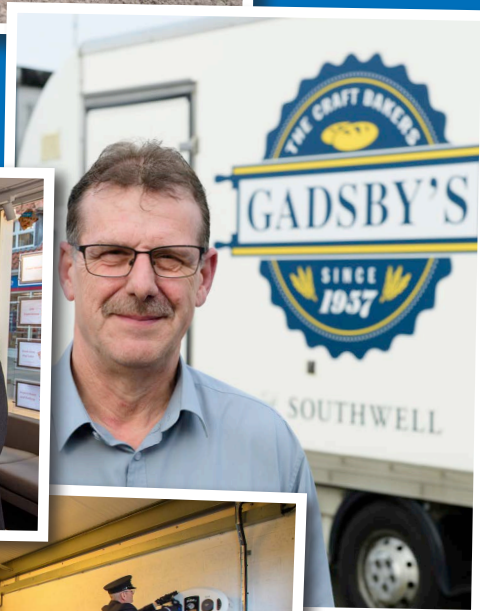


HALF YEAR REPORT

Period ending 5th March 2022



OUR PURPOSE

Bringing together **ideas, energy and resources**
to make **life better in our communities.**

BOARD OF DIRECTORS



David Cowell
Chair



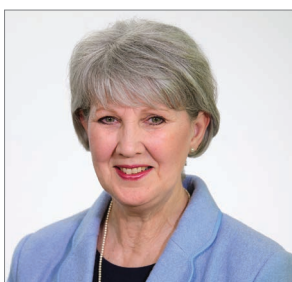
Jane Moate
President



Claudia Nel
Vice President



Steve Hughes
Director



Julia Romney
Director



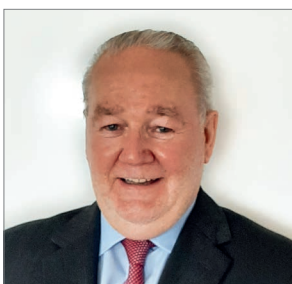
Richard Wills
Director



Ian Haldenby
Director



Jackie Munn
Director



James Scott
Director



Nicola Berry
Director



Margaret Tranter
Director

Two long-serving Directors, Stuart Parker and Rev Barbara Hutchinson, retired from the Board and our Group Secretary Jane Powell also retired at the end of last year. We thank them for their long and diligent service to the Society.

We were pleased to welcome James Scott and Jackie Munn as new Directors following our elections in November 2021.

OVERVIEW

All of our business areas encountered challenges as they continued to deal with the impact of Covid-19. From changing restrictions to staffing pressures caused by self-isolations – the pandemic was still ever-present.

Comparing this half year (September 21 to March 22) to the same period in the last financial year is difficult because the trading environment was so different due to the pandemic. Last year, there were national lockdowns and tough travel restrictions in place whereas this year, restrictions were eased.

It means we've seen the impact of people travelling again, whether it's a car journey or a holiday. Sales increased from £0.5 million to £16.6 million in travel branches, made up of both new bookings and previous bookings which were delayed and which we are now accounting for. Sales were also up 61 per cent in our petrol stations.

In food, our teams dealt with the impact of a volatile supply chain which caused shortages across our range last autumn, though sales remained steady, assisted by two store openings in 2021.

Income rose by 1.9 per cent in pharmacies and the number of prescriptions we dispensed went up by 1.3 per cent. We were also heavily involved in the pandemic response, whether distributing over 56,000 lateral flow tests or administering Covid-19 vaccinations.

The lifting of restrictions has meant that colleagues in our funeral homes and crematoria can provide a wider range of services again, which is welcome for clients.

We are working through the changes to funeral plan regulations, due to come into force in July, which will give customers stronger consumer protections.

Overall, our sales in the first half year rose 14.5 per cent from £170.7m to £195.4m. This is mainly down to the huge sales increase in travel.

Our group trading surplus rose 8.2 per cent from £8.2m to £8.9m.

The uncertain economic conditions, inflation and rising costs mean there are tough times to come for the public and businesses. This is a risk we are preparing for in the second half of the year and beyond.

But we're a strong and resilient business and despite those pressures, we're continuing to grow and support our communities.



MEMBERSHIP

We were able to hold our first in-person events for two years in December 2021. We held seven annual members' meetings and combined two of them with online streaming for those who wished to take part from home. Thank you to the 650 members who joined us.

8,630 members signed up for dividend cards this half year, including 747 junior members. Our free fruit scheme is still popular, with 18,143 apples, oranges and bananas given to youngsters in January 2022.

We started out back in 1861 with just 74 members and this year, we celebrated signing up our 300,000th – David Todd from Tattershall (pictured below, left).

We held a celebration at Mr Todd's local outlet, Tattershall Food Store, and gifted him £300 in dividend. 300 other members were randomly selected to receive £30 dividend onto their cards.





PROVIDING AND SUPPORTING VALUED SERVICES

Our colleagues are vital to providing our valued services across our communities and we recognised lots of them during Colleague Awards Week 2022. We gave out our Branch of the Year honours and bestowed awards on individuals and teams who have gone the extra mile.

The prestigious overall Team of the Year award was given to the group of colleagues involved in setting up our two Covid-19 vaccination centres – the first of which was operating less than a month after applying to deliver the service.

It's continued to be a challenging time for our colleagues.

We've kept offering coaching and counselling and have given our team 'thank you' gifts including mugs and a grow-your-own sunflower kit. Extra colleague discount during January gave everyone a welcome boost. And the profit share bonuses paid in November 2021 and April 2022 saw colleagues given the equivalent of over a week's extra pay.

We support the Association of Convenience Stores' ShopKind campaign and Usdaw's Freedom from Fear initiative, both aiming to raise awareness and campaign on violence against shopworkers.

Looking to the future, we have an extensive pipeline of services in development. Work is ongoing on four new food stores in Skellingthorpe Road in Lincoln, Retford, Barnetby and Barrowby. We have also secured planning permission for a new funeral home in Horncastle, which will provide our clients and colleagues with a much-improved environment.



▲ Award-winning outlets including Argyle Street Food Store in Boston (top) and Old Leake Post Office (above).



▲ We gave grow-your-own sunflower kits to colleagues.

▼ A CGI image of our new store in Retford, due to open later this year.





CARING FOR OUR HEALTH AND WELLBEING

Our two Covid-19 vaccination centres in Newland Pharmacy, Lincoln, and Parkside Pharmacy in Boston remained busy during the half year.

We also extended our community flu vaccination service in the autumn, running clinics giving free flu jabs to eligible adults in 11 community centres. Our colleagues were also all able to take advantage of a free flu jab if they chose to do so.

As healthcare settings, our pharmacies are subject to tougher Covid-19 restrictions but still provide a range of vital community health services. More referrals are coming from GP practices and the 101 non-emergency system, and our New Medicines Consultation Service numbers grew.

We were able to share the good work we do – and the challenges we face – when two local MPs toured our branches.

MP for South Holland and The Deepings, Sir John Hayes, visited Holbeach Pharmacy and MP for Boston and Skegness Matt Warman went to Parkside Pharmacy in Boston with representatives from Community Pharmacy Lincolnshire, the body that represents community pharmacies in the county.

Our network of over 60 volunteer-run wellbeing walks are now up and running again. We're introducing new routes too.

Part of the national Ramblers Wellbeing Walks scheme, these walks provide social interaction and companionship as well as exercise. We're thankful to all our walk leaders and participants who make the initiative such a success.

COMMUNITY CHAMPIONS

Members, colleagues and customers help us raise money for good causes through our Community Champions scheme.

From growing projects to community cafes, local food sustainability groups benefitted from an incredible £186,909 worth of donations in November 2021.

Kids clubs, cooking classes, and communal spaces for learning about reducing waste and healthy eating – these were just a few of the 27 projects in the local area to receive help from the scheme.

From December 2021 to March 2022, we were fundraising for 259 local community groups and



▲ Covid vaccination centres (top) and community flu clinics (above) were busy.



▲ One of our volunteer-run health walks which have now restarted.



charities. They ranged from local brownie groups, sports clubs, environmental projects and many more. We were able to split a total of £212,265 between these deserving good causes.

Our current Community Champions are charity Breast Cancer Now and we're undertaking sponsored walks and bike rides, hosting fundraising events in our outlets, and selling pin badges in selected outlets.



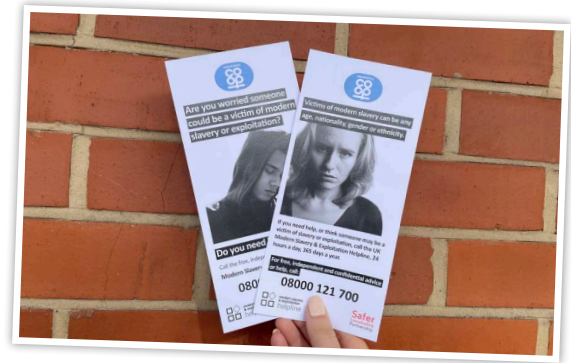
HELPING TO GROW THE LOCAL ECONOMY

Recruitment is a challenge for many employers now, due to the pandemic and economic uncertainty. We have faced our own difficulties across our business.

One way to address this is to offer opportunities to people who need to develop their skills to become work-ready. We do so through several schemes, including Get into Retail run in conjunction with The Prince's Trust, and the government's Kickstart initiative. In total, 31 people completed these two programmes this year and 20 of them were offered positions with us.

Before Christmas, we undertook two appeals designed to help local people during the festive season and beyond. Our Travel's Toy Bank campaign saw an estimated 680 gifts donated to our travel branches, which then shared them amongst good causes supporting disadvantaged families in the area.

We ran our Food Bank Advent Calendar in food stores, encouraging people to donate a different item to their local food bank every day in December. The scheme is designed to ensure the organisations have enough in stock to help people in January, when donations are traditionally lower.



In support of Anti-Slavery Day, our pharmacies distributed over 4,500 leaflets and printed helpline details on almost 13,000 receipts. Victims of modern slavery find themselves isolated, however they are often able to access healthcare settings independently. We hope this campaign enabled this potentially life-saving information to get to those in need.



◀ We received lots of donations for Travel's Toy Bank appeal.

Our Food Bank Advent Calendar campaign supported food banks. ▶

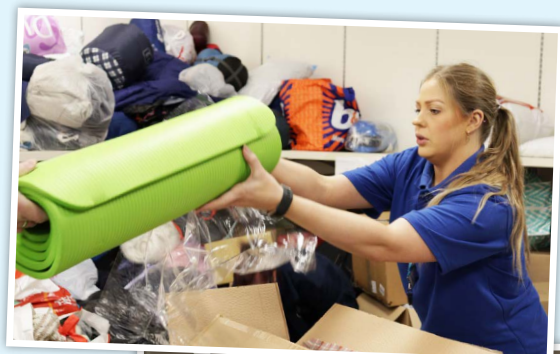


SUPPORT FOR UKRAINE

Colleagues, members and customers banded together to support those displaced by the crisis in Ukraine.

Our pharmacies hosted collection points for essentials as part of a collection organised by the Polish School, Lincoln. All the items are transported to Poland and distributed by Fundacja Ermed, a charity working on the ground supporting Ukrainians.

We also supported the Disasters Emergency Committee's Ukraine Humanitarian Appeal with a £10,000 donation. The appeal is working to provide food, water, medical assistance, protection, and trauma care in Ukraine and surrounding countries.





LOOKING AFTER OUR LOCAL ENVIRONMENT



We have an environment group, which has representatives from across our businesses, reviewing our activities and identifying ways to lessen our environmental impact.

This year, we have appointed a Sustainability Advisor to help us set meaningful goals for Science Based Targets initiative (SBTi).

Through our outlets and sites, we offer 10 charging points for electric and hybrid vehicles. And we're looking to introduce new technology to our own fleet.

We now have four hybrid vehicles in funerals – two limousines and two hearses. The emissions are around a quarter of what traditional vehicles produce. They also offer another benefit; in electric mode, they're quieter, fitting for arriving at a ceremony venue.



Alongside FareShare Midlands and other organisations, we were one of the founders of the Lincoln Food Redistribution Hub. It takes unsold food from retailers and suppliers and shares it between organisations that can use it to support people in need.

A CGI image of the inside of the former Barbican Hotel in Lincoln, which is being converted into a creative hub. ▼

Between the launch in July 2021 and February 2022, the pilot project has redistributed over 65,600kg of food, the equivalent of 156,195 meals, to over 20 groups.

Looking after the local environment is also about making the best of our surroundings. And we're part of an exciting project to give one of Lincoln's most iconic buildings a new lease of life.

In partnership with the University of Lincoln, our property team are transforming the former Barbican Hotel on St Mary's Street. It will be redeveloped into a much-needed creative and social space for the city, reopening in 2023 as The Barbican Creative Hub.

A membership scheme for the hub will allow access to specialist workspaces, networking opportunities and support programmes to encourage business growth. The hub will include a café, office, retail space and gallery where artists can create and display work for visitors to enjoy.

This year, we were honoured at the Greater Lincolnshire Construction and Property Awards for our work on the adjacent Cornhill Quarter project. Our team walked away with the Development of the Year (over £5m) Award.




Half Yearly Meeting and Summer member event



Join us for the Half Yearly Meeting as well as a free and exclusive environmental event at Lincolnshire Showground.



- Listen to engaging talks on environment and sustainability including Environmental Entrepreneur and Author Ed Gillespie.
- Engage with our exhibitors and take part in activities.
-  Enjoy a delicious local produce BBQ and afternoon treats.
- A chance to have your say in a Q&A.

Plus, hear from our Board of Directors in the Half Yearly Meeting from 1pm.

Half Yearly Members' Meeting Agenda:

1. To Receive the Minutes of the Meeting Held on 9th December 2021
2. To Receive the Directors Half Yearly Report

Any member who has joined within the last 6 months will not be entitled to vote.

Written questions on the Directors' Half Yearly Report must be submitted in advance to secretariat@lincolnshire.coop 48 hours before the meeting. Questions for the live Q&A session can be submitted on the day.

For and on behalf of the Board of Directors: M. Borrill, Interim Secretary.



Can't attend in person? Book your place to watch the meeting and Q&A online. Places must be booked in advance, with tickets available on a first come first served basis. **For more details or to book your place:**

 lincolnshire.coop/summermemberevent  **01522 781 135** (Mon-Fri, 8:30am-5pm)

