INTRODUCTION

Our founder, John Spedan Lewis, believed that the Partnership should support positive change in society. True to this vision, today we strive to ensure that every person in our supply chains, whether they grow, pick, manufacture or pack our products, is treated fairly and rewarded fairly for their work.

At no time has this been more important or challenging than during the Covid-19 pandemic. Ensuring the health and safety of those within our supply chains became paramount. I am proud of the Partnership’s response, which embraced our Partnership values. We supported suppliers and factories that remained open with access to our guidance and our expertise. We advised on health and safety, and the social distancing measures required to help reduce the spread of the virus. Where our stores had to shut and this resulted in product orders being cancelled, we paid in full for any own-brand finished products, or committed to pay in full once they were shipped. Where work had already begun to produce goods, we committed to take these orders at a later date or pay in full for the raw material costs incurred by suppliers.

The John Lewis & Partners and Waitrose & Partners Foundation continued to operate throughout the pandemic. The £200,000 unlocked by the Waitrose & Partners Foundation supported farming communities in response to the pandemic by providing much-needed advice on social distancing, as well as sanitation kits and food parcels for communities, helping just over 100,000 workers.

Wherever possible, we continued with our due diligence programme in our factories and packhouses. We paid particular attention to our own operations where, due to the rise in demand from customers for online orders and delivery, the use of temporary workers recruited via agencies increased the risk of human rights violations. Over 400 Partners who hire and supervise temporary workers were trained in responsible recruitment and spotting the signs of modern slavery. We continue to provide responsible recruitment practice training for suppliers in our supply chains.

We know that auditing programmes only provide a snapshot in time. This report outlines our most salient human rights risks and the programmes in place to address them. Last year, this included adapting the John Lewis UK Better Jobs programme and piloting the programme with 15 of our suppliers in China. The human rights landscape is constantly changing. We are committed to doing whatever it takes to protect those who work in our supply chains.

Modern slavery is one of the most severe breaches of human rights imaginable. As you will see from all our initiatives this past year, we are determined to make a difference in rooting it out and preventing human exploitation. We cannot tackle this alone and are committed to continuously sharing our insights and collaborating with others.

This report details many examples of our progress in protecting human rights and tackling modern slavery in our supply chains during the year ending 30 January 2021. We hope you find the details provided useful.

SHARON WHITE
Partner & Chairman
### Our Business

The John Lewis Partnership is the UK’s largest employee-owned business and parent company of our two cherished retail brands, John Lewis and Waitrose, which are owned in trust by over 80,000 Partners. We have 34 John Lewis shops plus one outlet and 331 Waitrose shops across the UK, along with johnlewis.com and waitrose.com. We also have two international sourcing offices, a soft furnishings factory, various distribution centres, three Waitrose cookery schools, a content production hub, a heritage centre and our own Waitrose farm.

<table>
<thead>
<tr>
<th>331 Waitrose shops</th>
<th>34 John Lewis shops</th>
<th>3 Waitrose cookery schools</th>
<th>1 heritage centre</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 John Lewis shop-in-shops worldwide</td>
<td>2 head offices, one in London and one in Bracknell</td>
<td>23 customer delivery hubs</td>
<td>2 sourcing office locations in India and Hong Kong</td>
</tr>
<tr>
<td>1 content production hub</td>
<td>7 distribution centres</td>
<td>44 countries and territories stock Waitrose products</td>
<td>60 Own-brand product sourced from over 60 countries</td>
</tr>
<tr>
<td>1,700 Over 1,700 Goods For Resale tier 1 own-brand supplier sites</td>
<td>6 Customer contact centres</td>
<td>1 soft furnishings factory</td>
<td>1 Waitrose farm, the Leckford Estate</td>
</tr>
<tr>
<td>5 Partnership hotels for Partners’ use</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

We know we’re not perfect but we are working hard to be as good as we can be. As an organisation with a strong heritage in being purpose-led, it’s critical we continue to build on our history and ensure our purpose is clear, responds to the world our Partners, customers and suppliers live in today, builds a compelling vision for the future and drives decisions and actions for our business.

As part of our five-year Partnership Plan, which we launched in October 2020, we had an exciting opportunity to update our ambition as a business. This has driven our commercial decisions and is helping shape our employment practices. It influences the services we offer to customers and how we work with new commercial partners; it sees us, for instance, taking firmer action on pay, working conditions and diversity and inclusion. We have also been providing support to suppliers throughout the pandemic.

By working together, our Partnership purpose can achieve great things.

### Our Partnership Values

As employee-owners, we all have a share in the business and a shared commitment to go above and beyond for each other, our customers, and the communities and environments in which we operate. We have a set of five values that were created by Partners to explain what it means to be a Partner.

Our values are:

- **Do Right**
  - We act with integrity and use our judgement to do the right thing.

- **All Or Nothing**
  - We put everything we have into everything we do.

- **Give More Than You Take**
  - We put more in, so everyone gets more out.

- **Be Yourself Always**
  - We’re quirky, proud and at our best when we are free to be ourselves.

- **We Not Me**
  - When we work together, anything is possible.

You can read more about our business in our 2021 Annual Report and Accounts.
The John Lewis Partnership Responsible Sourcing Code of Practice (RSCOP) sets out our commitment to workers’ rights and our expectations of our suppliers regarding issues such as pay, working hours and child labour. It is based on the Ethical Trading Initiative (ETI) Base Code and relevant Conventions of the International Labour Organization (ILO).

The RSCOP is approved and signed by the Chairman of the John Lewis Partnership and is applicable to all suppliers of goods and services to the John Lewis Partnership, in all sourcing countries and at all tiers\(^1\) of our supply chain.

Suppliers trading with the Partnership are expected to comply with the RSCOP and, in so doing, must also comply with all relevant national and other applicable laws. Where there is a difference between the protection offered by the law and that offered by RSCOP, then the higher standard should be applied. If suppliers are unable to comply with a provision of RSCOP, they must explain to the Partnership how their own policies, processes and standards address the fundamental principles of that particular provision, and demonstrate how their standards have been developed in collaboration with workers.

The Partnership requires audits and risk assessments to demonstrate compliance with our RSCOP, focused on our high-risk supply chains first and those where we can have a direct impact. They ensure the required standards within our supply chains are upheld and highlight where improvements can be made. More details can be found under the ‘Risk Assessment and Due Diligence’ section of this report.

As outlined in this report, the RSCOP is the first point in a continuous improvement journey for our suppliers and their supply chains. The Partnership regularly consults with internal and external stakeholders on strengthening our approach to improving the human rights of workers in our supply chains. Recognising risk assessment and ethical audit limitations, we are always horizon-scanning to ensure we capture any new issues that arise and take the appropriate action required.

\(^1\) A tier is defined as a stage in the supply chain carrying out a particular activity in the production of a product, for example, Tier 1 is manufacturing finished product or where the majority of assembly and packaging of the product bearing the John Lewis or Waitrose label occurs.
Governance

Strong governance in managing and mitigating the risk of human rights issues – including modern slavery – in our supply chains is critical in ensuring we are meeting and exceeding our ethical responsibilities and the requirements of the Modern Slavery Act.

Governance of human rights matters in the Partnership forms part of our wider Ethics and Sustainability governance. The Executive Team proposes the strategic direction for Ethics and Sustainability, including human rights. Their strategy is agreed – and implementation overseen – by the Partnership Board.

Since the end of the financial year, the Partnership Board formally agreed to create a Board-level Ethics and Sustainability Committee, which will meet on a quarterly basis. The Committee is chaired by the Chairman and comprises one Non-Executive Director and one external independent member with four Executive Directors: Finance, Strategy & Commercial Development, John Lewis and Waitrose. Its purpose is to assist the Board in fulfilling its responsibilities in this area by ensuring that ethics and sustainability remain central to the Partnership strategy and that the Partnership continues to build inclusive, sustainable and transparent relationships between our suppliers and customers, as well as responding to the increasing environmental and social challenges faced by today’s society. Nina Bhatia, Executive Director, Strategy & Commercial Development, has accountability for human rights and our responsible sourcing performance across all Partnership operations.
All suppliers of goods and services to the Partnership are required to comply with our Responsible Sourcing Code of Practice (RSCOP). We tailor our risk assessments to ensure compliance with RSCOP based on several factors: the level of associated supply chain risk, including country of origin, industry and product type, and the level of influence and impact we are able to have on our supply chains.

The types of risk assessments we use include third-party ethical audits, supplier self-assessments, worker interviews and feedback and insight from stakeholders, such as trade unions and non-governmental organisations (NGOs). These sources of information help us identify where workers are likely to be experiencing treatment that is not in line with the RSCOP, and can also highlight indicators of modern slavery.
Risk Assessment and Due Diligence

**FOOD AND GROCERY**

**TIER 1 PROGRAMMES**

Waitrose sources food and groceries from the UK and overseas. Our policy requires all tier 1 sites to complete a comprehensive Sedex (Supplier Ethical Data Exchange) self-assessment questionnaire to be reviewed and updated once a year, the results of which are subject to spot checks. Those which are assessed as medium- or high-risk (616 sites) are required to carry out a third-party ethical audit.

The Partnership’s Human Rights Team analyses the results to determine if a site will be approved for production, or will allow production to continue at an existing site already in use.

**IMPACT OF COVID-19**

Throughout the pandemic, Waitrose stores remained open and where possible our tier 1 suppliers continued to operate. For our suppliers’ UK factories in particular, lockdown restrictions meant in most cases that audits were prohibited.

One response by the industry to this challenge was to introduce a virtual assessment tool; the Partnership was part of this consultation process with Sedex and audit companies on this. The Partnership believes that one of the most important parts of an ethical audit is worker interviews and, based on the short time periods available for worker interviews in a standard ethical audit, we made the decision to only accept virtual assessments.

Waitrose worked directly with suppliers, sharing advice and expertise on challenges faced by factories operating throughout the pandemic. This included worker health and safety, for example, ensuring personal protective equipment (PPE) was available; adequate cleaning procedures were in place and the use of staggered shifts to ensure social distancing was maintained. Meat and fish-packaging factories were identified as being at higher risk of Covid-19 outbreaks so we paid close attention to these suppliers and their factories, ensuring they were up to date with and followed the latest Covid-19 guidance.

Our buying teams highlighted challenges, including a case where employees were afraid to go to work. We followed up individually with this supplier and factory, providing them with practical examples of safety measures we had implemented with our own Partners and directing them to the most up to date guidance.

We worked closely with our suppliers to ensure they felt comfortable talking to us if they had concerns and needed support.

**BEYOND TIER 1**

Within food supply chains, we are aware that human rights risks are most prevalent below tier 1. We focus our efforts on our own-brand supply chains carrying the greatest level of risk as well as those where we can influence positive change.

**LIVESTOCK**

In our meat, shell egg and fresh milk supply chains, most of which are based in the UK and Ireland, we support farmers with written guidance on how to comply with our RSCOP and UK employment legislation. A biennial worker welfare self-assessment questionnaire highlights where farmers need further support in understanding and complying with RSCOP. In 2019, 1,598 farms completed the biennial questionnaire. We report the aggregated findings to our supplier-led Waitrose Farming Partnership Livestock Steering Group, and the supplier members work directly with their farmers to improve employment practices, including employee welfare. In 2020 we worked with our nine direct supplier members to close off the gaps identified at farm level in the 2019 self-assessment. We are in the process of undertaking a new SAQ to confirm these gaps have been closed off. More importantly, we supported suppliers through the impacts of the fluctuation in demand for products that the pandemic brought.

**Table 1**

<table>
<thead>
<tr>
<th>Sector</th>
<th>Number of audits or self-assessment questionnaires graded in 2020/21</th>
<th>Non-conformances found in audits which took place in 2020/21</th>
<th>Non-conformances closed in audits which took place in 2020/21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food &amp; Grocery</td>
<td>748</td>
<td>619</td>
<td>973</td>
</tr>
<tr>
<td>General Merchandise</td>
<td>1,038</td>
<td>64</td>
<td>184</td>
</tr>
<tr>
<td>Total</td>
<td>1,786</td>
<td>683</td>
<td>1,157</td>
</tr>
</tbody>
</table>

Table 1

*Number of sites based on factory tier on an RSCOP21
In 2019, 199 UK-farmed salmon and trout producers completed the biennial worker welfare self-assessment questionnaire and were supported by supplier members of the Waitrose Fishing Partnership, Livestock Steering Group to improve their employment practices and worker welfare. We are working with a small number of other farmed fish suppliers not yet taking part in the self-assessment questionnaire to establish the most suitable audit programme for them. We have also started to conduct deep-dive modern slavery risk assessments into our global farmed fish supply chains to help us address the systemic issues found within them.

In our wild-caught fish supply chains, we are working with our suppliers to support the adoption of the Responsible Fishing Vessel Standard (RFVS) for UK vessels and foreign vessels supplying our own-brand fish.

Our main supplier of British wild-caught fish, Flatfish Ltd, to adopt the RFVS and 30 of their vessels, which supply Waitrose via Flatfish Ltd, to adopt the RFVS. WaitroseFarm Assessments (WFA) on their farms. Through these assessments our suppliers are able to identify gaps in compliance with the RSCOP and work with the farmers to make improvements on key worker welfare indicators.

Impact of COVID-19

The closure of many UK exports and routes to market meant that demand for UK wild-caught fish dropped. The Partnership supported our suppliers by keeping Waitrose fish counters open throughout the pandemic, promoting wild-caught fish in branches, launching new lines such as Marine Stewardship Council (MSC) corned herring and coalescing and promoting the benefits of eating fish through various customer communications channels.

During the pandemic, the heightened risk of workers being on distant water fleets for longer periods than the standard 12–18 months was well documented globally. We were made aware of the plight of migrant fishermen who were stuck at the UK dockside border with expired visas and without access to basic facilities. We raised this as a concern to the Department for Environment, Food and Rural Affairs (DEFRA), the British Agricultural (Horticultural) Industry Council (BRC). It was possible for these fishermen to have their visas renewed or to return home to their families.

Impact of COVID-19

In 2020 our direct suppliers were unable to undertake Waitrose Farm Assessments on their farms. Instead, Waitrose turned its attention to supporting suppliers throughout the pandemic and relied more heavily on information regarding the situation on the ground to be provided by other sources, for example NGOs, trade unions and industry groups.

We shared information with other retailers, suppliers and vice versa, and met with DEFRA to inform them on the insight we had gathered from our supply chains, contributing to the industry-wide assistance for suppliers in need.

Global migration patterns were very different in 2020 as national lockdowns resulted in overseas travel being severely restricted. This meant that the human rights risks connected to migrant workers contrasted with the previous year and those disclosed in our 2019/20 annual online SAQ to be completed.

Sites on our Better jobs programme are not required to undertake audits, as we receive direct information from the workers about what the working conditions are like. The worker voice survey is more in-depth than a compliance-based audit and provides insight on topics such as job security, wellbeing and reward. You can find out more information on the Better Jobs Programme and 2020 findings throughout this report.

Where we have identified a particular risk associated with a country and industry, we require additional due diligence to be undertaken. These sites often participate in collaborative industry initiatives.

In Bangladesh, Cambodia and Indonesia, John Lewis is working with the Better Work programme, a partnership between the United Nations International Labour Organization (ILO) and the International Finance Corporation (IFC), a member of the World Bank Group, to improve working conditions and respect labour rights for workers, while boosting the competitiveness of the apparel sector. 6 out of 60 sites currently manufacturing own-brand products for John Lewis in these countries have joined the Programme. John Lewis, Better Work and the factories are working towards improvement on key risk areas identified during compliance assessments including freedom of association, forced labour, discrimination and working hours. All improvements are being made through a systematic and sustainable approach which also takes into account workers’ voices.

John Lewis has been a member of the Bangladesh Accord since its inception, alongside 16 out of 18 sites producing own-brand fashion products for the Partnership in the country. The agreement holds both brands and factories accountable for ensuring the safety of workers.

It focuses on addressing fire and building safety concerns. The inspections, corrective actions and grading it requires ensure factories are safe for workers.

Following the appropriate assessment, we examine the results to determine if a new site should be approved for the manufacture of our products, or an existing site allowed to continue production. If a new factory does not meet our minimum requirements, it has six months to make the improvements suggested by the auditor before they can be proposed again.

Impact of COVID-19

Due to factory closures, national lockdowns and restrictions on local and international travel, third-party auditors were, in many cases, unable to conduct on-site audits in 2020. The decision was made not to accept remote virtual site audits due to the ambiguity these can create in terms of the evidence shown to the auditor. For example, it would be very difficult to tell if the worker’s voice was being monitored during interviews.

John Lewis offered a derogation on a case by case basis, allowing for a longer period between ethical audits, ensuring workers’ and auditors’ Covid-19 safety and enabling full worker interviews to take place when audits resumed.
RAW MATERIAL AND COMMODITY CERTIFICATION AND PROGRAMMES
Within our raw material supply chains, we have less visibility beyond tier 1 but know that there is often a high risk of systemic human rights abuses. We are actively investing in tools and technology that will enable more precise traceability of raw materials throughout our supply chains. Currently, for a number of key raw materials used in our own-brand products, we require our suppliers to work towards certification or be part of a membership programme, most of which have set criteria on working conditions. This enables us to assess whether the basic standards are met.

SOYA AND PALM OIL
Soya and palm oil are often in the limelight because of their potential negative environmental impacts, but these are also important areas of consideration for human rights risks. They are sourced via long and complex supply chains that involve significant labour requirements in harvesting and processing stages, and they have impacts on local and indigenous communities. Our soya sourcing standard states that soya procured either directly or in animal feed must be organic or certified to a specified certification standard. These certification standards are selected on the basis of a number of criteria, including the requirement to respect human rights, in particular the prohibition of forced/child labour and respect of land rights.

All of the palm oil in our own-brand products is required to be certified by the Roundtable on Sustainable Palm Oil, which also includes detailed human rights requirements. In addition, we are active members of the Palm Oil Transparency Coalition and the Soy Transparency Coalition. Both are pre-competitive coalitions aimed at removing exploitation and deforestation from these commodity sectors by using a robust engagement and evaluation process to assess the ambition, commitments, progress and impacts of both importers and traders of these commodities into the UK and EU market.

COTTON
Large quantities of cotton are sourced by our suppliers for use in a number of the Partnership’s own-brand products. We are aware of the human rights concerns associated with the industry and have a target in place for all cotton used in our own-brand products to be from sustainable or recycled sources. Schemes we accept in order to comply with this target include products certified to the Global Organic Textile Standard (GOTS) and Global Recycled Standard (GRS), both of which have social criteria in place to ensure ethical treatment of workers in the supply chain. Focused at farm level, we also accept cotton sourced for use in our own-brand products which supports the Better Cotton Initiative (BCI). This includes supporting farmers in promoting ‘decent work’ principles in accordance with the International Labour Organisation (ILO) definition. For details on the human rights risks associated with cotton sourcing from Xinjiang, see page 25.

TEA, SUGAR, COFFEE AND COCOA
Waitrose has supported the Fairtrade Foundation since its launch in 1994 and was one of the first supermarkets to stock Fairtrade products. We achieved our ambition of offering the widest range of Fairtrade products of any physical UK supermarket, thanks to our commitment to be 100% Fairtrade across key own-brand categories including coffee, black teas and the cocoa used in our confectionery, as well as carrying a wide range of Fairtrade brands such as Cafédirect, Clipper and Barts. We recognise the role that the Fairtrade system plays in monitoring and helping to drive improvements in workers’ rights and in some of the most challenging commodity supply chains. In 2020 we actively worked to increase the level of transparency of our Fairtrade supply chains. Information on our tea and banana supply chains is already available and we are committed to publishing details on more Fairtrade categories going forward.

The Partnership recognises that smallholders, or small-scale farmers, are very important within these food supply chains. These farmers deserve a fair system of value distribution down the supply chain and Fairtrade enables farmers to receive a fair price for their goods and an income that enables them to sustain their livelihoods. Importantly, as part of Fairtrade certification, farmers develop skills to better manage their crop, increase output and develop their business.
CASHMERE

From sweaters to bobble hats, cashmere is included in a wide range of John Lewis products. Cashmere production is the backbone of nomadic herders’ livelihoods in Mongolia and other cashmere-producing regions in Northern China. The Partnership is a pioneering member of the Sustainable Fibre Alliance (SFA) and is contributing to the funding of a three-year programme to support the expansion of the new SFA Cashmere Standard from Mongolia into China. The SFA’s programmes and standards help provide stability for herders and farmers in both countries by connecting them to strong networks and farmers and other cashmere-producing regions in Northern China. The Partnership is a pioneering member of the Sustainable Fibre Alliance (SFA) and is contributing to the funding of a three-year programme to support the expansion of the new SFA Cashmere Standard from Mongolia into China. The SFA’s programmes and standards help provide stability for herders and farmers in both countries by connecting them to strong networks and.

destined for the global market. The SFA works directly with herding organisations and farmers, and conducts robust training, assessments, and audits – which in China are supported by the SFA’s partner organisation, the International Cooperation Committee of Animal Welfare (ICCAW). In 2021, the SFA plans to begin the process of introducing its Clean Fibre Processing Code of Practice into China, with the intention to make it a mandatory requirement for all primary processing plants looking to be certified by the SFA. The Code of Practice is already a requirement in Mongolia and addresses safe working environments and fair working conditions, among other stipulations.

GOODS NOT FOR RESALE (GNFR)

Within the Partnership’s own operations we have robust due diligence procedures in place to ensure we know how and where our direct employees (Partners) are recruited and all our contracts include our requirements to uphold labour standards.

Partners who have a business need that requires external suppliers of goods and services must complete an Inherent Risk Questionnaire (IRQ) to initiate a project. Suppliers deemed medium- or high-risk, including those providing low cost or temporary labour, are flagged and the preferred supplier following our procurement sourcing process will be required to complete the Retail Supplier Qualification System (RSQS) prior to being awarded a contract.

RSQS has two stages that assess the supplier specific risk compared to the inherent risk of the service assessed via the IRQ. The first stage collects basic information regarding the supplier and their operations, and captures agreement from the supplier of compliance with our RSCOP. Based on the information provided, this may trigger the second stage in which responses from the supplier will be assessed by the Partnership’s Ethics & Sustainability team. This team may require additional provisions and commitments to be made in the contract. Additional risk modules were integrated into the registration process at the beginning of 2021. These enable us to better focus regular engagement with those suppliers where we have identified higher risks so we can work together to mitigate these.

GNFR RESPONSIBLE EMPLOYMENT GROUP

During 2020, we set up the GNFR Responsible Employment Group to review the Partnership’s use of agency labour. This group comprises senior managers from across the business including People, Legal, Commercial, Procurement, Risk, and Ethics & Sustainability. Through this group we have conducted an internal review and gap analysis of our GNFR procurement policies, processes and procedures and will be addressing any gaps where they have been identified. In our own operations we also commissioned four deep-dive ethical assessments, focusing on in-depth worker interviews to ensure that the requirements of the RSCOP are being upheld by our third-party labour providers.

IMPACT OF COVID-19

Throughout the pandemic, and as per the government guidelines, we closed our John Lewis stores to ensure the safety of our Partners, customers and local communities. However, as an essential retailer, Waitrose stores remained open, and we worked hard to help our customers shop safely and ensure that our Partners were protected. This included supporting our Partners by providing them with PPE before it became mandatory, adding checkout screens and limiting the number of customers in our shops at all times.

We were very conscious that the short turnaround time frame and strain on supply chains producing PPE meant that we had to secure its supply from multiple sources. We were aware of the inherent risks associated with this, and specifically the risk of human rights abuses connected with the rubber gloves industry in Malaysia. Our procurement teams worked with our key PPE suppliers to ensure that desktop due diligence was undertaken and that appropriate certification was put in place.

We saw a rapid uplift in the demand for online orders from both John Lewis and Waitrose during the pandemic, which impacted our warehouse picking and packing operations. This was mirrored with a significant increase in demand across our Waitrose stores. The shift in consumer demand meant we would need to employ the use of agency labour and have previously identified that there is a higher risk of modern slavery and worker exploitation where we do not directly employ workers. This risk was managed by the Partnership through the combined efforts of the business, redeploying over 4,500 Partners from closed John Lewis stores, and working with assured contingent labour providers to ensure the increased demand was fulfilled in accordance with Partnership policies, including RSCOP.

All new suppliers of medium- or high-risk goods and services, including low cost or temporary labour to the Partnership are required to register on our Retailer Supplier Qualification System and provide information including their corporate responsibility programme and agreement to the Partnership’s RSCOP.
Our Salient Human Rights Risks

The John Lewis Partnership recognises the possibility that poor labour practices, exploitation and human rights abuses could happen within our supply chains. Our salient risks are those which are most common or have the most negative impact within these supply chains.

Since 2015, we have followed the United Nations Guiding Principles on Business and Human Rights (UNGPs) guidance on how to identify issues of concern. The UN principles provide a framework for companies to prevent, address, and remedy human rights abuses committed within business operations or which are worsened by a company’s activities. Our understanding of these issues is constantly developing.

Salient risks are different for individual countries, industries, cultures and contexts. The John Lewis Partnership categorises these differences under three groupings: our two brands, John Lewis (general merchandise) and Waitrose (food and grocery), and a third category for goods not for resale (GNFR). The associated risks are reviewed regularly, most recently in 2020. Multiple approaches, as outlined under the ‘Addressing Risk’ section of this report, are taken to address these issues. The risk of modern slavery in our supply chains remains one of the most severe human rights risks we have identified.

### Our Salient Human Rights Risks

<table>
<thead>
<tr>
<th>SALIENT HUMAN RIGHTS RISK</th>
<th>SECTOR</th>
<th>SUPPLY CHAIN</th>
<th>COUNTRY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freely chosen employment</td>
<td>Food and grocery</td>
<td>Fresh produce</td>
<td>UK</td>
</tr>
<tr>
<td>SDG 8.7</td>
<td>General merchandise and food and grocery</td>
<td>Raw materials</td>
<td>China – specifically Xinjiang</td>
</tr>
<tr>
<td></td>
<td>General merchandise and food and grocery</td>
<td>Our own operations</td>
<td>UK</td>
</tr>
<tr>
<td>Freedom to associate</td>
<td>Food and grocery</td>
<td>Fresh produce</td>
<td>Peru and South Africa</td>
</tr>
<tr>
<td>SDG 8.8</td>
<td>General merchandise</td>
<td>Fashion and Home</td>
<td>UK and China</td>
</tr>
<tr>
<td>Health, safety and wellbeing</td>
<td>Food and grocery</td>
<td>All</td>
<td>Global</td>
</tr>
<tr>
<td>SDG 3 and 8.8</td>
<td>General merchandise</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child labour</td>
<td>Food and grocery</td>
<td>Cocoa</td>
<td>Cote D’Ivoire and Ghana</td>
</tr>
<tr>
<td>SDG 8.7</td>
<td>General merchandise</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low wages and sustainable incomes</td>
<td>Food and grocery</td>
<td>Bananas, coffee</td>
<td>Dominican Republic (and more)</td>
</tr>
<tr>
<td>SDG 1.1, 1.5 and 8</td>
<td>General merchandise</td>
<td>Fashion</td>
<td>China / India / Cambodia</td>
</tr>
<tr>
<td>Gender and discrimination</td>
<td>Food and grocery and general merchandise</td>
<td>All</td>
<td>Global</td>
</tr>
<tr>
<td>SDG 5, 8.5 and 8.8</td>
<td>GNFR</td>
<td>Our own operations</td>
<td>UK</td>
</tr>
<tr>
<td>Regular employment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SDG 8.3, 8.7 and 8.8</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 3
ADDRESSING RISK

We focus our ‘beyond audit’ supply chain programmes in the sectors and locations identified as our salient human rights risks and where we can have the biggest impact.
During the pandemic, in some supply chains, this particular risk was reduced, for example in supply chains that in previous years might have employed more workers from overseas. In other areas the risk increased. Changes in consumer behaviour due to lockdown impacted the size and shape of our orders and subsequently impacted the cash flow in a number of supply chains. In addition, in some supply chains, there was a risk that workers would feel forced to work despite Covid-19 safety concerns.

**FOOD AND GROCERY**

**FRESH PRODUCE**

Cociding with the start of the UK harvest, the labour shortages feared as a result of the pandemic threatened to increase the level of risk of modern slavery occurring in UK supply chains. The Partnership took a number of steps to help reduce this risk:

- As outlined on page 15, Waitrose partnered with ITV to support DEPRA’s Pick for Britain campaign aiming to bridge the labour shortfall of 70,000 seasonal workers needed. By ensuring a pool of legal workers was available, this reduced the need for supply chains to find alternative labour, thus reducing the risk of modern slavery.

- Where additional workers were still needed, supply chains were once again reliant on a migrant workforce, with some even chartering their own flights to bring workers to the UK. Waitrose worked with its suppliers to mitigate the risk to migrant workers when they arrived. Waitrose, alongside other UK retailers and members of the Food Network for Ethical Trade (FNFT), sponsored and collaborated on two-part series of ten Covid-19 capacity-building webinars open to all suppliers. These included raising awareness of complex situations which could arise and be considered risk indicators for modern slavery, such as migrant workers having to quarantine on arrival to the UK with no pay. One of the webinars focused on the economic impact of Covid-19, with specific reference to best practice on sick pay, social protection and longer-term provisions. This webinar was attended by over 300 people, though not all of these attendees were from Waitrose’s direct supply chains. The webinar series also focused on how businesses could support and engage their workers through this anxious time.

- Following the outcome and learnings of Operation Fort, the UK’s largest-ever modern slavery prosecution, as reported in our 2019/20 Modern Slavery Statement, Waitrose joined a pilot scheme for a new Modern Slavery Intelligence Sharing Network (MSIN). This industry group, made up of retailer and supplier members, aims to disrupt the pattern of modern slavery through member collaboration and sharing of information.

**GENERAL MERCHANDISE**

**WITHHOLDING WAGES**

One of the biggest risks of modern slavery in general merchandise supply chains last year was the risk of wages being withheld from workers in factories where orders from international buyers were cancelled, primarily due to the closure of retail services as part of national lockdowns. More detail on how we supported our general merchandise suppliers with this challenge can be found on page 34.

**RAW MATERIAL SOURCING FROM XINJIANG**

In 2020 the Partnership became increasingly aware of the human rights violations, including forced labour associated with materials sourced from Xinjiang, China, and responded to the government enquiry on this matter. One of the key materials produced in Xinjiang is cotton. Whilst the John Lewis Partnership does not have operations, own-brand suppliers or factories in Xinjiang, we do source a small amount of product where the cotton originates from China.

No matter where they are in the world, we expect our suppliers to obey the law and respect the rights, interests and wellbeing of their employees, communities and the environment. Our RSCOP sets out the Partnership’s expectations of suppliers on issues such as forced labour, pay, working hours, child labour, worker rights and representation. As outlined on page 6, all suppliers must sign up to these requirements as part of our terms and conditions of trade and we have a number of mechanisms to ensure our supply chains meet our expectations. We have a highly qualified team of 107 people working with suppliers in China and India, and in 2019, 28 of our own-brand factories based in China piloted a two-year training programme, which included modules on ethical hiring and building effective dialogue between workers and managers.

This training provided frameworks for suppliers’ management to establish effective hiring processes that reduce the risks of exploitation, trafficking and child labour.

We engaged with industry working groups to identify other products, including food, manufactured in our supply chains that may contain components — or raw materials — sourced from Xinjiang. For example, tomatoes sourced from the region can be used as ingredients. As part of our commitment to sourcing our key raw materials, including cotton, sustainably, by 2025, we have allocated specific funding to invest in tools and technologies that allow physical traceability of these materials. This will enable us to have greater visibility and control over where suppliers source cotton from, for all our own-brand products.

**SUPPLIER TRAINING**

We continue to support and carry out awareness training and supplier improvement programmes in our supply chains to raise awareness of the risk of modern slavery and how to combat it.

**GOODS NOT FOR RESALE (GNFR)**

The biggest risk of modern slavery occurring in our own operations relates to the use of agency labour to cover our peak trading periods. In 2020, despite a sudden increase in online orders through John Lewis and, in particular, Waitrose, we were able to reduce this risk by redeployment of our John Lewis branch Partners who would otherwise have been placed on furlough due to store closures (see page 19).

Throughout the pandemic, we continued to carry out due diligence checks across our operations, conducting four deep-dive ethical assessments in our warehouses. Waitrose & Partners farm1 and distribution networks. These deep-dive assessments focused heavily on worker interviews and highlighted a need for better communication channels with agency workers on-site.

Following the success of our 2019 ‘Spot the Signs’ pilot training programme with the Slave Free Alliance, in 2020 we undertook an ambitious programme to provide this training to all frontline Partners for the peak trading period (starting in October). This was delivered in-house using the train-the-trainer framework. More details can be found on page 37 of this report.

---

1 The Leckford Estate, Hampshire.
**Stronger Together**

**STRONGER TOGETHER UK**

During 2020, 173 delegates, representing 54 different UK suppliers which supply our food business, attended Stronger Together’s ‘Tackling Modern Slavery in UK Businesses’ course. Delegates were provided with a range of measures they can put in place to prevent modern slavery from occurring in their own operations and how to spot signs that workers might be victims of exploitation or slavery.

Stronger Together UK also provides a Progress Reporting Tool (PRT), a free online self-assessment tool that enables suppliers to measure the progress they have made in addressing modern slavery risks within their own operations and supply chains. Developed in alignment with the UN Guiding Principles on Business and Human Rights, the framework provides data analytics which allows suppliers to track their progress over time, benchmark their performance against peers and identify improvement opportunities. Since launch, 19 of our UK suppliers have completed the progress-reporting tool and the average progress scores for all UK users has increased by 2% year-on-year.

**STRONGER TOGETHER SPAIN**

Despite the pandemic, in 2020, Stronger Together Spain launched, including a number of online training modules. Ten Spanish growers who supply fresh produce to Waitrose have already completed the modules ‘Combating Forced Labour in Spanish Agricultural Companies’ and have taken away specific contextualised examples to apply the learnings on their own farms.

**STRONGER TOGETHER SOUTH AFRICA**

In 2019, the UK Home Office Modern Slavery Innovation Fund agreed to fund Stronger Together South Africa for a further two years. Waitrose remains a supporter of their work. In 2020, 78 individuals, representing 41 suppliers that supply Waitrose, attended the ‘Detecting, Deterring and Dealing with Forced Labour in Agri-Businesses – South Africa’ course. 15 individuals, representing 14 companies, attended the follow-up course ‘Taking Your Next Steps: A Follow-up Workshop for Agri-Businesses, South Africa’.

173 delegates, representing 54 different UK suppliers which supply our food business, attended Stronger Together’s ‘Tackling Modern Slavery in UK Businesses’ course.

**FREEDOM TO ASSOCIATE**

**SDG 8.8**

The freedom to join a trade union of your choice is one of the basic human rights as defined by the Universal Declaration of Human Rights[^1]. Trade unions play a vital role in democracy and support their members in negotiating with their employers. We recognise that not every worker in supply chains supplying products and services to the Partnership wants to join a trade union. Sometimes union representation is not in place. Whenever workers are without representation we encourage and support effective worker voice and committees as demonstrated by our Better jobs programme and the Waitrose & Partners Foundation.

**FOOD AND GROCERY FRESH PRODUCE**

Two of our sourcing countries, Peru and South Africa, are those where we have identified the biggest risk to effective freedom to associate.

**PERU**

Last year, the Ethical Trading Initiative (ETI), of which we are members, joined forces with the Netherlands Trade Union, Mondial FNV, to develop a joint programme of work in Peru to promote social dialogue. An in-person launch event was initially organised for December 2020 to introduce Peruvian growers to the proposed programme and representatives from five Waitrose supplier farms were due to attend. Sadly the event was postponed due to unrest in the country and a retailer update was held instead. We hope that further progress will be made in 2021.

We also engaged with the Food and Agriculture Organization of the United Nations (FAO) and shared some of the anonymised findings from our deep-dive modern slavery risk assessments. This allowed us to try and support their work on improving conditions in the Peruvian agricultural sector.

**SOUTH AFRICA**

Our joint programme of work with the Ethical Trading Initiative in South Africa (see our 2019/20 Modern Slavery Statement page 23) was put on hold in 2020 as the country suffered greatly from the impacts of the pandemic.

**GENERAL MERCHANDISE BETTER JOBS PROGRAMME**

As a co-owned business, all Partnership employees (Partners’) share power and have a say in how the business operates. We believe this is essential for ensuring an engaged workforce. Our Partnership Council is elected through a democratic process and we strive to mirror this democratic process through our supply chains.

Our Better jobs programme aims to improve working conditions, worker voice and job satisfaction through identifying opportunities to improve businesses and support suppliers in making their own action plans. Prior to 2020, it was only available to factories producing John Lewis own-brand goods, employers are able to access free online resources and a framework which covers seven main themes: growth, reward, security, job design, respect, health and wellbeing and voice; workers are asked for their opinions via an online survey.

Since inception in 2019, 52 UK sites manufacturing John Lewis own-brand products are participating in our Better Jobs Programme; this is approximately half of our current UK own-brand supply base. The 2020 UK survey was adapted to account for the impact of the pandemic on worker welfare. This included questions regarding worker concerns on areas such as job security, income, job flexibility, having the right skills for the job at hand and, importantly, the impact of the pandemic on mental health. Over half of the employees that responded to the survey had to develop new skills in 2020, which evidences the opportunities to upskill workers. This is illustrated in feedback from one of our Home suppliers, ‘Youcomy’, who commented, “With the

---

John Lewis & Partners Foundation

The Partnership supports workers in the communities where we operate to bargain for better working conditions, raising the bar at sector level. Over the past three years, the John Lewis & Partners Foundation, established in 2007 to benefit communities in the UK and overseas where John Lewis operates, supported a programme with Action Aid in Delhi and Chennai. It focused on giving women a voice by helping them form collectives and use this forum to argue for fairer wages and better working conditions. In 2020, ten new groups were formed and the project now has a total of 77 collectives, covering over 2,900 garment workers. The programme’s success, whilst not directly related to our supply chains, has led to workers being able to successfully negotiate with their employers, including 20 collectivised workers negotiating an 8% pay rise.

The results from the pilot have been positive overall and include 89% of workers feeling they’re able to openly and constructively voice opinions.

For more information on the Better Jobs Programme including the findings from the China pilot, please see our 2020/21 Better Jobs Report.

Developing worker voice with the Waitrose & Partners Foundation

The Waitrose & Partners Foundation was created in 2005 with the ambition of improving the lives of, and to create better opportunities for, the people and communities who grow, pick and pack our fresh produce. Since then, £14m has been invested back into the communities from which we source.

For more information please see our 2021 Waitrose & Partners Foundation report.

HEALTH, SAFETY AND WELLBEING

SDG 1 and 8.8

The physical safety of workers within our supply chains throughout the pandemic has been our highest priority. The pandemic meant that many places of work closed. In many countries, those who could work from home were told to do so, and those who were working in farms, packhouses and manufacturers had to make changes to the way they operated.

FOOD AND GROCERY

CAPACITY BUILDING

Since the start of the pandemic, the Waitrose supplier communication website, Engage, has outlined key actions our UK supplier sites should take based on government guidance, including illustrative examples the Partnership was taking to safeguard our Partners.

As mentioned earlier in this report, alongside other UK retailers and members of the Food Network for Ethical Trade (FNET), Waitrose funded and collaborated on a two-part series of ten Covid-19 capacity-building webinars open to all suppliers. The second webinar focused on occupational health and safety, including accommodation and transport. Although not all from Waitrose suppliers, it was attended by nearly 700 people. Guidance included:

- staggering start and finish times and break times;
- reducing capacity within shared areas such as the canteen or smoking areas;
- introduction of temperature checks;
- putting up screens in production sites;
- increasing cleaning procedures, including within transport;
- employee daily heath questionnaires;
- ensuring no visitors were allowed on site; and
- allowing some accommodation to be residential areas for those with Covid-19 symptoms or for those who needed to quarantine on arrival.

Attendees found the webinars useful, with over 460 were from Waitrose supply chains. Of the 1,100 attendees, approximately 460 were from Waitrose supply chains. Globally, we supported our suppliers in a number of ways:

- Sharing information and best practice with our Spanish suppliers via the Spanish Ethical Trade Forums, who set up a Covid-19 working group producing five sets of training materials to support
The Farming Community Network

Founded in 1995, The Farming Community Network (FCN), which is supported by Waitrose, helps members of the farming community manage and thrive through difficult times and periods of change. It provides a listening ear and essential support to those in need. The FCN has helped thousands of people deal with a wide range of issues, from financial difficulties and animal disease to mental ill health.

The charity has a network of 400 volunteers in England and Wales who have a great understanding of the issues farm workers and farming families regularly face. It runs a free, confidential, national helpline (03000 111 999) and e-helpline (help@fcn.org.uk), which is open every day of the year from 7am to 11pm. For more information, visit www.fcn.org.uk and www.farmwell.gov.uk.

John Gregson, Partner & Ethics and Sustainability Advisor at the John Lewis Partnership, is an FCN volunteer. He said: “I grew up on a small farm in Lancashire and saw the impact on my family and our neighbours as farming changed in the 1980s. Traditional customers such as hospitals and education authorities moved their meal ingredient procurement away from local sourcing to more controlled models. Suddenly, small farms seemed redundant and incomes plummeted. Several of our neighbours took their own lives and I’m convinced it was only because I encouraged my father to open up to me that we found strength together and avoided a similar tragedy. This is why I believe that the work FCN does to walk with farmers in difficult times is critical, especially now the industry is facing its greatest period of change for half a century or more.”

suppliers and their workers.

- Being part of the ETI’s Africa Agriculture Vulnerable Supply Chains Fund work.
- Key activities included offering technical assistance to suppliers in East Africa to implement practices and safety measures to try and combat the pandemic, to help build resilience to manage any future challenges and for the lessons learned to be shared with other businesses in the area.
- Working directly with our suppliers when they needed individual assistance, for example, one supplier, who had been on the receiving end of a complaint regarding health and safety in the workplace, was given guidance on how to stager shifts and breaks, and how to amend the organisation of workers on the lines to ensure social distancing was in place.
- The John Lewis & Partners Foundation supported a programme of work to improve access to water for marginalised groups in India living in artisanal communities. Through this programme, over 1,800 people secured access to clean water last year and three community hygiene programmes were run. The programme also supports schools attended by children of the artisanal workers. Last year five sanitary blocks were developed in five government schools with over 1,000 children and staff benefiting from water, sanitation and hygiene (WASH) services.

MENTAL HEALTH AND WELLBEING

What became increasingly clear was the need to focus on mental health and wellbeing during the pandemic, particularly in the UK farming community as it goes through a period of enormous change. The decision by UK voters to leave the European Union has brought uncertainty. The way the government offers financial support to farmers is changing and the consequences remain unclear to many businesses. Add the enormous focus on the environment, and the need of the agricultural sector to adopt more sustainable agricultural practices and products, and it is easy to understand why many farmers feel under pressure.

Agriculture is a relatively low-paid sector for many, with producers operating in volatile markets and at the mercy of the weather. Many in the industry find it difficult to ask for help when facing issues such as financial worries, family breakdown and concern about the future. Research by the Farming Community Network in the UK offers up some stark statistics. Farmers work on average 64 hours a week. The 700 farmers who took part in the Network’s ‘Fit2Farm’ survey only took an average of 11 days’ holiday per annum. More than 80% of those surveyed had trouble sleeping. In the UK, more than one agricultural worker a week in the UK dies by suicide.

GENERAL MERCHANDISE

Our Better Jobs programme addresses worker health and wellbeing with specific questions regarding physical health, mental health and supportiveness. In 2020, over 60% of workers who responded to the UK survey felt that their working environment did support their wellbeing. Similarly, over 60% of workers felt full of energy and enthusiastic at work. However, 30% of workers felt anxious or under pressure and 30% of workers felt that their workload was either too much or far too much, a 7% increase on the results in 2019. We are working with each supplier individually to address the findings.

Over 60% of workers who responded to the UK Better Jobs survey felt that their working environment did support their wellbeing; this was a 15% increase on the previous year’s findings.

Through this programme, over 1,800 people secured access to clean water last year and three community hygiene programmes were run.

60%

1,800

Over 60% of workers who responded to the UK Better Jobs survey felt that their working environment did support their wellbeing; this was a 15% increase on the previous year’s findings.

Through this programme, over 1,800 people secured access to clean water last year and three community hygiene programmes were run.

60%

1,800

Waitrose & Partners Foundation Global Fund: supporting workers during the pandemic

In March 2020, the Waitrose & Partners Foundation Global Fund, focusing on the most vulnerable countries and communities within our food supply chains, unlocked £200,000 to support its farming communities in response to the pandemic. Among other benefits, this help provided much-needed advice on social distancing, as well as sanitation kits and food parcels for the communities, estimated to have aided just over 100,000 workers.

The COVID-19 pandemic affected our work significantly. For starters, we couldn’t export all the flowers produced in the farm. We therefore began operating on half-day shifts. The new working terms affected our livelihoods because our salaries were cut by half. Fortunately no worker was laid off because we were all on a half-day shift. The reduced salaries were a blow to our families because we had to squeeze our budgets so as to adjust to the tough economic times. To our relief, the Waitrose Foundation came to our rescue by investing a food package to workers.

We were supplied with 20kg of maize flour, five litres of cooking oil, 10kg of beans and a 5kg packet of rice. The food gave us a good boost because we were dined financially. Thankfully the market has now rebounded and our operations is slowly going back to normal.”

Flower farm worker, Kenya
CHILD LABOUR

SDG 8.7

The United Nations (UN) recognised early on in the pandemic that children were at risk of being amongst its biggest victims11. With schools and usual labour migration routes closed, children became more vulnerable to becoming child labourers. If parents became sick with the virus, the risk of children having to play a role in supporting the family increased. According to UN Women, estimates show that an additional 114 million girls globally may leave school by the end of the Covid-19 crisis and evidence from previous crises suggests that many will not return12.

Whilst we are not aware of, or have been alerted to, any cases of child labour being found within our supply chains, we know there are areas where the risk that it could occur is high, for example in the agriculture sector, where children often support their parents in the family business.

Whilst our expectations regarding child labour are outlined in our RSOP, we felt that, in light of the pandemic, the Partnership should provide additional guidance for suppliers. We developed a detailed document to assist suppliers on interpreting child labour guidance. It outlined the Partnership’s expectations of suppliers and advised on the best steps of remediation if a case were to arise.

COCOA SUPPLY CHAINS

Child labour is a particularly high risk in the cocoa sector. In 2020, Waitrose moved all cocoa in its own-brand confectionery to Fairtrade. To achieve Fairtrade certification, no child labour (as defined by the International Labour Organization (ILO) minimum age and the worst forms of child labour conventions) should be employed. Paying a premium for Fairtrade products ensures families can earn a sustainable living and in doing so, it is hoped that they become less reliant on their children for additional income. More broadly, Waitrose supports the commitment the Fairtrade Foundation is making to fight the root causes of child labour and prevent exploitation and child abuse.

Waitrose is also a founding member and current co-chair of the Retailer Cocoa Collaboration (RCC). The principal activity of the RCC is the Annual Trader Assessment. This is a robust process whereby major traders of cocoa, voted for by the RCC members, are assessed on their progress in topics such as traceability, gender equality, farmer incomes, deforestation and child and forced labour. The results of this assessment drive engagement with traders and inform our own approach.

LOW WAGES AND SUSTAINABLE INCOMES

SDG TARGETS 1, 1.5 and 8

The pandemic significantly impacted the lives of workers globally. With many businesses closed, employees were furloughed or, where this type of support was unavailable, businesses were forced to reduce hours, reduce pay or even lay off staff. Our food supply chains continued to operate throughout the pandemic but certain areas of the industry felt the impact. Hospitality was closed, for example, and travel restrictions created supply chain disruption, meaning products could not be imported or exported in the usual way.

FOOD AND GROCERY

The Partnership supported suppliers in a number of ways:

• We had already committed to paying our smallest suppliers within seven days. In addition, we supported the most vulnerable in our supply chains by speeding up payments to help maintain their cash flow. We took more stock of horticultural products than ever before, providing a much-needed lifeline to British nurseries that supply it. As part of the Covid-19 capacity-building webinars, we provided guidance and case studies for UK food suppliers on the correct steps and impacts to consider when furloughing workers.

• Through the Waitrose & Partners Foundation we were able to understand a number of the key challenges in some of our sourcing countries through our implementing partners and their farms. In the flower sector, the global market collapsed almost overnight, with many customers cancelling orders. In some cases, workers were asked to take annual leave, or given reduced hours. We worked with overseas suppliers to rationalise or amend product ranges so that processes at the pack house were simplified to allow for social distancing. Through our Waitrose & Partners Foundation Global Response Fund, we were able to support workers on reduced salaries through provision of essential food parcels.

BANANA SUPPLY CHAINS

Even without the impact of Covid-19, low wages are a systemic challenge for plantation workers in the banana industry who are also often subject to poor working conditions. In the Dominican Republic, the legal minimum wage is particularly low compared to the cost of living. To try to tackle this issue, Waitrose, in partnership with the Fairtrade Foundation, is running a programme to improve productivity on banana plantations, though this has been challenging to implement. The programme focuses on raising workers’ incomes, creating a better working environment, and introducing better planning and training.

In St Lucia, banana production is key to the local economy. Here, small scale farmers face rising costs of production, but a stagnation in prices means that, for those outside the Fairtrade system, production is often unviable. Our commitment to purchasing only Fairtrade-certified bananas means that these smallholders receive the Fairtrade Minimum Price, which ensures they can meet the cost of production, as well as receiving Fairtrade Premiums to invest in improvements to their environment and community.

In September 2020, Waitrose participated in Fairtrade’s consultation, which proposed a move towards a living wage for all workers at Fairtrade-certified plantations worldwide. From July 2021, the new Fairtrade Base Wage will result in higher wages for thousands of workers, helping them to meet their basic needs.
COFFEE SUPPLY CHAINS
About 80% of the world’s coffee is produced by 25 million smallholders. It is one of the most valuable and widely grown agricultural products. We recognise that smallholders need particular support to ensure the resilience of their businesses to the impact of climate change, including alterations in weather patterns which make production more unpredictable, reducing yields and profitability. By sourcing all of our own-brand coffee from Fairtrade certified growers, we demonstrate our shared commitment to ensuring sustainable livelihoods for these small-scale farmers and ultimately improving their income opportunities in the future. A proportion of Fairtrade Premiums are spent on projects chosen by farmers and workers that help to tackle climate change and its impacts. Within our supply chain, these include tree planting, irrigation, crop diversification and clean energy projects.

We also worked with Fairtrade to establish the world’s first Fairtrade coffee co-operative in Java, investing in the KSU Surya Abadi Kayumas Co-operative (KSU) to enable them to achieve certification. This project resulted in the launch of the UK’s first-ever Fairtrade Java ground coffee, Waitrose No.1 Java Coffee. The Fairtrade Premium has enabled the co-operative of 150 members to make a number of improvements to their local area. They have rebuilt farm roads, which have created an easier and safer route to transport coffee to market. A nursery has created an easier and safer route to transport coffee to market. A nursery has been established, enabling the sustainability of the crop long to transport coffee to market. A nursery has been established, enabling the sustainability of the crop long

Another co-operative we source from is the Cooperativa Departamental de Caficultores Riscalda Ltd (COOPCERAC) in Colombia. COOPCERAC has 3,569 members, of which 25% are women. The co-operative puts a focus on using Fairtrade Premium, generated through sales of Fairtrade coffee, towards improving the quality and productivity of their crop. They have made improvements to wet and dry processing plants and put in a water treatment system to clean the water used to wash coffee (the ‘aguas mierles’). The co-operative also provides its farmers with shade trees to plant on their farms and gives training for members on how to improve productivity.

GENERAL MERCHANDISE
When the pandemic hit, within the UK we began to see a shift in customer purchasing behaviour, which had a direct impact on our stock and ordering. In John Lewis, customers were not able to shop in stores and there was a significant decrease in demand for general merchandise.

John Lewis issued best practice trading principles guidance to our trading teams, including buyers and merchandisers (Aside from our regular purchasing practice guidance). The topics covered included amending and canceling unwanted orders as a result of the significant decrease in demand. The trading teams were advised to always conduct business relationships with integrity and courtesy and not to leave our suppliers in financial distress, especially where raw materials had been committed to or finished goods had been produced.

Collaborative conversations were held between suppliers and John Lewis as to how they and the Partnership could work together to limit the negative impact caused by changes in demand including the management of stock revision requirements. Where workers were impacted by product cancellations or a fall in demand, the Partnership committed to help cover their wages in order to guarantee an income during the pandemic so the most vulnerable had some security.

To be invested by small-scale farmers and workers in their local communities

<table>
<thead>
<tr>
<th>Product</th>
<th>Fairtrade Premiums generated by Waitrose annually</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bananas</td>
<td>£1,300,000</td>
<td></td>
</tr>
<tr>
<td>Coffee</td>
<td>£600,000</td>
<td></td>
</tr>
<tr>
<td>Tea</td>
<td>£120,000</td>
<td></td>
</tr>
<tr>
<td>Cocoa</td>
<td>£100,000</td>
<td></td>
</tr>
<tr>
<td>Sugar</td>
<td>£100,000</td>
<td></td>
</tr>
</tbody>
</table>

A clinic built by the Foundation in the Western Region of Ghana has seen attendance reduced to 60% of pre-pandemic levels¹. Waitrose & Partners Foundation Implementing Partner, Ghana

There was often a stigma attached to those who contracted the virus, and this could lead to workers being temporarily ostracised from their workplace or community. This phenomenon required our suppliers to engage properly with their employees to ensure that they were not discriminating against those who caught the virus. In the UK, we supported suppliers through best practice sharing, and through the Waitrose & Partners Foundation, a programme of ‘myth busting’ was run in Senegal and The Gambia.

GENDER AND DISCRIMINATION
The first two articles of the Universal Declaration on Human Rights outline that all humans are born free and equal in dignity and rights and that there should be no discrimination². However, the Partnership recognises that women face discrimination in the workplace – and beyond – every day.

SGD 5, 8.5 and 8.8
In certain countries, the legal system itself penalises women; but even where equality is a legal requirement, women often face more barriers than men. This could be unequal pay for their work or having reduced capacity to take paid employment because of having to perform unpaid domestic work, including caring for others.

FOOD AND GROCERY AND GENERAL MERCHANDISE
The impact of Covid-19 on women

School closures, as a result of the pandemic, disproportionately impacted women from lower incomes in a number of ways:

• Child care
   The Waitrose & Partners Foundation in Southern Africa identified an impact on not only children of farm workers, who risked falling behind on their education because of school closures, but women too, as their care responsibilities increased with children at home. During this time the Waitrose & Partners Foundation shifted its focus to improving equipment at farm aftercare centre facilities. Twenty-four centres have been equipped with the internet and staff have been provided with free online educational resources to support children’s learning whilst schools remain closed.

• Health care
   Throughout the pandemic, many women have delayed access to primary health care.


36 | JOHN LEWIS PARTNERSHIP PLC

6 Addressing Risk

...
Training and Programmes

Our Partners and our suppliers play a huge role in preventing and tackling modern slavery and other human rights abuses within our own operations and product supply chains. They implement and ensure policy is upheld, and play a supporting role in identifying any signs of modern slavery.

### SUPPLIER TRAINING

Supplier awareness and understanding of human rights risks, including modern slavery, remains low. We provide, where possible, the appropriate tools and resources to improve engagement in this topic and work with a variety of external stakeholders to provide suitable training programmes. These are open to all suppliers and participation is encouraged. You can use the table below to find specific details on the training programmes covered in this report. It covers both the ones we provide and those undertaken by our suppliers.

#### AREA OF FOCUS | TRAINING | PAGE NUMBER
--- | --- | ---
Freely chosen employment | Covid-19 capacity-building webinars | PG 24
| Stronger Together training: raising awareness of and how to combat the risk of modern slavery | PG 26
| Responsible Recruitment Toolkit: supporting businesses to develop robust ethical and professional recruitment practices | PG 27

Freedom to associate | ETI Programmes in Peru Social Dialogue Programme and South Africa: Freedom of Association (on hold for most of 2020 due to Covid) | PG 27
| The Waitrose & Partners Foundation: Developing worker voice | PG 28

Health, safety and wellbeing | Covid-19 capacity-building webinars | PG 29

Low wages and sustainable income | Waitrose in partnership with the Fairtrade Foundation: programme to improve productivity on banana plantations, Dominican Republic | PG 33

Gender | The Waitrose & Partners Foundation: Workshops in South Africa | PG 36

Regular employment | Responsible Recruitment Toolkit: supporting businesses to develop robust ethical and professional recruitment practices | PG 27

Table 6

### PARTNER TRAINING AND ENGAGEMENT

Our procurement and buying Partners have a responsibility to behave ethically when procuring products and services for the Partnership, and to understand the risks of modern slavery associated with their sourcing practices.

You can find specific details throughout this report on the training programmes we provide or have been undertaken by our suppliers using the below table.

#### AREA OF FOCUS | TRAINING | PAGE NUMBER
--- | --- | ---
Freely chosen employment | Responsible recruitment training for Partners who recruit and supervise temporary workers | PG 37
| Trading Partner e-learning | PG 25

Regular employment | Responsible recruitment training for Partners who recruit and supervise temporary workers | PG 37

Table 7

2020/21

739+

Partners trained in ethical recruitment practices and spotting the signs of modern slavery.
Although there is still a long way to go, we are proud of our work and achievements over the past year, particularly to support our supply chains facing the humanitarian crisis caused by the Covid-19 pandemic.

We are working hard to develop better internal tools and measurements to gauge the effectiveness of our programmes, but we also seek feedback from external stakeholders.

Prevention is an important tool, though the success of this is often difficult to measure. Through our work within our own operations and undertaking third-party assessments on our own processes and procedures, we did not identify any major human rights concerns, which gives us a level of assurance that our procurement of labour in our operations and supply chains is reasonably effective. However, we must not be complacent.

We place a great deal of importance on how effectively we are able to identify concerns within our supply chains, or operations, specifically people who are victims of human rights abuses. We also focus on how efficiently we react to these cases in terms of speed and victim support.

We know that risk assessments and compliance programmes on their own will not prevent human rights abuses in our supply chains, but they do provide insight into risk areas and give us the opportunity to be able to investigate further and support our supply chains where there are gaps. For example, ethical audits within our food supply chains have picked up the non-conformances (NCs) listed in Table 8 (page 42), which are often hidden issues and can also be related to forced labour indicators, as defined by the ILO. During the next reporting cycle, we plan to report these details for our general merchandise sites too.
WHISTLEBLOWING

We also consider our open approach to whistleblowing to be an indication of the effectiveness of our programmes and grievance mechanisms within our supply chains, as whistleblowers need to feel confident to raise issues with us. During the pandemic, we have received an increase in the number of reports from whistleblowers (Table 9), particularly in the UK. These were usually from those working within our supply chains and had concerns about their safety, but we were contacted by others as well. For example, our customer services team were informed, by neighbours of one of our supplier sites, of concerns at the lack of social distancing. In this case, the local council and police liaisons were notified. They were satisfied that the appropriate health and safety measures were already in place and additional measures were being implemented.

We are currently undertaking a review of our approach to whistleblowing to ensure that it can be effective as part of an overarching grievance mechanism process. Through this review we aim to ensure that channels for whistleblowing are truly accessible and independent.

In 2020, UNISON’s business portal alerted us to four allegations of exploitation of workers, three within our existing food supply chains and one regarding a supplier the Partnership was looking to switch the supply of product to. All the allegations were thoroughly investigated with the involvement of the Gangmasters and Labour Abuse Authority (GLAA) in one of the investigations into our existing food supply chains and the police into another. Both turned out not to be cases of modern slavery.

ADVOCACY WORK

The Partnership advocates for wider industry change where we are unable to tackle complex, systemic or structural issues on our own, for example:

- The Environmental Justice Foundation and Oxfam raised concerns that the Thai government, following legal reforms which drove human rights improvements in the seafood sector, was planning to roll back on these. As part of a co-ordinated programme, we urged the European Union to require the Thai government to commit to ensuring robust human rights conditions were still in place before resuming trade negotiations. As yet there is no resolution but we continue with our efforts to ensure workers’ rights through this dialogue.

- Watrose sources tuna from Korean longline fleets. In 2020 there were widespread reports of migrant workers suffering human rights abuses, in contravention of the International Labour Organization Fishing Convention No. 188 (2007) in force since 2017. We continue to work closely with our direct supplier in ensuring human rights in its direct supply chain are upheld. Watrose is also part of an advocacy team working to persuade the Korean government to ratify the Convention.

EMERGING RISKS

Identifying emerging human rights risks is integral to our risk management process. We have identified land rights and access to water as emerging risks. We will explore them in more detail in the coming year.

LAND RIGHTS

Land rights and reforms pose challenges for both human rights and longer-term business continuity. Tensions caused by historic land rights issues are becoming more apparent, most notably in Kenya and South Africa. These land reforms cause disputes. Friction within the local community regarding access to both the land and natural resources is common. Often, the farms which operate on this land are also a major employer for the local community and this can cause additional friction in the workplace.

ACCESS TO WATER

Global water consumption is expected to increase, with agriculture accounting for a large percentage of this consumption. Water systems are stressed and rivers, lakes and aquifers are either drying up or becoming too polluted to use. Climate change is altering weather patterns, causing water shortages and droughts in some areas and flooding in others.

In 2010, the UN General Assembly and the Human Rights Council formally recognised the right to sanitation and access to clean drinking water. According to the World Health Organization and UNICEF, in 2019, one in three people globally lacked access to enough safe drinking water and over half of the global population lacked safe sanitation16. The situation is worsening. Within our global supply chains we are increasingly aware of the impact that climate change is having, in particular on farming communities, and the risk it poses to access to clean water.

LOOKING FORWARD

Our core objective is to ensure that companies in our supply chains are working in compliance with our Responsible Sourcing Code of Practice. We are aware that there is still much to be done within our own operations and supply chains to ensure all human rights risks are identified and so we are reviewing our key performance indicators (KPIs) for next year.

We will continue to develop our human rights strategy. As we do, we must carry on evaluating our current due diligence programme, including its effectiveness, to ensure it is fit for purpose. We recognise that human rights risks in our supply chains are constantly evolving so we will continue to review them. We will identify the Partnership’s emerging, salient human rights. This will ensure our beyond-audit programmes remain relevant and impactful in addressing the risks, including that of modern slavery.

Increasing our supply chain transparency and associated data will provide us with wider access and enable us to identify and address specific risks associated with any supply chain. The effectiveness of this is demonstrated by our transparency work in the tea, banana and fish supply chains. As a result of the findings in our tea supply chains, we will be undertaking a human rights impact assessment (HRIA) in Kenya. This will be done with a ‘gender lens’ to further understand men and women’s different experiences in the workplace.

Our advocacy work and continued engagement with external stakeholders, including brands and non-governmental organisations, will be key to mitigating human rights risks in global supply chains. This is not something we can achieve alone. Developing new supplier and Partner training – and increasing our existing training for these groups – is a key part of this programme as it is continuing to work with ‘Stronger Together’ and the ‘Responsible Recruitment Toolkit’ to drive engagement.

---

14 Open-conformance-highlights at the end of the 2020/21 financial year.


Tables

<table>
<thead>
<tr>
<th>ILO INDICATOR</th>
<th>COUNT OF NON-CORRESONENCES HIGHLIGHTED THROUGH AUDITS (FOOD AND GROCERY)</th>
<th>2020/21</th>
<th>2019/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discrimination (eg age, sex or gender, employment status or marital status) that might lead to abuse of vulnerability</td>
<td>14</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt bondage</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Physical/sexual abuse of workers</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Isolation</td>
<td>1 (Unsafe means of travelling between accommodation and places of work)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contact method</th>
<th>Number of cases</th>
<th>Country</th>
<th>Number of cases</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sedex/Audit company</td>
<td>1</td>
<td>China</td>
<td>2</td>
<td>UK, India</td>
</tr>
<tr>
<td>Clinical Trading Initiative</td>
<td>1</td>
<td>Zimbabwe</td>
<td>1</td>
<td>Kenya</td>
</tr>
<tr>
<td>Media</td>
<td>2</td>
<td>UK</td>
<td>2 (it was a historic case)</td>
<td>UK, Cambodia</td>
</tr>
<tr>
<td>ISSARA</td>
<td>1</td>
<td>Thailand</td>
<td>4</td>
<td>Thailand</td>
</tr>
<tr>
<td>Direct letter from a whistleblower</td>
<td>5</td>
<td>UK</td>
<td>2</td>
<td>JK</td>
</tr>
<tr>
<td>Direct from tier 1 supplier</td>
<td>3</td>
<td>UK</td>
<td>4 (1 referred to the authorities)</td>
<td>UK</td>
</tr>
<tr>
<td>Direct from authorities</td>
<td>1 (unsubstantiated allegation)</td>
<td>UK</td>
<td>1 (allegation regarding an operation on our property)</td>
<td></td>
</tr>
<tr>
<td>Trade unions/ Industry bodies</td>
<td>2</td>
<td>UK</td>
<td>0</td>
<td>N/A</td>
</tr>
<tr>
<td>UNISON</td>
<td>4</td>
<td>UK</td>
<td>0</td>
<td>N/A</td>
</tr>
<tr>
<td>Local MP’s</td>
<td>1</td>
<td>UK</td>
<td>0</td>
<td>N/A</td>
</tr>
<tr>
<td>Total</td>
<td>21</td>
<td></td>
<td>16</td>
<td></td>
</tr>
</tbody>
</table>

---

*Source: 2021 HUMAN RIGHTS REPORT & MODERN SLAVERY STATEMENT*
Key organisations that we work with:

**ACCORD**
- **Bangladesh Accord**
  - A legally binding agreement between brands and trade unions to enable a safe working environment in the Bangladeshi garment industry.

**CIPD**
- **Chartering better work and working lives**
  - The CIPD is the professional body for HR and people development. They acted in an advisory capacity on the development of the Better Jobs programme. We drew on the CIPD’s Good Work Index when designing the Better Jobs employee survey.

**CIPD**
- **Ethical Trade Initiative**
  - An alliance of companies, trade unions and NGOs advising on respect for workers’ rights around the globe. The John Lewis Partnership are corporate members.

**CIPD**
- **Food Network for Ethical Trade FNET**
  - Established in 2016, FNET uses the collective leverage of suppliers and retailers to bring about positive change in working conditions in global food, beverage and horticulture supply chains by providing guidance, resources, training and opportunities for collaboration.

**JRF**
- **Joseph Rowntree Foundation**
  - An independent UK organisation focused on social change research, policy and collaborations that solve poverty. JRF has acted in an advisory capacity in the development of our Better Jobs programme.

**NEF**
- **NEF Consulting**
  - A partnership between the UN, ILO and the IFC aimed at improving labour standards and competitiveness in global supply chains. John Lewis are brand partner members.

**Project Issara**
- **Impactt**
  - A worker-focused human rights and business management consultancy with whom we partnered to conduct modern slavery risk investigations and telephone surveys for smaller suppliers.

**UNIVERSITY OF HULL**
- **Wilberforce Institute, University of Hull**
  - A research hub concerned with contemporary slavery and human rights abuses. Since 2015, the Institute has conducted a number of in-depth human rights impact assessments on Partnership sites as well as in a number of key fresh supply chains.

**Impactt**
- **The Reassurance Network**
  - The consultancy we partnered with to help deliver the Covid-19 worker funds project within our John Lewis general merchandise supply chain. Working with TRN ensured neutrality and the best approach for a sensitive situation.

**NEF**
- **Responsible Recruitment Toolkit (RRT)**
  - We sponsor the RRT which allows our suppliers free access to training and an online self-assessment and learning tool to help embed responsible recruitment practices.

**Verisio**
- **The Fairtrade Foundation**
  - We work closely with the Fairtrade Foundation to ensure that key commodities including tea, coffee, sugar and bananas meet their certification requirements. We collaborate to raise awareness of the difference that Fairtrade makes for farmers in our supply chain and are working with them on additional programmes to drive change.

**NEF**
- **Slave-Free Alliance**
  - A membership initiative launched by anti-slavery charity Hope for Justice, who partnered with us on ‘spot the signs’ training for Partners.

**Verisio**
- **Stronger Together**
  - We sponsor collaborative initiative Stronger Together and roll-out their training and guidance to our supply base in the UK, South Africa and Spain on detecting, deterring and dealing with modern slavery.

**Verisio**
- **The Reassurance Network**
  - We work closely with Verisio to manage and deliver our ethical audit due diligence programme. Using their Optimus software, we are able to ensure tier 1 suppliers and factories are compliant in keeping valid audits and remediate non-conformances.
MODERN SLAVERY STATEMENT

Modern slavery is one of the most severe breaches of human rights imaginable – as outlined throughout this report, we are steadfastly determined to make a difference in rooting it out and preventing human exploitation. We cannot tackle this alone and are committed to continuously sharing our insights and collaborating with external stakeholders to eradicate the problem.

This statement has been published in accordance with the Modern Slavery Act 2015. This statement outlines where, in this human rights report, you can find the steps taken by John Lewis plc and Waitrose Limited (including Jersey and Guernsey) during the year to 30 January 2021 to prevent modern slavery and human trafficking in our supply chains.

<table>
<thead>
<tr>
<th>DISCLOSURE REQUIREMENTS</th>
<th>PAGE NUMBER/S</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisation structure and supply chains</td>
<td>Page 4</td>
</tr>
<tr>
<td>Policies in relation to slavery and human trafficking</td>
<td>Page 6</td>
</tr>
<tr>
<td>Due diligence processes</td>
<td>Page 10-19</td>
</tr>
<tr>
<td>Risk assessment and management</td>
<td>Page 20-27</td>
</tr>
<tr>
<td>Key performance indicators to measure effectiveness of steps being taken</td>
<td>Page 40-42</td>
</tr>
<tr>
<td>Training on modern slavery and trafficking</td>
<td>Page 39</td>
</tr>
</tbody>
</table>

This report and statement has been approved by the John Lewis Partnership Board at their meeting on 15 July 2021.

SHARON WHITE
Partner & Chairman