

# Modern Slavery Statement 2025



#### Salvation Army Trading Company Ltd (SATCoL)

At Salvation Army Trading Company Ltd (SATCoL) we hold a zero-tolerance stance on acts of modern slavery and human trafficking, or on any breach of our Ethical Policy, and will not tolerate any such action by our contractors, suppliers, or consultants.

This is a statement of the steps SATCoL has taken, including those during the last financial year, in its commitment to ensure that modern slavery and human trafficking are not taking place in any of its supply chains or any part of its business. The Salvation Army has delivered the UK Government's Modern Slavery Victim Care contract since 2011 - further details are provided in this report on how SATCoL is able to support the service and survivors.

#### About (SATCoL)

Salvation Army Trading Company Ltd (SATCoL) is a wholly owned subsidiary of the Salvation Army Trust. Its core purpose is to enable the mission and provide resources to help the work of The Salvation Army in the United Kingdom and Republic of Ireland. This is achieved through the operation of a multi-faceted business including its **Clothing Collection Division** (CCD) and **Charity Shops Division** - a national chain of **260+** charity shops and donation centres throughout the UK. Other companies and brands that form part of SATCoL and help to contribute to its aims are Salvationist Publishing & Supplies (SP&S), R. Smith & Co, Studio Music, World of Brass, Just Music and World of Sound - providing resources to The Salvation Army for their ongoing charitable work, mission, witness, and worship; and producing music publications and music recordings.















SATCoL employs over 1,300 full and part time colleagues. A wealth of volunteering opportunities are offered in the Charity Shops Division and its 6,000 volunteers provide approximately 29,000 hours of support each week in shops and donation centres.

Through our various re:use and recycling schemes, SATCoL raised over £5.4m for the Salvation Army in 2024/25.

#### **About The Salvation Army**

The Salvation Army expresses its faith through charitable action by working at the heart of communities across the UK and Republic of Ireland. They have 650 churches and community centres where they offer friendship, practical help, and support to some of the most disadvantaged people in our communities.

The Salvation Army offer practical support and services to all who need them, regardless of ethnicity, religion, gender, or sexual orientation. Their work seeks to address:

- Homelessness
- Modern slavery
- Poverty
- Addiction
- Campaigning and social policy
- Older people's care
- Community needs such as debt advice, unemployment, isolation
- Family tracing support
- Salvation Army Homes provides quality accommodation for people in need of safety, security and opportunity

The Salvation Army has delivered the UK Government's Victims of Modern Slavery Care (MSVCC) and Co-ordination Services contract in partnership with the Home Office and supply chain partners since 2011. Together, they deliver accommodation, outreach, and specialist support to victims of modern slavery and trafficking across England and Wales. Since 2011, they have directly supported 24,565 victims of modern slavery and human trafficking, including 2,741 victims in the last 12 months

#### **Direct Support for Victims of Modern Slavery**

Clients within the Salvation Army Modern Slavery Victim Care and Coordination Services (MSVCC), can present a voucher at SATCoL stores to obtain clothing and footwear when their circumstances are such that emergency items are needed. The MSVCC teams have direct contact to SATCoL's 260+ network of charity shops and donation centres.

SATCoL has provided opportunities for survivors of modern slavery to gain employment skills and improve wellbeing through volunteering opportunities. In the years 24/25, 174 volunteers moved into paid roles, both within SATCoL and other organisations.



In the 2023/2024 financial year 5195 free clothing vouchers were issued to people in need, including refugees arriving from Ukraine and other parts of the world. These clothing vouchers totalled £42,083 of goods supplied to people in need. In the 2024/2025 financial year 6663 free clothing vouchers were issued, totaling £55,000. This was an increase of 1,468 clothing vouchers used and an additional £12,917 of goods to supplied to people in need.

The Salvation Army plays a prominent role in seeking to alleviate modern slavery and human trafficking. SATCoL directly supports this and recognises the need to continually review and tighten its own checks and controls in this regard.

#### **Commercial Customers**

UK and overseas commercial customers that purchase used goods from SATCoL are required to sign up to a commercial Code of Conduct, which has been designed to ensure that the downstream handling of goods is in line with our overall mission of sustainability by adhering to the following principles:

- Appropriate working conditions and contractual conditions of staff, including minimum wage and Health and Safety standards
- Ethical handling of goods through the entire value chain
- Recognised business standards, registrations, and practices in place, including Environmental plan, management, and transportation of goods.
- Minimising the remaining waste fraction and responsible disposal of waste.

SATCoL views these principles as a fundamental part of its responsibility towards the people and organisations that donate goods to us. Risk management procedures and audit programmes have been further enhanced to ensure minimum expected standards are achieved.

SATCoL works closely with all commercial customers to ensure they comply with its Code of Conduct. The company annually reviews the requirements contained therein as a basis for cooperation and requires organisations to continuously work to ensure that the handling of goods takes place in compliance with the standards as defined by our code. Furthermore, SATCoL encourages its partners to pass on the same ethical standards towards their own stakeholders. The standards in the Code of Conduct are verified by site visits and audits for new and existing partners, from whom a collaborative approach is expected. SATCoL reserves the right to make third party and/or unannounced visits to monitor compliance with the requirements.

SATCoL's UK and international customer audit timetable continues. This is supplemented with an increased emphasis on asking customers to report on:

- Sorting fractions for received goods
- Downstream destination weights of sorted goods
- Waste fractions and treatment of remains



#### **Customer & Supplier Audits**

	Number of customers	TRUST certified **	TRUST/SATCoL audits completed in last 2 years***
UK customers	15	10	9
International customers	54 (NB 25 dormant in y/e 3/25)***	n/a	22
Suppliers	6	n/a	6
3 <sup>rd</sup> Party Suppliers and Services	3	n/a	3

- \*% of Fibresort customer audits increasing as volume grows
- \*\* See later in this report for more information on TRUST
- \*\*\* Note below regarding dormant and new international customers

Our programme for international active customers is predominantly based around a biannual audit, recognising that the customer pool is dynamic with a quality & compliance focus upon new customers. Any minor issues identified for correction are followed up in a timely manner before being classified as resolved or non-conformant. Any dormant relationships upon becoming active again are automatically reinstated to the audit programme as noted above.

Please note there is a periodic review of customers based upon active to dormant as customer base can & does fluctuate.

#### Top 5 areas of non-conformances by category

A risk rating is included within the Code of Conduct audit. The chart below illustrates the five non-conformances and high-risk areas by category for all audits carried out in the past two years. Any customer with high-risk areas is not able to place any new orders and is required to take decisive and swift action to resolve non-conformance.

All issues identified are dealt with through a Corrective Action Plan (CAP) with agreed timescales for implementation. Depending on the nature of the issue, SATCoL may provide support to the customer. One of our key priorities is the wellbeing of workers.

**Fig 1:** An overview of non-conformance and high-risk areas CAP's for past 2 years for Clothing Collection Division, suppliers and third-party customers.

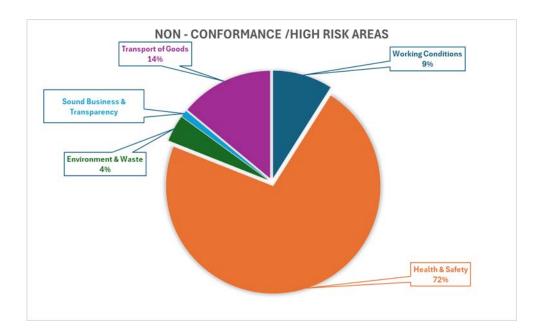
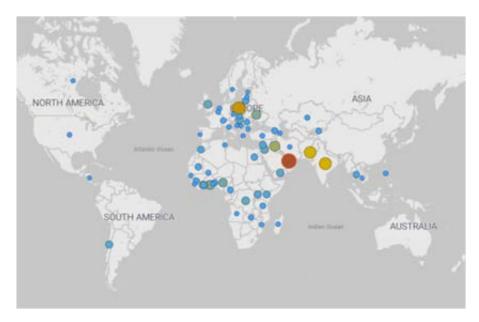


Fig 2: End route destinations for used textiles purchased from SATCoL



Darker colours indicate destinations of higher volume

#### Collaboration and Continuous Improvement

SATCoL is a member of the **European Network on Recycling** (ENoR), a group of Salvation Army representatives from across Europe who meet regularly to discuss recycling and reuse activities undertaken in each territory. The ENoR members share their code of practice relating to the sale of used goods to commercial customers to ensure consistency of approach. This includes a focus on reducing the risk of modern slavery at wholesale customer operational sites.

SATCoL is also a member of the **Textile Recycling Association** and **Charity Retail Association** and has continued to work with these groups to drive best practice through a collaborative initiative - the TRUST Forum. SATCoL holds TRUST accreditation for our UK operations. The Trader Recycling Universal Standard (TRUST) was established to set common minimum expected standards across the UK industry. Collectors, graders, merchants and sorters are able to achieve bi-annual certification through an independent audit focusing on 5 key areas:

- Sound business and professional practices
- Health & Safety
- Working Conditions (recruitment, young persons, no forced labour)
- Transport and destination of goods
- Environmental standards



Over the last 6 years, SATCoL representatives have been at the forefront of this working group, helping to develop the project objectives, define its approach to auditing and further develop its content and roll out programme. The TRUST certification is the outcome of a coalition dedicated to boosting standards within the recycling sector.

It has the backing of more than 2,500 charity shops across the United Kingdom and was formed not only from representatives of the Charity Retail Association, Textile Recycling Association, and charity retail chains, but also academics, waste reduction charities and textile recyclers, with input from the Environment Agency, the WISH (Waste Industry Safety and Health) Forum and the Chartered Institute of Waste Management (CIWM).





#### **Procurement**

SATCoL procures a range of goods that are for sale through SP&S and in our charity shops, for example, Salvationists' uniform and gift cards. SATCoL also procure a wide range of goods and services to support the running of the business, for example, vehicles, clothing banks and services such as haulage and maintenance. SATCoL currently has a supplier base of c1300 with an annual spend of £44m.

The focus is for the top 85% of suppliers to evidence their own carbon reduction plan in line with science by 2027.

To ensure the protection of human rights SATCoL has a <u>Supplier Code of Conduct</u> incorporating an ethical sourcing standard. Over the last year SATCoL has launched a revised procurement process with an emphasis on engaging and influencing suppliers in sustainability. This will ensure a consistent approach across the different business divisions as well as ensuring that suppliers' workplace standards meet the expected principles. They will encompass responsible sourcing, ethical trading, business integrity (including labour force controls) and environmental compliance.

Where applicable, verification via overseas agents for assurance is sought including anti-slavery policies as well as quality control samples and health & safety checks. Any instance or evidence found in modern slavery and human trafficking will result in immediate suspension of supply (as per our procurement policy and procedures) and findings reported to appropriate agencies for investigation.

Suppliers are required to comply with sourcing principles and ethical policies, which require them to:

- Participate in ethical trading audit assessments
- Provide employees with good working conditions, fair treatment, and reasonable rates of pay; and
- Respect workers' human rights and comply fully with all applicable laws.

The onboarding of new suppliers is now enhanced with an assessment framework through due diligence checks and a thorough approval process. The supplier audits - logistics audits based upon the SATCoL Suppler code of conduct resulted in results as follows:

- Working Conditions Questions 1-7 Range between 64 96%
- **Health & Safety Questions** 8-9 Range between 79% -100%

Scores below 81% require improvement actions through a Corrective Action Plan (CAP).

Our philosophy of continuous improvement and a desire to build long term supplier partnerships means that all issues identified are dealt with through a Corrective Action Plan (CAP) with agreed timescales for implementation. Depending on the nature of the issue, SATCoL may provide support to the supplier. One of our key priorities is the wellbeing of workers.



#### Recruitment

As an equal opportunity employer, SATCoL is committed to creating and ensuring a non-discriminatory and respectful working environment for its colleagues. All colleagues should feel confident that they can expose wrongdoing without any risk to themselves.

SATCoL recruitment and people management processes are designed to ensure that all prospective colleagues are legally entitled to work in the UK and to safeguard colleagues from any abuse or coercion.

#### SATCoL policies include:

- Equality Diversity & Inclusion
- Recruitment and Selection
- Harassment and Bullying
- Employee Code of Conduct

SATCoL's Employee Code of Conduct and company values demonstrate the importance of compassion and respect for others. The company's core values are central to everything it does under the theme Dare to Care. At SATCoL's annual conference in mid-2024, the theme was Dare to Care...for our Colleagues and the focus for 2025 was *Dare to Care...for our community*.

#### SATCoL's core values are:

- Compassion
- Accountability
- Respect
- Equality



# Our values are:

## Compassion

We think of others first. We will show acts of kindness, being considerate of others, always seeking to encourage and motivate our colleagues and being polite and helpful towards our customers.

## **Accountability**

We aspire to be the best we can be at work. We expect everyone to work to the best of their ability, to deliver on their promises, always acting with integrity and in the best interests of the company.

### Respect

We believe in teamwork and collaborative working. We see equal value in all our colleagues, irrespective of their role, appreciating their unique attributes.

## **Equality**

We value diversity and inclusivity, trying to create work environments which allow people to flourish. We believe that working with people of different backgrounds, cultures and thinking styles helps colleagues grow.

## Our core purpose is:

Enabling mission and providing resources to help the work of The Salvation Army.



As an employer, SATCoL does everything possible to avoid inadvertently engaging those who present themselves as looking for work but who are, in fact, 'controlled' by a third person. Safe recruitment practices are followed, ensuring that appropriate pre-employment checks are undertaken when offering a role, whether permanent or temporary, agency worker or contractor. This includes right to work and disclosure checks, where appropriate. All store managers are now DBS checked and required to undertake Safeguarding training.

The recruitment of colleagues is managed in-house. Where it is necessary to engage an agency to secure workers for employment, the agency is from a preferred supplier list. Each agency on the list has been carefully selected and is required to conduct a rigorous recruitment process to minimise safeguarding risks as well as slavery and human trafficking risks.

SATCoL seeks to treat all colleagues with dignity and respect, provide safe working conditions, and act ethically and within the law. A **wellbeing commitment** has been developed to integrate with the company's values recognising that today, more than ever, wellbeing challenges in society and the workplace threaten to undermine the health of individuals and the organisations they represent.

#### **Training**

Training is an important part of effective human rights practices. SATCoL therefore undertakes efforts to build awareness about human rights issues within the supply chain and more widely. The Salvation Army Anti-Trafficking Unit based in London, offers a service that provides support and secure accommodation to stop people being sold into sexual exploitation, forced labour, slavery etc. The department has close ties with SATCoL and is an additional valuable resource for advice and guidance in the mission to prevent slavery and human trafficking. For further information go to: www.salvationarmy.org.uk/modern-slavery

• SATCoL includes a training module on its e-learning platform, The Learning Booth, called Modern Slavery Essentials. This includes a range of learning activities to develop understanding of modern slavery by highlighting the extent of modern slavery and human trafficking in the UK. It explores typical signs of exploitation and how to report concerns using example case studies. This course is available to all colleagues, including volunteers, and has been completed by almost 300 colleagues. As procurement procedures are enhanced, colleagues involved in buying or procurement and the recruitment and deployment of colleagues will receive training on modern slavery and ethical employment practices.

In October 2024, SATCoL again marked Anti-Slavery day with a campaign promoted on its internal communication platform, re:connect, entitled #wearenotforsale, reminding teams that colleagues at The Salvation Army work hard to address modern-day slavery through many ways; including transporting adult-victims to a safe place, raising funds for the victim care fund, helping rebuild lives and to support the message that people are not for sale and should never be treated as a commodity. SATCoL teams were encouraged to:

- Share social media posts on Anti-Slavery Day to shop or personal accounts.
- Buy a 'tattoo' from the SP&S shop to wear on Anti-Slavery Day -and post a photo on social media accounts to help raise awareness.



<u>Download and read the Year 12 report on The Salvation Army's Modern Slavery Victim Care Contract.</u>



Given that The Salvation Army is a recognised specialist in modern slavery support for England and Wales, senior officers from the Salvation Army Anti-trafficking unit have briefed SATCoL teams on this topic at annual conferences and SATCoL has immediate access to advice and guidance documentation. Clear steps are in place on what action should be taken if slavery or human trafficking is suspected and how colleagues can escalate potential slavery or human trafficking issues to the relevant parties within The Salvation Army.

#### **Whistleblowing Policy**

A whistleblowing policy is operated, aimed principally at colleagues, but also applicable to others working in supply chains which encourages anyone to report any wrongdoing which extends to human rights violations such as modern slavery. All reports are fully investigated, and appropriate remedial actions taken.



This statement is made pursuant to section 54 (1) of the Modern Slavery Act and constitutes SATCoL's Slavery and Human Trafficking Statement for the period to 31st March 2025. It has been reviewed and approved by the Board of Directors.

**Tony Hosking** 

Chairman Board of Directors: Salvation Army Trading Company Limited

**Trevor Caffull** 

Managing Director: Salvation Army Trading Company Limited

30th September 2025

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