



PEOPLE IN SUPPLY CHAINS

It's essential that every person in our supply chains is treated fairly and rewarded appropriately for their work, whether they grow, pick, pack, or make our products. We continually strive for transparency throughout our complex supply chains, identifying risks and taking every opportunity to positively impact workers' lives.



As global supply chains continue to grow and become increasingly complex, so too do the challenges of transparency and protecting the voice and rights of workers within that supply chain. The Partnership sources products from over 1,700 factories globally. It's important we ensure each worker within our supply chain network is treated with fairness, respect and is appropriately rewarded for their work.

This has never been more important than during the pandemic. Customer shopping behaviour shifted overnight, which increased demand on grocery supply chains and decreased demand for general merchandise. Compounded by supply chain disruption, which had an impact on imports from some countries, there has

been a direct impact on the livelihoods of those working within our supply chain. Regrettably, there have been consequent job losses.

The health and safety of the workers in our supply chain is a key priority. As outlined below, this year we have focused attention on helping workers cope with the impact of the pandemic. Where possible, we have also continued our advocacy work and the expansion of our Better Jobs beyond-audit programme.

IN 2020/21 WE FOCUSED ON:

Supporting workers throughout the pandemic.

Advocacy work in our high risk supply chains.

Expanding the John Lewis Better Jobs programme.

Shaping our People in Supply Chains strategy for the next five years.

SUPPORTING OUR SUPPLIERS THROUGHOUT THE COVID-19 PANDEMIC

- Throughout the pandemic, demand for general merchandise in the UK fell. John Lewis recognised the need to support suppliers and collaborative conversations were had as to how they and John Lewis could work together to limit the negative impact caused by changes in demand. John Lewis helped with the management of stock revision requirements and honoured payment for raw material commitments and finished products. Where workers were impacted by product cancellations or a fall in demand, John Lewis committed to help cover their wages in order to guarantee an income during the pandemic so the most vulnerable had some security. You can read John Lewis's full statement [here](#).
- Waitrose shared advice and expertise with suppliers facing challenges in factories operating throughout the pandemic. Areas included worker safety and introducing appropriate social distancing measures. The Waitrose supplier communication website Engage outlined key actions our UK supplier sites needed to take based on government guidance, including offering illustrative examples the business was taking to safeguard our Partners. Particularly at farm level, Waitrose worked with overseas suppliers to rationalise or amend product ranges which helped workers to retain their jobs. Waitrose also speeded up payments to those suppliers most at risk. You can read Waitrose's full statement [here](#).
- Waitrose collaborated on a series of eight webinars alongside other retailers and members of the [Food Network for Ethical Trade](#). Open to all suppliers, they included health and safety, social distancing guidance, and best practice regarding payment of workers' wages during periods such as self-isolation or shielding. In September a second series of webinars providing practical guidance on managing Covid-19 risks were launched as part of the [Covid-19 Winter Response Project](#).
- The Waitrose & Partners Foundation Global Fund supported its farming communities' response to the crisis:
 - In March, £200,000 was made available for emergency relief efforts, enabling an estimated 100,000 workers to access emergency food parcels, hygiene kits and awareness raising communications.
 - In October, £130,000 was made available to support those most impacted by Covid-19. Loss of income and earning opportunities particularly affected women, smallholders and temporary workers. The Foundation is running projects to provide assistance for these groups. In South Africa, the funding is being used to offer a training programme for health workers on farms, enabling them to recognise and support female workers suffering emotional and psychological stress as a result of the pandemic.

PROGRESS WITHIN JOHN LEWIS SUPPLY CHAINS

- As well as supporting our suppliers through the pandemic, John Lewis focused on continued roll out of its beyond-audit programme, [Better Jobs](#). Since inception, 49 UK suppliers are using the Better Jobs survey and over 2,600 employee responses have been collected.
 - In 2020, the UK Better Jobs questionnaire was adapted to account for the impact of Covid-19 on worker welfare, including topics such the furlough scheme and understanding the mental health of employees working throughout the pandemic. 28 UK suppliers newly joined the programme and over 700 of their employees participated in the survey. Initial findings include:
 - Over 70% of workers felt secure in their employment during the pandemic.
 - Over 70% of workers felt part of a supportive team.
 - The 2020/2021 survey has now closed and we're working with each supplier to help them address the key issues identified.
- The Better Jobs framework was adapted and piloted with 15 suppliers in our Chinese supply base. An encouraging 90% of the workforce (2,947 employees) participated in the survey providing useful data, including that 89% of workers feel they're able to openly and constructively voice opinions. We hope to share a full report on the pilot findings later this year.



2,600+

Employee responses have been collected as part of the UK Better Jobs survey, which are used to help improve working conditions and job satisfaction for the workers in our supply chains

PROGRESS WITHIN WAITROSE SUPPLY CHAINS

As well as supporting suppliers through the pandemic, Waitrose continued its supply chain advocacy work, which focused on two particularly high risk areas: human rights abuses in the fishing sector and low worker wages in the banana sector:

- The [Environmental Justice Foundation](#) and [Oxfam](#) raised concerns that the Thai government, following legal reforms which drove human rights improvements in the seafood sector, were planning to roll back on these. As part of a coordinated programme we urged the European Union to require the Thai government commit to ensuring robust human rights conditions were 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.
- Waitrose sources tuna from Korean long line fleets. In 2020 there were widespread reports of migrant workers suffering human rights abuses, in contravention of the International Labour Organisation Fishing Convention No.188 (2007) in force since 2017. We continue to work closely with our direct supplier in ensuring human rights in our direct supply chain are upheld. Waitrose is also part of an advocacy team working to persuade the Korean government to ratify the Convention.
- Waitrose, in partnership with the [Fairtrade Foundation](#), is running a programme in the Dominican Republic to improve productivity on banana plantations, focused on raising workers' incomes, creating a better working environment, and introducing better planning and training. 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, a new Fairtrade Base Wage will result in higher wages for thousands of workers, helping them to meet their basic needs.

SUPPORTING THE FAIRTRADE FOUNDATION

Our long-standing work with the Fairtrade Foundation continued, with some exciting milestones last year:

- In 2020 Waitrose moved all cocoa in its own-brand confectionery to Fairtrade. This has significantly increased the volumes of cocoa purchased on Fairtrade terms and is helping to improve income and livelihoods for cocoa farmers in West Africa.
- We achieved our ambition of offering the widest range of Fairtrade products of any physical supermarket, thanks to our commitment to be 100% Fairtrade across key own-brand categories, such as coffee and black teas; our use of Fairtrade cocoa in confectionery, and carrying a wide range of Fairtrade brands such as Cafe Direct, Clipper and Barts.
- We marked Fairtrade Fortnight by engaging MPs at the All-Party Parliamentary Group (APPG) for Fairtrade where we spoke about the importance of Fairtrade. Waitrose also celebrated with an event at the King's Cross Cookery School highlighting the beneficial impact of purchasing Fairtrade products.

⁵ Goods Not For Resale: Goods and Services purchased as part of Partnership operations.
⁶ The Partnership's most recent Modern Slavery Statement can be found [here](#).



KAYUMAS CO-OPERATIVE, JAVA

In 2019 Waitrose launched the UK's first Fairtrade Java coffee, sourced from the KSU Surya Abadi Kayumas Co-operative consisting of 150 farmers in East Java. Sales of Waitrose No 1 Java Coffee have brought the co-operative increased income through the Fairtrade minimum price, as well as additional community investment through the Fairtrade Premium.

The Fairtrade Premium funding has improved farm roads, enabling easier and safer transport of the Java coffee to market. A nursery for coffee seedlings has been created, ensuring the sustainability of the crop long into the future. The office building was also renovated and equipped with laptops and internet access. As a result, throughout the pandemic farmers have been able to access training and education in this remote region. One such training programme is a financial accounting and administration course aimed at female workers.

Over the next few years the co-operative has plans to improve its coffee processing facilities and conduct literacy courses for their older members.

THE WAITROSE & PARTNERS FOUNDATION

- In 2020, the Waitrose & Partners Foundation generated £2 million, investing in over 100 projects, in seven countries, benefiting an estimated 60,000 workers and their families.
- The Waitrose & Partners Foundation Centre of Excellence was launched. This online platform is designed to share best practice among Foundation suppliers and includes modules on women's empowerment and guidance on aligning with the [Ethical Trading Initiative](#) base code.
- The Waitrose & Partners Foundation South Africa celebrated its 15-year anniversary. Over this period the Foundation has supported more than 900 projects, of which 42% have addressed education and training needs. Foundation programmes, such as the provision of health clinics, have improved workers' quality of life and reduced absenteeism. Funding childcare and training childcare staff has created safe places for mothers to leave children while they are at work and has also promoted children's education.

- Using [Impactt](#), an independent ethical consultant, we conducted remote interviews with temporary workers across four of our biggest distribution sites with the objective of obtaining first-hand evidence of how Partners and suppliers are meeting RSCOP requirements. The results have been shared with our Partners and suppliers to highlight where improvements can be made and to ensure regular reviews are carried out.
- Prior to Christmas every year, demand for temporary and agency workers in our warehouses and distribution centres increases. Unfortunately, so does the risk of human traffickers infiltrating busy supply chains. We conducted training on spotting the signs of Modern Slavery⁶, and how to report them, for over 400 Partners who recruit and supervise temporary workers. These Partners then trained others, ensuring a wide pool are aware of the risks and impacts and how to manage them safely. In the future, we aim to conduct this training regularly throughout the year.

LOOKING FORWARD

We are proud of what we have achieved this year, supporting workers in our supply chains throughout one of the most challenging periods of modern times. Our priority is to continue to take a long-term view, working with suppliers to form mutually beneficial partnerships, encouraging employee engagement and enhancing worker conditions. We will continue to develop in-depth supply chain programmes such as the Better Jobs programme and the Waitrose Foundation. We will also collaborate with experts and other retailers on wider industry change and increase our transparency on key issues to ensure standards of worker welfare can be scrutinised and further improved.

PROGRESS WITHIN THE PARTNERSHIP'S OWN OPERATIONS

As well as supporting our suppliers through the pandemic, we continued to undertake risk assessments to fully understand working conditions within our own operations, including our 'Goods Not For Resale'⁵ (GNFR) supply chains.

- We established an internal working group to review our process for engaging with GNFR suppliers on human rights and working conditions. The new engagement programme will help suppliers understand how to comply with the Partnership's [Responsible Sourcing Code of Practice](#) (RSCOP) and the types of evidence we require.