We work with a broad range of goods and service providers, often with complex supply chains spanning multiple countries. While we prioritise managing suppliers with whom we have direct contracts (Tier 1) we recognise that some of the most vulnerable workers are found in our Tier 2 supply chains – the suppliers that our direct suppliers have relationships with. We map these supply chains to help us identify where we need to look beyond Tier 1.

ASSESSING RISK

We have a robust process for assessing and prioritising suppliers at high risk of modern slavery and human rights violations. Each GNFR category is evaluated using criteria such as existing and emerging risks, with a focus on supply chains particularly vulnerable to exploitation. Our approach includes:

- **Risk assessment and screening:** Conducting desk-based assessments and screening for new GNFR suppliers flagged as high ethical risk, aligning with our Sustainable Procurement and Supplier Policy (SPSP).
- **Category-based risk prioritisation:** Evaluating risk based on factors such as reliance on temporary or migrant labour, prevalence of low-paid, unskilled labour, operations in high-risk countries, and insights from media and NGOs.
- **Requests for proposals (RfP):** Embedding tailored ethical and sustainability risk questions in all RfPs.

Box 2

SOME SECTORS ARE HIGHER RISK, AND PRIORITY, THAN OTHERS

We review our GNFR categories annually to identify emerging risks and ensure that we are focused on the most appropriate categories.

Co-op branded products Items with a Co-op brand applied	• Uniforms • Bags • Promotional items
Services with significant human rights risk	• Cleaning, Catering • Waste and Recycling • Construction – refits and new builds • Car park resurfacing • Temporary labour (warehousing) • Repairs and maintenance
Goods with significant human rights risk	• PPE (manufacturers) • Products linked to Xinjiang • IT hardware (manufacturers)
Goods and services considered medium to high-risk	• Managed warehouse • Manned guarding • Logistics: distribution • Gig economy suppliers

Hierarchy of priorities, based on likelihood of ethical trade and human rights issues in sectors, combined with reputational risk to Co-op if an incident occurred.

Indicators of risk

- High proportion of low-paid, unskilled workers
- High proportion of temporary workers or transient workforce
- High proportion of migrant workers
- Direct manufacturing involved
- Operations in high-risk countries
- NGO/media identification of issues

Unseen Recommendations 2024

- Sectors with long and complex supply chain
- Sectors using sub-contracted / outsourced labour
- Sectors on the UK Government's shortage occupation list

- **EcoVadis:** In 2024, we enhanced our supplier engagement and due diligence process to include questions on whether potential suppliers have a valid EcoVadis Scorecard[3]. This step is vital for providing transparency into a supplier's practices, including their efforts to address modern slavery risks.
- We successfully completed our EcoVadis assessment, earning a Silver Medal and ranking in the top 15% of rated companies. This signalled our commitment to leading by example and demonstrated our ongoing commitment to ethical and sustainable procurement practices.

[3] The EcoVadis Scorecard evaluates suppliers across four key areas: Environment; Labour and Human Rights; Ethics; and Sustainable Procurement. By reviewing this information, we can better understand a supplier's commitment to ethical practices, identify areas for improvement, and work collaboratively to mitigate modern slavery risks. This alignment ensures that our supply chain reflects Co-op's dedication to protecting vulnerable workers and upholding the highest ethical standards.

MANAGING AND MITIGATING RISK

As mentioned, our suppliers often have complex supply chains spanning multiple countries. To manage these suppliers, our GNFR ethical trade programme is underpinned by our Supplier Management Framework (SMF). The SMF provides a structured way to monitor and manage risk within our top 259 suppliers, including minimum standards to be followed depending on their segmentation.

The SMF also helps to ensure that identified risks and actions are tracked and performance is monitored. To achieve this, we draw on the following tools:

- **EcoVadis:** We have rolled out EcoVadis to 259 GNFR suppliers in 2024, whom we are currently onboarding onto the platform.
- **Sedex and Ethical Audits:** We use Sedex and SMETA audits primarily for Tier 2 suppliers, particularly those associated with Co-op branded goods, to enhance supply chain visibility and effectively manage and assess risks. SMETA audits specifically provide detailed insights into working conditions within these supply chains.
- **Ethical Trade Report:** This report utilises data from Sedex reports, EcoVadis reports and scorecards, to monitor 101 suppliers identified as high-risk. This report provides our team with a centralised view of key metrics, including suppliers' EcoVadis onboarding progress, EcoVadis risk scores, Sedex status, SAQ completion rates and site risk scores.

259 SUPPLIERS INVITED TO COMPLETE AN ECOVADIS ASSESSMENT

- **Procurement Hub:** We maintain a dedicated Ethical Trade and Human Rights SharePoint page within our Procurement Hub, providing category teams with guidance, tools and resources.
- **Newsletters:**
  - **GNFR Quarterly Supplier Newsletter:** This is circulated to our procurement supply base and can include a variety of articles on subjects such as policies, links to resources, Co-op updates and initiatives from a variety of organisations, including Unseen, Stronger Together and the Responsible Recruitment Toolkit.
  - **GNFR Quarterly Ethical Trade Newsletter:** This is shared internally with our procurement teams and it highlights and summarises news stories and articles in order to increase understanding and support the identification of current or emerging risks.
- **Cross-functional working:** We work in partnership with our Goods for Resale teams to share intelligence, resources and knowledge.

GNFR Case Study 1

FINDING A DIGITAL SCREEN PROVIDER

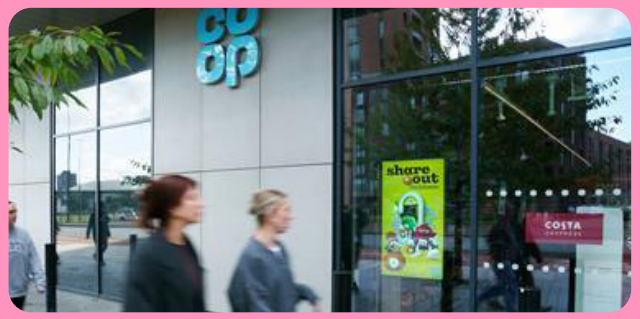
To support our Co-op's strategic priorities, we have purchased digital screens through a three-tier supply chain. The purchases were made from a Tier 1 supplier in the UK, with the screens manufactured in China – a country identified as high risk for human rights abuses and modern slavery. Given these risks, it was critical to conduct robust due diligence across all tiers of the supply chain to ensure compliance with our ethical trade standards.

Action Taken:
To mitigate the risks associated with modern slavery and human rights violations, we implemented a thorough due diligence process:

1. **Tier 1 (UK Supplier):** The Tier 1 supplier, responsible for the final delivery of the digital screens, completed the EcoVadis assessment, allowing us to evaluate their sustainability and ethical practices.
2. **Tier 2 (UK Distributor):** The UK-based distributor, acting as an intermediary, also completed the EcoVadis assessment to confirm they met the ethical standards of both Co-op and the Tier 1 supplier.
3. **Tier 3 (Chinese Manufacturer):** The Chinese manufacturer, responsible for the production of the screens, was required to complete a Sedex Self-Assessment Questionnaire (SAQ) and a SMETA (Sedex Members Ethical Trade Audit).

Outcome: This approach provided us with additional visibility of our supply chain and gave us more reassurance that our commitments to responsible sourcing were understood. The steps we have taken provide us with robust due diligence and reinforced our confidence in the supply chain by ensuring that risks were identified and managed effectively. Further learnings from the case:

- This case demonstrates our commitment to upholding human rights and combatting modern slavery, even in complex, multi-tiered supply chains.
- It is essential to ensure that, not just Tier 1 suppliers, but also Tier 2 and Tier 3 suppliers meet ethical and sustainability benchmarks. This layered approach provides assurance that risks are addressed throughout the supply chain.
- The focus on due diligence in China – a known high-risk region – underscores the importance of safeguarding workers in locations with higher potential for exploitation.



GNFR Case Study 2

ECOVADIS IMPLEMENTATION AND LAUNCH AT CO-OP

In 2024, we undertook the implementation of EcoVadis to strengthen and embed our commitment to sustainability and ethical trade within our procurement practices and supply chain. We signed a partnership with EcoVadis in April and, by July, we had launched EcoVadis assessments to 190 suppliers at the GNFR Supplier Conference, supported by presentations from EcoVadis representatives, follow-up communications, and updates through our Quarterly Supplier Newsletter. A dedicated EcoVadis Tracker was developed to monitor supplier progress and provide updates for internal teams.

In November 2024, we hosted "Bringing our Sustainability Strategy to Life", for the Operational and Procurement team, featuring expert presentations from EcoVadis representatives and internal stakeholders. User access to EcoVadis was granted to Category Managers (CMs) and Supplier Relationship Managers (SRMs), enabling them to actively monitor supplier scorecards and progress. At the same time we successfully completed our EcoVadis assessment (see page 17). By the end of 2024 we had invited 259 suppliers to share their scorecards on EcoVadis and we will continue to embed the use of this tool and associated data into our procurement processes in 2025.

CO-OP GNFR ETHICAL TRADE MONITORING PROGRAMME 2024

NORTH AMERICA

Tier 1	2	2	-
Tier 2	0	0	-
TOTAL	2	2	-

EUROPE

Tier 1	67	73	4
Tier 2	18	18	6
TOTAL	85	91	10

ASIA

Tier 1	-	-	-
Tier 2	14	14	14
TOTAL	14	14	14

TOTAL

Tier 1	69	75	4
Tier 2	32	32	20
TOTAL	101	107	24

24 sites audited | 31 (32%) issues outstanding

SITES | SUPPLIERS | AUDITS

This map shows the geographical location of the Tier 1 and Tier 2 suppliers in our GNFR Ethical Trade Monitoring Programme

FUNERALCARE

Our evolving Funeralcare ethical trade programme now has 35 Tier 1 centrally managed suppliers signed up to Sedex with a completed Self-Assessment Questionnaire (SAQ).

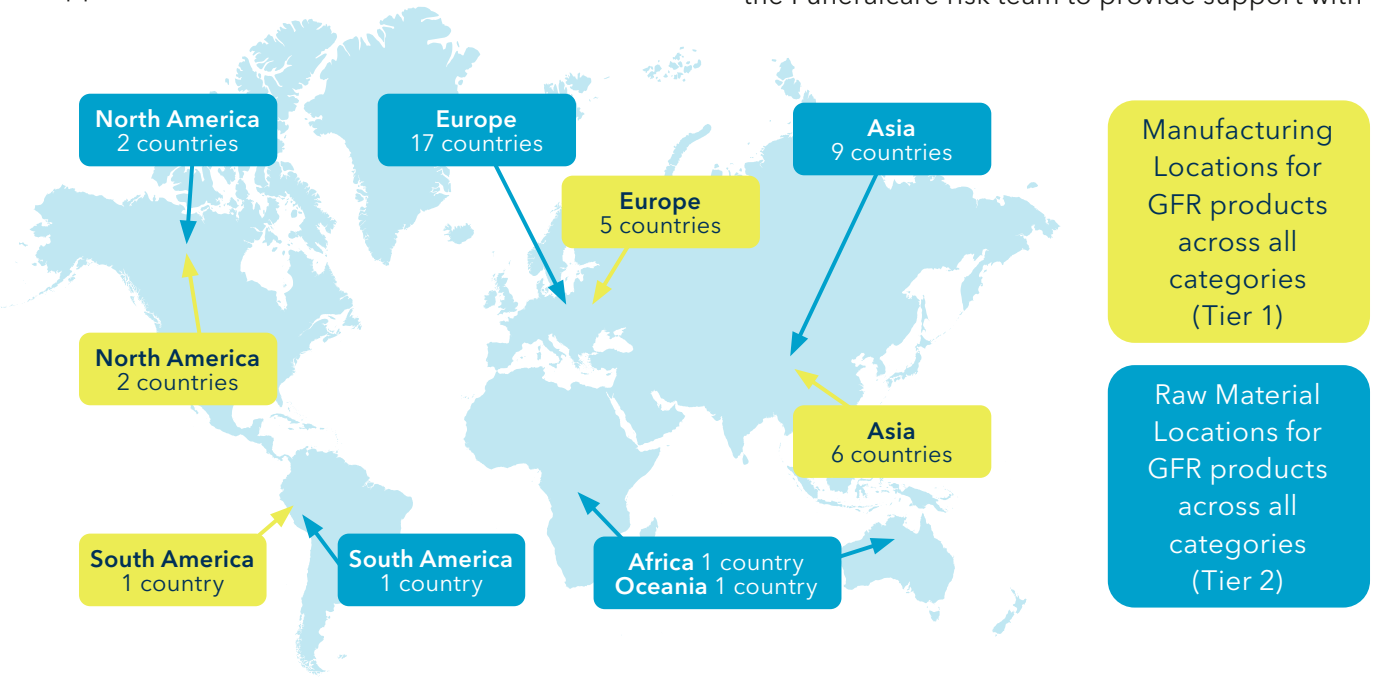
Information from the SAQs is helping us to better identify and manage potential risks in our supply chain, and all new Tier 1 suppliers are required to complete Sedex registration prior to starting trade with Funeralcare.

We have adopted the GNFR due diligence framework to better evaluate suppliers and risk as part of the early sourcing process. This ensures supplier selection is made from an informed standpoint. Post-contract risk identification and mitigation will be a key part of supplier performance reviews using guidance from the GNFR supplier management framework to create a more effective formalised approach to supplier management.

We are also exploring the use of EcoVadis as a primary monitoring tool to align with GNFR practice. In 2024 all our GFR (Goods for Resale) buyers were issued with tools to collate supplier watchlists on key critical suppliers, to monitor ongoing financial performance, to assess risk, and to minimise disruption within our supply chain.

As part of the outputs from our human rights risk assessment activity in 2024, we engaged the Funeralcare risk team to provide support with the review and assessment of the prioritised risks and completion of the standard template for the initial activity.

We are committed to strengthening our due diligence activities through rolling out SMETA audits in high-risk supplier sites as well as a Fairtrade audit on the location of our Traidcraft-certified coffins.



PROPERTY

As part of the pan-Co-op risk assessment, we identified that we already have processes in place to reduce the risk of modern slavery, including due diligence of suppliers prior to appointment and the use of Sedex and EcoVadis to provide an assessment covering modern slavery risks.

In 2025, we will continue to work to improve our understanding of where we are sourcing materials from for construction activities and promote channels for reporting modern slavery concerns both to colleagues and suppliers.

TRAINING

Training is pivotal in our efforts to prevent slavery and uphold human rights. We closely engage with our colleagues and suppliers, aiming to enhance their ability to recognise, manage and address modern slavery risks.

CO-OP FOOD SUPPLIER TRAINING

We have a robust global ethical trade supplier engagement programme that enables us to actively listen to and support our suppliers in addressing human rights issues affecting workers worldwide. Key activities in 2024 are highlighted below and detailed in the Collaboration table (see page 26).

Global supplier engagement programme: In 2024 we reached 3,135 people from 1,772 suppliers or sites across 126 events globally through roadshows, in-person events, training sessions and webinars. For a detailed break-down of figures please see page 71 of our Social Value and Sustainability Report.

Stronger Together's Consumer Goods Programme: As a founding sponsor of Stronger Together's Consumer Goods Programme, we are part of a multi-stakeholder initiative that provides training and resources to combat modern slavery. This sponsorship grants Co-op and our suppliers access to free interactive training workshops, resources and tools to address hidden labour exploitation in business operations and supply chains.

WE REACHED 3,135 PEOPLE FROM 1,772 SUPPLIERS OR SITES ACROSS 126 EVENTS GLOBALLY.

Just Good Work UK Seasonal Worker Scheme: In 2024, we have also continued our involvement in the Just Good Work app. The app was launched in 2022 by UK supermarkets, Seasonal Worker Scheme Operators and other stakeholders from across the horticultural sector. The app provides workers with information on what to expect of the recruitment process and working conditions on arrival, helping to prevent exploitation from occurring. Just Good Work publish an annual report on the impact of the app within the UK agriculture and agriculture sector.

Seasonal Worker Scheme Grower Roadshow: In 2024, Co-op, alongside other UK retailers and Seasonal Worker Scheme Operators, supported a series of UK regional roadshows and supervisor train-the-trainer sessions – which were delivered by the Association of Labour Providers (ALP) and Stronger Together, with support from the BRC, FNET and Fresh Produce Consortium (FPC). The roadshows enabled the sharing of good practice, open-source toolkits and checklists for the season, with the aim of seeking to reduce risks of exploitation, and to enhance the recruitment and on-farm experience of seasonal workers. The roadshows and train-the-trainer sessions reached 373 delegates from 186 different growers, suppliers and scheme operators, whilst follow-up webinars reached 136 delegates from 70 different businesses.

Treating People Fairly Awards: Our Treating People Fairly Awards were first launched in 2021. In 2024, we recognised six suppliers for their best practice projects and produced cases studies to share expertise and best practice across the industry to support global improvements to working conditions. See Training: Case Study 1 for further details of the Awards and our Ethical Trade Strategic Forum.

Spain Ethical Trade Forum's International Conference: The conference was attended by 134 people from UK and Spanish retailers, importers/marketeers and Spanish growers, as well as civil society partners from other European countries. The event focused on responsible purchasing practices, grievance mechanism Canal Foros, circular migration initiatives and migrant worker risks in Spain. See page 28 for further details on how we work with Spain Ethical Trade Forum.

Kenya Tea Multi-Stakeholder Event: In April, Co-op's Buying and Sustainability teams participated in a roundtable event highlighting the importance of multi-stakeholder collaboration in addressing the root causes of sexual harassment and gender-based violence in the tea sector. The event was sponsored by Co-op and brought together representatives from retailers, producers, NGOs,the Kenyan Government and trade unions. See Food Case Study 5 for further details on the work.

Egypt Ethical Trade Forum: In 2024, 75 delegates from 47 suppliers and growers took part in two in-person meetings on a range of human rights topics. Keynote speakers from the International Labour Organisation, Egypt's Ministry of Labour and Sedex delivered sessions on Accelerating Action for the Elimination of Child Labour in Supply Chains in Africa, ethical labour sourcing pathways and SMETA 7.

The Forum has set up a new Steering Committee of suppliers that have been active participants since the forums were created by Co-op in 2010. This committee has developed a membership fee structure and will drive strategic projects. Projects relating to child labour and ethical labour sourcing risks are in the pipeline for future initiatives.

Training: Case Study 1

BUILDING SUPPLIER CAPACITY THROUGH OUR STRATEGIC SUPPLIER FORUMS

Enhancing our suppliers' capabilities is an important part of our ethical trade programme. Twice annually, we host forums for our strategic suppliers, creating a trusted and open environment for discussing the safeguarding of people working in our supply chain. 115 attendees from our own-brand suppliers and category teams attended the events receiving updates on our commercial, sustainability and ethical trade strategies.

We also held our Treating people fairly awards where we recognised six suppliers for their best practice case studies. Guest speakers included the ETI, Human Level and FNET. Co-op suppliers provided insights into managing human rights risks in areas such as child labour and modern slavery. The events covered topics such as driving sustainable change through collaborative action and meaningful stakeholder engagement, thus supporting our suppliers with new insights into how to cover new social audit standards and legislative requirements.

“It was a great event with some really insightful speakers and group sessions – one of the best so far in my opinion!”

“Creating a space for suppliers to come together and share learnings across different supply chains and industries was inspired.”

Strategic Supplier Forum attendees 2024

GNFR TRAINING AND ENGAGEMENT

Co-op's Procurement team (GNFR): To ensure our Procurement team possesses the skills and knowledge it needs to identify and manage potential human rights and modern slavery issues in the supply chain, we provide the following: new starter induction pack; e-learning; a dedicated ethical trade and human rights SharePoint page, which contains guidance, resources and toolkits; training recordings; category-specific meetings; ethical trade newsletters; and one-to-one support to upskill the team.

Spotlight Sessions: In 2024, we partnered with Unseen and Stronger Together to deliver modern slavery awareness training, enhancing our team's understanding and helping category managers address ethical risks across our supply chain.

We also delivered a Supplier Management Spotlight Session to the team, which included a key focus on protecting value through responsible sourcing.

EcoVadis: EcoVadis joined our huddle sessions to provide training on critical topics, including:

- EcoVadis Awareness
- Interpreting Scorecards
- Discussing Scorecards in Supplier Management
- Setting Corrective Actions

> "Really powerful session – both a reminder of some of the horrendous things I was already aware of but also learnt a lot of new stuff too. Thank you."
>
> Spotlight Session attendee, 2024

GNFR SUPPLIER ENGAGEMENT

GNFR Supplier Conference: This year, our annual event centred on our new vision of "Co-operating to build more value for our member-owners every day". The conference included the launch of EcoVadis to 259 GNFR suppliers, a dedicated session on Responsible Sourcing and presentations from Unseen and EcoVadis.

The conference also included our GNFR Co-op Difference Awards which recognised and acknowledged our suppliers by celebrating their hard work in supporting us to achieve our Vision.

Bringing our Sustainability Strategy to Life: This session was delivered to our colleagues by senior leaders and EcoVadis and it covered the following topics:

- Our Co-op sustainability strategy
- Sustainability and the Procurement Lifecycle
- Supplier Management
- EcoVadis Overview

GNFR Supplier Newsletter: Throughout 2024, we circulated our newsletter to our GNFR suppliers, providing them with access to webinars, resources and training. Through our newsletter we have been able to communicate and build awareness on responsible sourcing requirements. We have promoted the Responsible Recruitment Toolkit, Sedex, Unseen and Stronger Together training and resources to our suppliers. Also, for our teams, we provide quarterly update slides that they can use in their upcoming supplier management meetings.

FUNERALCARE SUPPLIER ENGAGEMENT

In December, all of our key suppliers were sent an information pack that explained modern slavery, the social audit methodology of SMETA and how Co-op expected suppliers to use audits. It also provided details of our whistleblowing helpline, a copy of the 2023 Modern Slavery Statement and explained what we expect suppliers to do with this information.

We also provided the suppliers with policies currently live in our GNFR team and informed suppliers that we will be looking to implement these policies in all new supply agreements as standard in future sourcing activity.

NOW LEFT WITH EMPTY SPACE HERE

IMAGE CROP WAS BETTER PREVIOUSLY

ACROSS OUR OWN BUSINESSES

We have internal training which covers the following topics:

- Introduction To Ethical Trade
- Modern slavery awareness e-learning
- Ad hoc training

Modern slavery training is mandatory for key members of our Human Resource and Resourcing Services team. The training module is also available to colleagues across the wider business through our Learning and Development system. Since July, a total of 720 colleagues have completed the recently refreshed Modern Slavery e-learning module. We've seen an initial impact from the training through colleagues' feedback: 86% feel the module has improved their understanding of modern slavery and 89% are confident they can apply what they've learned.

Anti-Slavery Day Communications: During Anti-Slavery Week (14-18 October), Co-op participated in the #TogetherAgainstSlavery campaign to raise awareness and encourage action against modern slavery, human trafficking and exploitation.

The week commenced with a message from Claire Costello, Co-op's Chief People and Inclusion Officer, highlighting the significance of Anti-Slavery Week and encouraging colleagues to get involved by:

- **Completing the Modern Slavery Awareness eLearning Module:** A concise 20-minute training session to help colleagues understand modern slavery, recognise its indicators, and learn about Co-op's efforts to mitigate associated risks.

Additionally, new modern slavery awareness posters were shared alongside a range of informative resources, including:

- **Educational materials**: A BBC episode, Slavery on the High Street, showcasing a modern slavery case that happened several years ago, and a YouTube video on identifying hidden risks.
- **Partnership updates:** Co-op's ongoing collaboration with anti-slavery organisations, such as Unseen and Stronger Together, offering valuable resources for addressing modern slavery in supply chains.
- **Support channels**: Clear guidance on reporting concerns through the National Modern Slavery Helpline, Gangmasters and Labour Abuse Authority, and Co-op's confidential whistleblowing line, Speak Up.

> **"Thanks for your help in strengthening Co-op's controls in this important area."**
>
> **"Well done team – really great to see this complete. I think the training is really interesting and attention-keeping."**
>
> **"I think that it was a really good module... it is great at highlighting the warning signs to the audience and also giving practical advice of what you should do if you suspect modern slavery."**
>
> **Modern Slavery Awareness Training attendees**

Training: Case Study 2

ENHANCING MODERN SLAVERY AWARENESS THROUGH DEPOT POSTERS

As part of Co-op's commitment to tackling modern slavery risks, we recognised the importance of raising awareness among colleagues in high-risk areas. Working collaboratively with the design studio, we designed and launched **Modern Slavery Awareness Posters** tailored to resonate with our depot teams. These posters highlight key messages around identifying and addressing modern slavery risks and have been strategically placed throughout our depots for maximum visibility. The successful implementation of the Modern Slavery Awareness posters demonstrates Co-op's proactive approach to addressing modern slavery risks.

COLLABORATION

Throughout 2024, we sustained our collaborative approach, sharing insights and combining efforts.
We see collaboration as essential in devising lasting solutions to challenges that prioritise improved working conditions.

INITIATIVE	CO-OP'S ROLE	KEY ACTIVITY IN 2024
EcoVadis	Co-op's role with Ecovadis is to leverage the platform as a key component of its commitment to ethical sourcing, sustainability, and supply chain transparency. Co-op uses the platform for supplier engagement, risk mitigation, driving continues improvement and transparency and accountability.	In addition to activities highlighted above, in 2024, Co-op's Chief Procurement Officer, Imran Rasul, presented at the EcoVadis World Tour, sharing insights on Co-op's commitment to ethical sourcing and tackling modern slavery within our supply chain.
Ethical Trading Initiative (ETI)	Co-op is a founding member of the ETI, an alliance of companies, trade unions and voluntary organisations working in partnership to improve the lives of workers across the globe who make or grow consumer goods. We actively participate in a wide range of ETI working groups to address systemic issues.	Co-op continued to support the ETI's strategic priorities throughout 2024, focused on the Food, Farming and Fisheries (FFF) sector, building on our participation in existing projects and committing to fund and engage with new, long-term initiatives. We are actively involved in a collaborative initiative created to address the issue of gender-based violence and harassment (GBVH) in global agriculture, building on existing work in the Kenyan tea supply chain linked to the exploitation of contract workers in precarious employment situations. See Food Case Study 5. We also supported the final year of ETI's work on creating effective grievance mechanisms in Spanish and Italian fresh produce sectors, enabled by the UK Modern Slavery Innovation Fund. In 2024, this included a successful trial of the "Canal Foros" (Forums Channel) process with the Spain Ethical Trade Forum, and collaboration with the Anti-Caporalato Helpdesk in Italy. Both projects demonstrate our wider commitment to addressing exploitation and forced labour in high-risk agricultural environments, and benefit from the input and oversight of both civil society organisations and trade unions. Co-op also actively participated in the ETI Just Transitions Working Group, supporting the development of resources for members, such as briefings that explain how extreme heat increases risks for workers and provide expectations and recommendations for suppliers.
Food Network for Ethical Trade (FNET)	FNET is a member-led initiative which uses the collective leverage of suppliers and retailers to bring about positive change in working conditions in supply chains. Our goal is for FNET's collaborative work to improve labour conditions in agriculture and Food processing, both in the UK and internationally, by setting industry-wide expectations and ensuring they are communicated and supported throughout supply chains. Co-op's Senior Human Rights Manager is on the FNET Board as a Member Director.	In 2024, we participated in over 20 FNET fortnightly member calls sharing current human rights risks, ongoing ethical trade issues and opportunities for collaboration where members and external sectoral experts shared how they were managing current human rights risks, including risks of modern slavery. FNET have co-ordinated over 15 working group meetings and five thematic working groups to develop appropriate tools and resources on a wide range of topics critical to modern slavery and human rights risks. Topics explored in 2024 included climate change and human rights, responsible recruitment, raw materials and services, developing common due diligence tools and empowering workers. This work included developing tools on conducting human rights and environmental due diligence; how to manage water, heat stress and biodiversity loss; human rights risks in haulage suppliers; and designing skills matrices for businesses to understand how to resource their commitments to human rights, recruitment fees and the Employer Pays Principle (EPP). Through a combination of in-person meetings and all-member events, topics such as CSDDD and other EU regulations worker rights in the UK and UK farming were explored and in 2024 FNET also co-ordinated a retailer alignment group for UK retailers to agree approaches to reduce duplicated requirements for suppliers. We collaborated with other members, NGOs, governments and industry bodies on issues ranging from the flooding in Spain, trading during periods of conflict, seasonal worker programmes and GNFR to address potential modern slavery risks within courier services.

INITIATIVE	CO-OP'S ROLE	KEY ACTIVITY IN 2024
Modern Slavery Intelligence Network (MSIN)	MSIN is a pioneering non-profit collaboration in the UK Food sector that was created in 2020 in response to the findings of Operation Fort (the UK's largest ever modern slavery investigation). Its aim is to share intelligence across the UK's Food industry to understand patterns and trends of modern slavery and use these to disrupt traffickers.	2024 has brought a significant shift in the momentum of MSIN, with the employment of a CEO to help drive the engagement, service quality and membership of the organisation. Working with its database provider and partner Stop the Traffik, the intelligence sharing platform continues to be the key asset for members. MSIN aims to generate at least one intelligence submission per week for review and action by members if needed. Members are encouraged to share data, including what MSIN would term 'Red' and 'Yellow' Flags indicating the level of information and urgency. One member described the insight as "often the critical piece in the jigsaw". The website has been updated and includes useful resources. An increase in its social media presence is helping to drive the reach of MSIN. Co-op and other members have gathered for bi-monthly insight and learning meetings, online and in person, and have had insightful presentations from law enforcement and modern slavery experts to ensure we are abreast of developing trends and risks. Co-op, along with other members, contributed to discussions on cases and risks to ensure we identify best practice and lessons learned. In 2025, MSIN aims to continue to increase its membership, to offer valuable insight and learning, to enhance the quantity and quality of intelligence processed and shared with members, and to deliver another successful conference.
Responsible Recruitment Toolkit (RRT), part of Stronger Together	We are a founding sponsor of the RRT, a collaborative approach to embedding professional and ethical recruitment standards throughout supply chains. As a sponsor, Co-op and our suppliers have access to free interactive training workshops, resources and tools to support embedding responsible recruitment good practice.	In 2024, RRT supported the delivery of 27 online training courses covering issues such as responsible recruitment, eliminating worker-paid recruitment fees, providing workers with fair, equal and dignified opportunities and treatment, providing safe work for agency and contract workers, and how to conduct due diligence across the labour supply chain. 484 places were taken up across the training courses which represented 256 unique businesses and 395 individuals. 84 of the 395 individuals and 36 of the 256 businesses declared that they supply to Co-op.
Seafood Ethics Action Alliance (SEA Alliance)	Co-op is an active member of SEA Alliance to improve human rights due diligence in global seafood supply chains and ensure respect for human rights.	In 2024, Co-op continued to be involved in SEA Alliance led collaborative meetings, including participating in working groups that have been formed to respond to issues or media exposés relating to global seafood supply chains. A particular focus this year has been the UK seafood industry and, following the completion of a report into the Northern Irish fishing industry, SEA Alliance members have been supporting Northern Irish Producer Organisations to progress an action plan to address recommendations. The SEA Alliance continues to build relationships with fisher and crew welfare support organisations and stakeholders to provide wider support to migrant crew and develop a UK wider strategy.
Seasonal Workers Scheme (SWS) Taskforce	Established in 2023, the Seasonal Workers Taskforce brings together retailers, growers, recruiters, industry bodies, non-profits and government. The SWS Taskforce's activities are co-ordinated by Stronger Together, as Secretariat, and governed by a multi stakeholder Governance Committee of which Co-op is one of the three retailer representatives. Co-op is also a funding member of Taskforce.	The Taskforce has grown to 120 individuals from 65 organisations, who all participate in at least one of its workstreams. In 2024, six in-person and one online regional grower roadshows took place, reaching 423 delegates from growers, scheme operators and retailers. 98% of those who took part agreed or strongly agreed that the training had helped them understand the SWS requirements and 95% agreed that they felt confident after the training to implement practical actions to reduce risks to workers. In addition, six in-person and one online 'Train the Trainer' sessions for supervisor training reached 371 delegates from growers, scheme operators and retailers. 91% agreed or strongly agreed that the training had helped them understand the supervisor competency framework approach and 88% agreed or strongly agreed that they felt confident to implement the training with supervisors in their business. There was an increase of 77% users of the Just Good Work app to a total of 60,099 active users, many of whom were job seekers and successful scheme applicants. The Independent Seasonal Workers Scheme survey was developed with Ulula and will start to be issued to workers in January 2025. The Responsible Recruitment Progress Assessments (RRPA) were also delivered in 2024 to two additional scheme operators aimed at identifying performance levels, management systems gaps and areas for improvements. All five scheme operators have committed to RRPAs in 2025.

INITIATIVE	CO-OP'S ROLE	KEY ACTIVITY IN 2024
Sedex	We use the Sedex platform to manage our ethical trade monitoring programmes.	Sedex continued to invest in improving its data-led platform, assessment tools and professional services to support businesses with driving more sustainable practices through global supply chains. This included three significant product releases in 2024: a supplier self-assessment questionnaire for service provider, labour provider and agent businesses; an environmental self-assessment questionnaire; and a major update to the SMETA audit methodology to improve critical issue detection and provide a more focused assessment. Sedex continued to offer training and community events throughout the year to facilitate knowledge-sharing, insights, feedback and discussions on challenges and solutions between businesses across supply chains.
Spain Ethical Trade Forums (Foros Comercio Ético)	We played a key role in creating the Spain Ethical Trade Forums in 2012 and ensuring the Forum's evolution to its current industry-run structure.	In 2024, the Forum has held six online seminars, two regional events and one international event, and has collaborated with the sector organisations on workshops covering working conditions, environmental sustainability and human rights due diligence, totaling more than 936 attendees across the programme. Three in-person training sessions were delivered by the capacity building department to middle management about effective communication and leadership skills and addressing modern slavery situations at farms and packhouses. Some of the training materials used during these sessions have been developed with Co-op funding. The Forum continues to implement its grievance mechanism, "Canal Foros", of which Co-op is a sponsor, with the aim of providing a common grievance channel to all workers in the Spanish fresh food industry. By the end of 2024, nine grievance mechanisms had been implemented, covering 5,100 workers, who are being trained on how to use it. Additional activities in 2024 included the launching of App Foros, a mobile application designed to provide key information on labour issues, legal requirements, rights and responsibilities of workers in the Spanish fruit and vegetable sector. App Foros has been especially designed to help those workers who may be in a vulnerable situation, such as migrants, as it seeks to facilitate their access to knowledge about local social and labour conditions. Co-op has joined others in funding the development of App Foros in 2025.
Stronger Together Consumer Goods Programme	We are a founding sponsor of Stronger Together's Consumer Goods Programme, a multi-stakeholder initiative providing training and resources to help mitigate modern slavery. As a sponsor, Co-op and our suppliers have access to free interactive training workshops, resources and tools to support tackling hidden labour exploitation in operations and supply chains.	In 2024, 56 Tackling Modern Slavery in UK Businesses workshops, 12 Advanced Tackling Modern Slavery in UK Businesses workshops and four Tackling Labour Exploitation in UK Warehousing workshops were delivered to 788 businesses and 1142 individuals. Of these, 382 individuals and 73 businesses supplied Co-op. GNFR partnered with Stronger Together to deliver modern slavery awareness training, enhancing our team's understanding and helping category managers address ethical risks across our supply chain. Over the years, 90 Co-op suppliers have completed the Progress Reporting Tool, an online self-assessment tool that supports companies to measure progress made by addressing modern slavery risks and to highlight the next steps for their businesses and supply chains. In 2024, the average Progress Reporting Tool score for Co-op suppliers increased by 12%. During 2024, the decision was made for the Stronger Together Consumer Goods Programme to merge with the Responsible Recruitment Toolkit Sponsorship Programme. From October 2024, Stronger Together launched a combined Consumer Goods Programme with two thematic workstreams to address forced labour and responsible recruitment. Co-op is a combined sponsor across both workstreams. They provide our suppliers with access to the full suite of benefits, resources and training workshops to support them in taking action to tackle forced labour and embed responsible recruitment good practice. From 2025, reports will include information regarding both workstreams of the combined programme.

INITIATIVE	CO-OP'S ROLE	KEY ACTIVITY IN 2024
The Sustainable Trade Initiative (IDH)	We are a member of the UK Retailer Commitment on Living Wage in Banana Supply Chains, working with our partners, IDH, Fairtrade, and the other retailers to achieve living wages for all hired labour workers in our banana supply chains.	As a part of this group, we launched the Commitment and Principles of Engagement alongside eight other major UK supermarket chains on 1st March 2023. In 2024, we continued to participate and joined regular UK retailer meetings as well as Better Together events which have been developed to align all participating retailers from across Europe on approaches and learnings towards meeting the living wage commitment. Over the year we also produced a joint statement for supply chain partners further explaining expectations and retailer understanding of their shared responsibility on Living Wage; agreed an expanded set of key performance indicators to report on retailer action that are aligned with the Netherlands and Belgium commitments; and continued to review proposals to enhance the capacity of trade unions on collective bargaining for living wages and to start understanding the wage situation of smallholder farmers. Our work in this initiative will contribute to the critical work needed in this sector, where living wages still evade workers in banana supply chains, despite decades of focus on this commodity. In 2024 we also participated in data collection: 71 salary matrices were completed by producers in Co-op supply chain representing 7,781 employees.
Unseen	Unseen is a UK charity that provides safehouses and support in the community for survivors of trafficking and modern slavery and it runs the UK Modern Slavery and Exploitation Helpline. We are a member of Unseen's Helpline Business Portal, which gives us access to Helpline reports of modern slavery or labour abuse within our operations and supply chains, as well as unique trend analysis. As an associate member of Unseen's Business Hub, we also get access to Unseen's whole business network, expert live webinars and latest insights.	Between 1 January to 31 December, 57 cases were shared with Co-op through the Portal, with three cases directly linked to Co-op's supply chain. Additionally, Co-op has taken part in approximately five collaborative calls facilitated by Unseen on cases raised through the Portal. These calls allow us to work collaboratively with other Portal members, law enforcement, suppliers and recruitment agencies to investigate and remediate the issues reported. You can view the status of cases linked to Co-op's supply chain in the issues table on page 12 and the Modern Slavery Helpline's performance reports here. Co-op attended Unseen's annual retailers' roundtable where Unseen announced additional resources for the Business Portal and, together with retailers, discussed how we can improve our ways of working to ensure efficiency, while maintaining protections for victims, when investigating cases raised through the helpline. Co-op also provided a hamper in support of Unseen's charity raffle, which was held at the Unseen Business Awards 2024 to raise funds for the Modern Slavery and Exploitation Helpline. GNFR partnered with Unseen to deliver modern slavery awareness training, enhancing our team's understanding and helping category managers address ethical risks across our supply chain and also presented at our GNFR Supplier Conference in June.

BRIGHT FUTURE – BUILDING THE BRIGHT FUTURE CO-OPERATIVE

Bright Future began as a project initiated by Co-op in 2017. Since then it has transformed lives by supporting survivors of modern slavery into safe, meaningful employment. Following Bright Future's move to become an independent co-operative in 2020, work has continued to establish robust governance and procedures. During 2024 the provision of the National Matching Service for Bright Future was delivered by the charity Causeway formerly known as City Hearts. Bright Future began as a partnership between City Hearts and Co-op.

A representative of Co-op continues to serve as a Board Director and will continue in this post until at least November 2025. By the end of 2024 Bright Future 'partners' numbered 36 (13 businesses and 23 referrers). Current members include Co-op suppliers, Bakkavor, Greencore and Pilgrims UK. Bright Future can now offer placements in the following sectors:

- Warehousing
- Manufacturing
- Cleaning
- Retail
- Food Manufacturing
- Administration
- Childcare
- Security

We are pleased to have been able to introduce charities and businesses alike to the potential of the co-operative model. In 2024, Bright Future began to involve survivors directly in the running of Bright Future, a survivor of Modern Slavery was recruited as a Board Directors. In 2024, Co-op provided £5,000 of funding to Bright Future in the form of a membership subscription. Along with other business members, we expect to continue to pay an annual subscription to fund the running of this organisation. In 2025 Bright Future will be launched in Scotland.

BRIGHT FUTURE PLACEMENTS

For Co-op, we continued to see challenges in filling vacancies in our Food stores with Bright Future placements in 2024 because of the business need to move quickly whereas Bright Future candidates need time to move into roles. To counter this challenge, in 2024 we developed a plan to ring-fence a number of vacancies in five stores where we believe there is likely to be demand for placements. Since Bright Future began in 2017, nearly one-third of all placements (90 in total across England and Wales) have been hosted by the Co-operative Group. 70 of these placements have resulted in permanent and secure employment.

TRACKING OUR PROGRESS

We set ourselves some challenging targets for addressing modern slavery risks and issues in 2024. Overall, we have achieved/on track nine of the eleven targets we set ourselves and are close to achieving the remaining targets. We have included updates in this Statement but, for full transparency, we have summarised our progress against each target in the table below.

PROGRESS AGAINST OUR 2024 TARGETS

	WHAT WE SAID WE'D DO IN 2024	HOW HAVE WE DONE?	WHAT HAVE WE DONE?
FOOD	We will carry out an independent review of our priority human rights focus areas and continue to publish the steps we are taking to mitigate the root causes of issues identified (carried over from 2023).	ACHIEVED	In 2024 we carried out a pan-Co-op review of our priority risks (see page 7) and we continue to publish the steps we have taken to mitigate these risks, along with future priorities.
	We will support our suppliers in improving human rights across our supply chains through the delivery of our global supplier engagement programme, reaching over 2,000 delegates in 35 events in 2024.	ACHIEVED	Our global supplier engagement programme builds the capability and resilience of our suppliers to manage human rights risks. In 2024, we have reached 3,135 people through the programme. For further details, please see section on Training (see page 22).
	We will champion the role of women and vulnerable people in our supply chains, and we will continue to roll out training to address issues of gender-based violence in the supply chain and support collaborative initiatives to address the root causes.	ACHIEVED	With our flower supplier Flamingo, we commissioned an endline report and learning paper of our two-year Inua Dada programme, which empowered nearly 9,000 female workers through inclusive policies, capacity building and community-driven solutions. The reports summarised key lessons, successes and challenges from our work. They provide valuable insights for others advancing gender equity within sustainability. We collaborated to address systemic sexual and gender-based violence and harassment issues at a supplier site, across the Kenyan tea sector and the wider Kenyan and South African agriculture industry. You can read more about this in Food Case Study 5.
	We will continue to work collaboratively to eliminate illegal and unfair recruitment fees in our global supply chain.	ON TRACK	We continued our work to understand and map the use of recruitment fees in our supply chains in 2024. Through our support of the UK Seasonal Worker Scheme Taskforce, we are proud to be working with Department for Environment, Food and Rural Affairs (Defra) on the jointly funded Employer Pays Principle (EPP) feasibility study to reduce the risk of workers entering into debt for their migration costs. The project includes modelling for how costs could be equitably and appropriately shared along supply chains, while also considering the sustainability of UK agriculture. We believe this is a vital and important step in making EPP a reality in the SWS in a way that protects the livelihoods of workers and growers in the supply chain. In 2024, we completed a collaborative study to map existing commitments to responsible recruitment and the EPP in the global tuna processing sector and are taking steps to address recommendations. This study will be published in May 2025. We rolled out free training on responsible recruitment through our ongoing support of the Responsible Recruitment Toolkit which was delivered to 484 individuals and 256 businesses.

	WHAT WE SAID WE'D DO IN 2024	HOW HAVE WE DONE?	WHAT HAVE WE DONE?
ACROSS OUR PEOPLE	We will provide practical training and e-learning on mandatory human rights and modern slavery for our Goods Not for Resale colleagues and for sourcing staff working in Funeralcare by the end of 2024.	ON TRACK	With support from the Talent Acquisition and Development Team, we refreshed and updated the Modern Slavery Awareness Training and issued it to all colleagues and business areas identified as potentially high-risk for modern slavery. This training has now been completed by 720 colleagues (99%).
GNFR	We will deepen efforts to understand the risks in the logistics section of our operations, by conducting further ethical audits in our depots in 2024.	ON TRACK	Two logistics audit team colleagues have completed ethical auditor training, with two depot audits completed by the end of 2024. In 2025, we will deepen efforts to understand the risks in the logistics section of our operations, by conducting further ethical audits in our depots.
	We will develop a Procurement-specific SAQ by the end of 2024 in order to ensure we have ethical data for all suppliers, either through Sedex, EcoVadis or our own data.	ON TRACK	We have developed a Procurement-specific SAQ. However, this year we have invested and implemented EcoVadis, onto which we are onboarding GNFR suppliers. This is so that we have consistent data across our supply chain. Completing EcoVadis is now a contractual requirement.
FUNERALCARE	We will strengthen our due diligence and supplier management framework to reflect our Food and GNFR programmes. We will add policies and methods to identify and address risks, and improve ethical screening pre- and post-contract award. We will ensure all key Category 3 suppliers are onboarded and signed up to Sedex with completion of the Self-Assessment Questionnaire (SAQ) as a minimum standard. We will also expand due diligence and supplier management to Category 2 suppliers managed by the GFR commercial team above £100k p.a. spend.	CLOSE TO TARGET	Due diligence has been strengthened by implementation of the GNFR due diligence framework for all key Category 3 suppliers. This due diligence form will be utilised as part of pre-contract activity for all future sourcing requirements. Our post-contract supplier management will be built around a supplier management framework to identify, assess and mitigate risk with suppliers. All suppliers are signed up to Sedex with SAQs completed. Two florist suppliers above £100k p.a. spend have been onboarded to Category 3 status and included in group risk assessment activity. These suppliers were signed up to Sedex by the end of 2024 and will fall into the supplier management framework in 2025.
	We will extend our standard modern slavery clauses within supply agreements to Category 2 flower providers.	ACHIEVED	Our standard modern slavery clause was rolled out to all Category 2 and 3 suppliers as part of the 2024 range relaunch.
	We will conduct additional audits in our Funeralcare supply chain, including an audit of our Fairtrade coffin manufacturer and one new SMETA Tier 2 audit within our GFR supply chain.	CLOSE TO TARGET	We have completed one new SMETA audit in our supply chain, with another scheduled to be completed in Q1 2025. We also had a key supplier shift their supply of key product from our range into a SMETA audited manufacturer. Our Fairtrade audit was delayed in 2024 due to an extended takeover at the manufacturer, which was outside our control. However, this audit has been scheduled for Q1 2025.
	We will create and cascade an information pack for all key existing suppliers on what modern slavery is, what it means to the Co-op and what our expectations are of suppliers.	ACHIEVED	Information pack was distributed to all 35 key Category 3 suppliers by mid December 2024.

INDICATORS OF IMPACT FOR 2024 ACTIVITIES

	IMPACT AREAS	WHAT HAVE WE DONE?
FOOD	Supply chain monitoring	• 3,035 sites (665 Tier 1; 2,370 Tier 2) • 100% Tier 1 sites with SAQ complete • 100% of high-risk Tier 1 sites have a valid independent audit • 1,581 sites with valid independent audits (504 Tier 1; 1,077 Tier 2) • 953 audits in 2024 (315 Tier 1; 638 Tier 2)
	Supplier capacity building	3,135 people from 1,772 suppliers or sites involved in 126 events globally including roadshows, in-person events, training sessions and webinars. 1,142 people from 788 suppliers attended Stronger Together and RRT courses aimed at up-skilling attendees to prevent and address modern slavery.
	Workers impacted	In 2024, there were 60,099 active users of the UK SWS Just Food Work App. This included jobseekers and successful scheme applicants.
	Supply chain grievances remediated	6,778 issues raised in valid audits. 94.3% of the issues had been addressed by the suppliers by the end of 2024. 13 supply chain grievances raised through non-audit channels and remediated by the Co-op or in collaboration with others.
GNFR	Supply chain monitoring	EcoVadis: By the end of 2024, 259 suppliers had been invited to register with EcoVadis and share their scorecards. This includes 19 strategic suppliers – 85% with valid scorecards; 39 critical suppliers – 70% with valid scorecards; 201 operational suppliers – 45% with valid scorecards; and 69 high-ethical-risk suppliers – 67% with valid scorecards. Ethical Trade Programme: 101 suppliers and 107 sites monitored, with 24 sites audited in 2024. 97 issues were raised through the 24 audits. 68% of the 97 issues had been addressed by the suppliers by the end of 2024.
FUNERALCARE	Supply chain monitoring	35 suppliers monitored and two sites audited including one Tier 3 site. 51 issues raised across two audits. 8 outstanding issues.
ACROSS CO-OP	Colleague Training	720 colleagues have completed this training, 86% feel the module has improved their understanding of modern slavery and 89% are confident they can apply what they've learned.

BENCHMARKING CO-OP'S MODERN SLAVERY PERFORMANCE

In 2024, the human rights consultancy Ergon conducted a benchmarking analysis of Co-op's most recent Modern Slavery Statement and human rights reporting compared to nine other retailers and international food companies. Using a benchmarking methodology aligned with best practice, the analysis found that Co-op increased its score compared to a previous benchmarking in 2020. Areas of improvement included reporting on organisation structure, business and supply chains; monitoring and auditing; key performance indicators; and training. Overall, this means that Co-op's statement remains the strongest-performing modern slavery disclosure.

TARGETS FOR 2025 AND BEYOND

We intend to build on the activities and progress we have made over the past year and have signalled some of our planned areas of focus in this Statement. Specific targets for 2025 and beyond are shown below.

BUSINESS AREA	TARGET
PAN CO-OP	We will strengthen our pan Co-op governance and management systems and deliver on our pan Co-op human rights risk assessment action plan.
PEOPLE	We will continue to provide practical mandatory training and e-learning on human rights and modern slavery, and raise awareness across Co-op through our colleague communications and campaigns.
FOOD	We will develop a strategic approach to enhanced due diligence with interventions in 10 high-risk supply chains or recruitment corridors.
	We will support our suppliers in improving human rights across our supply chains through the delivery of our global supplier engagement programme, reaching over 2,500 delegates in 50 events.
	We will champion the role of women and vulnerable people in our supply chains, and continue to roll out training to address issues of gender-based violence in the supply chain and support collaborative initiatives to address the root causes.
	We will continue to work collaboratively to eliminate illegal and unfair recruitment fees in our global supply chain.
LOGISTICS	We will deepen efforts to understand the risks in the logistics section of our operations, by expanding the roll out of due diligence audits in our depots.
GNFR	All strategic, critical and operational and high ethical risk suppliers to have a visible EcoVadis scorecard.
	All high ethical risk Tier 2 suppliers to have a completed Sedex SAQ and up to date SMETA audit.
	All high ethical risk suppliers to complete Co-op Modern Slavery Awareness e-learning.
FUNERALCARE	We will review and strengthen our ethical trade policies, processes and guides for procurement colleagues and suppliers.
	We will enhance our diligence activities by mapping our beyond Tier 1 supply chain, embedding action plans to mitigate risks and carrying out SMETA audits in our key high risk supply chains.
PROPERTY	We will improve understanding of where we are sourcing materials from for construction activities and promote channels for reporting modern slavery concerns both to colleagues and suppliers.

This Statement was approved by the Board of Co-op[1]

Shirine Khoury-Haq
CEO, Co-operative Group
April 2025

[1] The terms 'Co-op Group', 'Group' or 'Co-op' are all used to refer to the Co-operative Group Limited, which consists of Co-operative Group Food Limited, Co-operative Foodstores Limited, Funeral Services Limited and Co-op Wholesale Limited, The Manx Co-operative Society Limited (among others). The Statement covers the financial period (52 weeks) ending 4 January 2025.

Co-operative Group Limited
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