

John Lewis Partnership

This document is the archived John Lewis Partnership sustainability report for the year ended 28 January 2017 at <http://www.johnlewispartnership.co.uk/csr.html>

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Our Responsibilities

Welcome to our Corporate Responsibility report 2017. We no longer publish a printed report - instead these 'Our responsibilities' pages provide a detailed annual review of our approach to Corporate Responsibility, the challenges we are addressing and the progress we've made.

There are far-reaching changes happening in society, the workplace and in the retail market. Technology is changing the workplace, altering the way customers shop, the choices they make and the way retail

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businesses work. The UK population is getting older, yet diseases associated with unhealthy lifestyles are becoming more prevalent. Economic and political uncertainty is putting even greater pressures on global supply chains and the people that work in them. Natural resources are becoming more fragile. To remain successful, we need to adapt and respond to these trends. Taking a long-term perspective helps us to have a clear view of what we need to do to stay successful in the coming years. These pages set out our thoughts and strategies in response to these trends.

Our business strategy - It's Your Business 2028 - is designed to position us well for the future. Democratic vitality is our vehicle for success as Partners continue to influence the business at all levels of the Partnership through our democratic structure. To find out more read [our Annual Report and Accounts 2016/17 \(PDF 10.35MB\)](#).

Our approach

Our materiality process began in 2014 and has enabled us to identify and prioritise the issues that are most important to our business, and to plan and invest accordingly. In 2016, we began to review these issues and our approach to Corporate Responsibility taking into account the new business strategy, feedback from stakeholders and emerging trends. The tables below explain how Corporate Responsibility links to the business plan and how the Constitutional rules and principles guide our aims.



Our aims	How our Constitution underpins our aims	Strategic pillar this supports
<p>We will support the happiness of Partners by promoting financial, physical, mental and social wellbeing. We aim to help Partners find meaning in their work.</p>	<p>Principle 1: 'The Partnership's ultimate purpose is the happiness of all its members, through their worthwhile and satisfying employment in a successful business.'</p> <p>Principle 4: 'The Partnership aims to employ and retain as its members people of ability and integrity who are committed to working together and supporting its Principles...'</p>	<p>Better Jobs, Better Performing Partners, Better Pay</p>

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Our aims	How our Constitution underpins our aims	Strategic pillar this supports
<p>Together with Partners, we want to build the skills of future generations and create better places for people to live, work in and enjoy. We aim to improve accessibility and inclusion - both in our shops and in the day-to-day lives of people struggling with social isolation.</p>	<p>Principle 7: The Partnership aims to obey the spirit as well as the letter of the law and to contribute to the wellbeing of the communities where it operates.'</p>	<p>Better Jobs, Better Performing Partners, Better Pay</p>



Our aims	How our Constitution underpins our aims	Strategic pillar this supports
<p>We strive to build customer confidence in the products and services we sell and the way we sell them. We want to help customers make positive choices about their health. We want to know where and how products have been grown, sourced or made and who made them.</p>	<p>Principle 5: 'The Partnership aims to deal honestly with its customers and secure their loyalty and trust by providing outstanding choice, value and service.' Rule 96: 'The Partnership's relationships with its suppliers must be based, as with its customers, on honesty,</p>	<p>Stronger Brands and New Growth</p>

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	<p>fairness, courtesy and promptness. It looks for a similar attitude throughout its supply chains. In particular, the Partnership expects its suppliers to obey the law and to respect the wellbeing of their employees, their local communities and the environment.'</p>	
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Our aims	How our Constitution underpins our aims	Strategic pillar this supports
<p>We will reduce our reliance on natural resources, using them as efficiently as possible for as long as possible, then recovering and regenerating products and materials at the end of life so that they can continue to add value.</p>	<p>Rule 109: 'The Partnership must take all reasonable steps to minimise any detrimental effect its operations may have on the environment and to promote good environmental practice'</p>	<p>Financial Sustainability</p>

Governance

When John Spedan Lewis set up the Partnership, he created a [Constitution](#). This clearly defines how the business, and individual Partners, are expected to behave towards customers, suppliers, the environment, the wider community and each other. Our governance arrangements continue to provide a sound system of internal control. They ensure we keep pace with the rapidly changing external environment while staying true to our Constitutional commitments.

Our Corporate Responsibility Committee

Our Corporate Responsibility Committee is chaired by an independent Non-Executive Director, and comprises an additional Non-Executive Director, two Elected Directors, an independent advisor and the Partners' Counsellor.

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Dame Fiona Reynolds, external independent member of the Corporate Responsibility Committee says: 'We've worked hard this year to establish an integrated approach and clear vision for corporate responsibility across the whole Partnership, and we are now working towards its implementation'.

The Committee is responsible to the Board for the oversight of the Partnership's Corporate Responsibility Policy and objectives. It ensures these are consistent with the Partnership's obligations under the Constitution towards Partners, customers, suppliers, competitors, the environment, and communities in which we operate. It also makes sure that our policies and objectives are effective in safeguarding the Partnership's corporate reputation.

In 2016/17, the Committee held four meetings and was engaged in the following activities:

- **Organising Framework:** Much of the Committee's energy this year has been focused on oversight of the development of a single Partnership CR Organising Framework, which will help the business to develop its Corporate Responsibility strategy to support the Partnership's business plan. See our approach for further detail.
- **Narrative reporting:** The Committee reviewed and endorsed this report and [Human Rights & Modern Slavery Report 2016/17](#) incorporating the Partnership's Modern Slavery Act Statement.

Download:

- [The Corporate Responsibility Committee Terms of Reference](#) (PDF 20KB)
- [The Committee Report in the Annual Report and Accounts 2017](#) (PDF 10.4MB)

Managing Corporate Responsibility

Divisional Management Boards, supported by steering groups and committees, are responsible for ensuring our Corporate Responsibility (CR) Policy is implemented within each division. The Partnership's dedicated CR team is responsible for developing our CR strategy, policies and objectives. With its technical knowledge and expertise, this team supports the divisional teams and the wider business, providing guidance and support to deliver a wide range of projects and initiatives.

Our Reporting

As an employee-owned business we operate democratically. We also aim to extend the principles of fairness, openness and transparency to our broad range of stakeholders outside the business. Every year, since 2001, we have publicly reported our Corporate Responsibility performance and provided information about how we manage our most important social and environmental issues.

We no longer publish a printed report - instead these 'Our responsibilities' pages provide a detailed review of our Corporate Responsibility performance and management to the year ended 28 January 2017, unless otherwise stated. Here we focus on our activities, progress and highlights at sites under our operational control. Sites operated by shops under licence or by franchisees (both overseas and Welcome Break franchises) are excluded from this scope.

In 2016 we published our first Human Rights and Modern Slavery Report which exceeds the requirements of the Modern Slavery Act Transparency In Supply Chains clause in the Modern Slavery Act. Our [second report \(PDF 1.6MB\)](#) provides an update on the progress we have made over the course of 2016/17.

Download our [Annual Report and Accounts 2017](#) (PDF 10.4MB).

[See our website](#) for the full archive of our previous reports.

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Independent Assurance

We engaged KPMG LLP to undertake an independent limited assurance engagement, reporting to the Partnership, over selected information included in 'Our responsibilities' pages for the year ended 28 January 2017. We have marked this information with the symbol [*]. KPMG also assured our description of our internal review process below. KPMG used the assurance standard ISAE 3000 and, for greenhouse gas information, ISAE 3410. KPMG has provided an unqualified opinion on the selected information and process descriptions.

The level of assurance provided for a limited assurance engagement is substantially lower than a reasonable assurance engagement. In order to reach its opinion KPMG performed a range of procedures, including interviews with management, consideration of reporting systems, site visits to and testing at a number of our locations and testing of the aggregated selected information. A summary of the work KPMG performed is included within its assurance opinion.

Non-financial performance information and greenhouse gas quantification in particular, is subject to more inherent limitations than financial information. It is important to read the selected information and process descriptions in the context of KPMG's full limited assurance statement and the reporting criteria in the appendices of this report.

Internal Review

For the remaining information within 'Our responsibilities' and our Human Rights report, the Partnership's Group Corporate Responsibility team (the 'team') determines which assertions are deemed to be high risk - those determined by the team to have an inherent high risk of error and-or impact on reputation if mis-stated. The team then carries out testing which includes a range of evidence-gathering procedures. For some assertions this might be limited to making enquiries of other Partners, while for some it may include corroborating information with third-party documentation, or recalculating data sets.

Where the team is unable to obtain what they consider appropriate corroborating evidence, the assertion is not published or amendments are made where evidence contradicts the assertion.



Be the happiest, healthiest retailer

The profile of the UK population is changing and so, too, is the workplace. We are now seeing more generations and more diversity in the workplace than ever before. People have a broader spectrum of needs as public health services face increased pressure. Businesses that take steps to promote wellbeing are more likely to have staff that are engaged, loyal, productive and less likely to take time off sick. Find out more about our ambitions for 'Better Jobs for Better Performing Partners on Better Pay' in the [Annual Report and Accounts 2017](#) (PDF 10.4MB).

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Our aims and how these support the business plan

Given the changes we are seeing in the makeup of our workplace, we need to adapt our offer to ensure it remains fit for purpose. We aim to support the happiness of Partners by promoting financial, physical, mental and social wellbeing and supporting Partners in finding meaning in their work. This in turn will lead to better performing Partners who are better able to perform their roles and are more productive and engaged in their work.



On World Mental Health Day 2016, we signed the 'Employer Pledge' of the [Time to Change](#) campaign.

What we are doing

- The Partnership offers some of the best opportunities for people to get into work and get on in life. We aim to provide meaningful jobs with better pay and return value in the form of rewards, wellbeing, skills and opportunities. This goes to the heart of the purpose of the Partnership.
- In 2017, we will review and strengthen our wellbeing proposition. Our aim is to empower Partners to look after their health and wellbeing, providing the right working environment and support as needed.

Health and wellbeing

Our Founder John Spedan Lewis fostered a culture which put the health and wellbeing of Partners at the heart of our organisation.



Reviewing our proposition

Since the Partnership was founded, we believe that the financial, physical, mental and social wellbeing support we provide to Partners has made us an employer of distinction.

In 2017, we will review and strengthen our wellbeing proposition to align it with the changing profile of our workforce and its needs. Our ultimate goal is to influence Partners to change their behaviours in order to lead healthier lifestyles. We want to help Partners flourish as individuals by providing them with the right working environment as well as support and education as needed. Part of this approach will be empowering Partners across the country to undertake their own tailored initiatives.

Mental health

Partnership Health Services provides specific medical advice in relation to Partners' health, their work environment and the impact this has on their productivity. It also provides specialist support, including physiotherapy and podiatry. It also provides support for mental health which we believe underpins wellbeing.

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The Partnership has made a pledge to join the 'Time to Change' campaign as part of its commitment to supporting mental health. This is a programme that aims to change public attitudes about mental health by encouraging others to challenge stigmas and talk openly about their own mental health experiences. We aim to build on the services we already offer through functions such as Partnership Health Services and Partner Support in Registry, services which provide confidential health and emotional support for Partners.

Tracey Killen, Director of Personnel, says 'We have always believed that the wellbeing and happiness of our Partners is inextricably linked to the success of our business. By signing the Employer Pledge, as part of 'Time to Change' we want to demonstrate that commitment, building on the existing support we give to Partners, by further raising awareness of mental health, investing in our line manager training and encouraging our Partners to talk openly about this important subject.'

Partnership Health Services also introduced a new approach to psychological service delivery during 2016 by moving to one national provider, Rehab Works, which offers a range of counselling and cognitive behavioural therapies based on each Partner's needs.



Enhance community wellbeing

Our success relies on whether or not the communities in which we operate continue to thrive. By investing in our local communities, we are helping them tackle the issues that affect them, our Partners and our customers.

Our aims and how these support the business plan

- We want to build the skills of future generations and create better places for people to live, work in and enjoy. We want to improve accessibility and inclusion - both in our shops and in the day to day lives of people struggling with social isolation.
- Creating meaningful and rewarding employment depends on providing Partners with the opportunity to step out of their day-to-day roles, learn new skills and grow their confidence; to discover more about themselves and make new connections. Engaging with communities allows Partners to do this.

What we are doing

- In 2016/17 we invested £11.5m* in the communities in which we operate through cash, in-kind, volunteer hours and management hours.
- We use the strength of our brands as a force for good. Whether that's through campaigns that connect our customers with causes that are important to us, by being active in hundreds of communities where our shops are located or through the many connections we have with suppliers overseas and in the UK.

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- We encourage decision making at a local level – supporting Partners to invest their time, skills, resources and expertise in communities where they live and work.

Skills for life and work

The UK economy is facing a growing skills, qualifications and experience gap leading to stalling productivity levels. We believe we have a role to play in supporting future growth and prosperity and we do this by inspiring younger generations to unlock their potential. We run a number of programmes to help them grow in confidence, understand more about the world they live in, and to equip them with the skills for success.

John Lewis

Our schools programme

John Lewis's flagship free education programme 'Bringing Skills to Life' is now in its fifth year and involves Partner time and the provision of curriculum resources. Through this programme we aim to equip and inspire children with the mind-sets and skills needed for innovative thought and action. The programme comprises of five key themes - Design and Make, Cook and Share, Storytelling, Technology and Innovation. The resources provide teachers and parents with easy-to-follow lesson plans and additional workshops are delivered by John Lewis Partners either in our shops or in the classroom.



School engagement is high, with some participating year-after-year. Our Christmas resources continue to be popular, providing curriculum-linked activities and lessons, as well as free-prize draws, along the theme of our Christmas advertising campaign. In addition we run an annual Innovation competition, where 9-11 year old students put their innovation skills to the test to solve real business challenges.

For further information and resources, visit the [Bringing Skills to Life resource site](#).



Barnardo's

Our partnership with Barnardo's began in 2014 to complement Bringing Skills to Life. Together, we focus on skills development programmes and the empowerment of young people. Over three years, we have raised more than £1m for the charity. Our partnership has enabled numerous meaningful volunteering opportunities, drawing on and leveraging expertise.

Partners across the organisation have dedicated their time and effort towards fundraising, campaigning, sourcing gifts-in-kind and volunteering. Partners have visited schools and talked to children about Barnardo's; they have read children stories in over 72 schools, lent their visual merchandising skills to Barnardo's shops and given makeovers to children's services, such as gardening and refurbishments.

Tony Garner, a Partner at the Oxford Street branch worked as a paid volunteer through the Golden Jubilee Trust scheme at Barnardo's Bow Nursery for six months. Our Trafford branch hosted a 'Catering

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on a budget' workshop for Barnardo's Care Leavers who attend The Curve Manchester Leaving Care project. Emma Marchant, John Lewis's Manager of Sustainable Communities, joined Barnardo's as its 150th Anniversary Campaign Director. Full-time for nearly a year, Emma continues to keep in touch with the team and assist Barnardo's work.

The volunteering support received from John Lewis has given young carers the chance to 'be children' once more through fun activities and provided care leavers with the skills needed to live independently in a supportive environment.

John Lewis fully funded Barnardo's Early Intervention programme known as 'Five to Thrive' to help provide babies with the 'building blocks for a healthy brain'. This focuses on five key activities to help children from birth to the age of five bond with their parents: Respond, Cuddle, Relax, Play and Talk. More than 3,400 Barnardo's practitioners nationwide have been trained in this approach. Parent 'ambassadors' have also been trained to champion 'Five to Thrive' within their communities. A 12-month follow up survey of practitioners shows that the training has resulted in a significant improvement to the way they work with families.

Waitrose

'Grow and Sell'

Waitrose's work with schools has continued to go from strength to strength. Through our 'Grow and Sell' scheme, stores distributed almost 3,000 seed kits to local schools in 2016. This has helped children learn about where food comes from, the impact of the seasons and the fragility of growing produce. The scheme has also given them the opportunity to develop their entrepreneurial skills by selling their produce outside our shops or at their school fête.



'Work ready' with Business in the Community

Through Business in the Community's Work Ready programme we provide work placements for people who would otherwise struggle to find employment - whether that's as a result of homelessness, lack of training and qualifications or substance abuse. This year, we offered 34 placements and participated in the Unspent Criminal Convictions pilot - providing a placement for two ex-offenders who are now in discussions with us about ongoing employment opportunities.



'Coming Home'

In 2016 we produced 'Coming Home' - a book aimed at primary school children which was inspired by this year's Christmas TV advert. We sent 24,000 primary schools a copy of the book, along with a series of free lesson plans and craft ideas for teachers and pupils to help explore the book. These are aligned to the Key Stage 2 school curriculum in the areas of literacy and science. For every book produced, we donated 50p to homeless charity Crisis raising over £57,000.

Modern slavery workshops with Just Enough UK

Just Enough UK educates children about difficult subjects such as the risks of modern slavery and radicalisation. We

sponsored the charity to establish its name and services across the UK. Since our sponsorship started in 2016, 9,360 children and young people aged 8 - 16 years have been educated through workshops on the signs of slavery so children can report anything suspicious to the Modern Slavery Helpline or the Police.

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Waitrose's donation has enabled the charity to work in 137 schools and directly with victims of trafficking to build their confidence and learn English. Our support has also successfully established a more tailored programme with the Anti Slavery Commissioner for schools in the priority counties of Kent, Lincolnshire and Cambridgeshire - regions at higher risk of modern slavery

Inclusion

We know that many people across the country suffer from a sense of social 'isolation' - caused by a lack of social or family contact, a disability, or limited access to community involvement or to services. Social isolation impacts on health and wellbeing at different stages of life and brings with it significant costs to health and social care services. We aim to create an inclusive and accessible shopping experience and run and support a number of programmes that enhance social connections.

Inclusive shopping

Creating an accessible shopping environment

We run a number of programmes to help make our shops inclusive and accessible to all. [Alzheimer's Society's](#) Dementia Friends programme is the biggest ever initiative to change people's perceptions of dementia. We have been trialling training for Partners across our shops to help them understand more about the signs of the disease and how to support people with it. So far over 30 Partners have been trained as Dementia Friends Champions.

To become a Dementia Friends Champion, Partners need to attend a full day's induction run by the Alzheimer's Society, during which they learn about dementia and how to deliver an information session to others. To date, over 1000 people have registered as Dementia Friends from the sessions our Partners run for colleagues and the local community, some of which have been hosted at our Community Hubs in stores.



Dawn Stokoe, PR & Marketing and Community Liaison Co-ordinator, John Lewis High Wycombe said of the training: 'What I love about running Dementia information sessions is the fact that the material is easy to deliver and engages and enlightens people. One Partner attended a session on a Wednesday and the next day came to find me because she had just served [a customer] who was very rude and abrupt with her. She would have taken it badly if she hadn't [been made aware] that this woman was living with dementia. Because of the training the Partner was able to handle the situation in a positive way.'

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John Lewis York has worked with the organisation Signature to provide 15 Partners with British Sign Language (BSL) training. Now, they aim to ensure that there is always a trained deaf-aware Partner qualified in BSL available to assist deaf and hearing impaired customers. Lindsay Foster, Chief Operating Officer at Signature UK said the branch is a 'shining example for all retailers, proving how investing in your employees can help make store environments more inclusive'.

Learning from experts

Waitrose runs an Inclusive Shopping Action Group to help us gain a broader understanding of what being an inclusive supermarket means for us and for our customers. We are currently refreshing our e-learning module for our Partners, including our Disability Awareness Champions. We're also working with 'Crohn's and Colitis UK' to better understand the challenge many of our customers face where they have a disability that is not visible. We continue working with the Royal National Institute of Blind people (RNIB) to make our customer communications accessible for the visually impaired. For example, each month our visually impaired customers receive extracts on CDs from the Waitrose Food magazine and Recipe Cards. In addition, during the month of November 2016 our ecommerce team began work with RNIB to investigate how we can make our website accessible for all.

Community Hubs



Our shops are playing an increasingly important role in local communities, as a place where people feel welcome and can meet others. We offer our training rooms or specially designed Community Hubs for members of the community to use for free. John Lewis Leeds' Community Hub opened in October 2016 and Waitrose branches in Utttoxeter, Worcester and Comely Bank also opened hubs in 2016. So far, these have been used mostly for meetings by charities and community groups, but they have also been used to host exhibitions to showcase local talent.

Just Enough UK was the first to use the new Community Hub in the Waitrose Comely Bank store to run a workshop where children created posters about Modern Slavery. Tina Varns, Manager, Sustainability and Responsible Sourcing said, 'the posters were then featured at the launch of Just Enough Scotland, which was attended by representatives of the Edinburgh Council Human Trafficking Sub Group, Specialist Crime Division and Safer Communities. It was a fantastic launch and there was much interest from the general public.'

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To find out more about how to book these spaces - please contact your local [Waitrose](#) or [John Lewis](#) branch.

Talking isolation

Loneliness is a real challenge facing society. Through Community Matters, Waitrose supports good causes, including those who organise lunch clubs and other social activities to bring local people together.

Supporting foodbanks



Waitrose continued its efforts to combat isolation again this year by supporting local community Christmas lunches throughout the festive season for 15,000 elderly, homeless and vulnerable people.

Since 2014, permanent collection points have been present in Waitrose core stores for donations to [The Trussell Trust](#) network of foodbanks. In 2016/17 the equivalent of over 1 million meals were donated by Waitrose customers. To extend our support, this year Waitrose began a three-year sponsorship, encouraging Partners and customers to raise money by hosting a 'Tea for Trussell' tea party. The initiative will help fund vital services such as the Trust's 'More Than Food' programme. This aims to tackle the underlying causes of poverty by offering immediate help at the point of crisis. Waitrose will also be helping fund Trussell Trust's 'Eat Well Spend Less' courses, which cover basic cookery, budgeting and nutrition.

Waitrose continued its efforts to combat isolation again this year by supporting local community Christmas lunches throughout the festive season for 15,000 elderly, homeless and vulnerable people.

Crisis at Christmas

Waitrose continued to provide donations and volunteering time towards [Crisis's](#) services for the homeless and vulnerable in the UK, and used customer channels to raise the profile of the work of Crisis. One guest at a Christmas shelter said: 'If it wasn't for Crisis, I'd be sleeping in a doorway somewhere or in the woods. I can't begin to describe what Crisis has done for me. I've had hot meals, a bed to sleep in, I've seen an optician, had my haircut and I've even had a massage. It's incredible.'

Better environments

John Spedan Lewis was an enthusiastic naturalist. In his spare time he studied the plants and animals of the Leckford Estate. We want to continue his legacy and inspire people to connect with nature, and to enhance the environments where they live and work.

The Wildlife Trusts

Both John Lewis and Waitrose have this year supported the [Wildlife Trusts](#) to help them inspire people across the UK about wildlife and the natural world.

John Lewis chose the Trusts as this year's Christmas advert charity partner. We raised £124,166 through sales of Christmas merchandise, enabling them to work with schools to help children connect with and understand the natural world.

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Funds from Waitrose have also supported work with children right across the Trusts, including their 'Forest Schools' and travel bursaries so that primary school children from deprived backgrounds can visit wildlife education centres. Sales of our eco coffee cups helped to fund the Trusts' '30 days wild' campaign schools' pack. This is designed to motivate children around the UK to learn about, experience and help wildlife near them. The campaign reached 60,000 children across more than 2,000 schools.

The Big Butterfly Count

In partnership with the [Butterfly Conservation Trust](#), Waitrose and John Lewis sponsored 2016's Big Butterfly Count, the world's biggest survey of butterflies to help the public assess the health of our environment. More than 36,400 people counted 38,233 butterflies. This showed a dramatic drop in butterfly numbers, with the lowest average count in the seven year history of the count. The Trust will publish a study confirming that the counts accurately reflect butterfly populations, and considering the implications of the decline for butterflies and other pollinating insects. Further research will also be required to determine the causes of the drop.



The Golden Jubilee Trust

Since 2000 our Golden Jubilee Trust scheme has enabled Partners to apply for a secondment to work with a charity of their choice for up to six months full time on full pay.

Understanding impact

In 2016/17 44 Partners took part in the scheme and since it launched, over 750 charities have been awarded over 312,000 hours* of Partner time. In that time, it has not only provided charities with the skills and resources that they may not have otherwise had access to, but in turn it has provided Partners with an exceptional opportunity for personal growth.

To help us to understand the value and impact of secondments we surveyed Partners and charities about the experience. 100% of Partner respondents said that the biggest impact on their skills immediately after the secondment was their increased ability to adapt to challenging and new situations and 91% of charities reported that, a year after the secondment was completed, the volunteer's contribution resulted in a positive impact for the community.

*We engaged KPMG LLP to undertake an independent limited [assurance engagement](#), reporting to the Partnership, over selected information.

Golden opportunities

Victoria Welinder, a Home Development Manager at Waitrose was awarded a Golden Jubilee Trust secondment, giving her the opportunity to work with charity [Breast Cancer Haven](#) for six months. This opportunity was particularly poignant for Victoria, she says, as it followed her personal breast cancer recovery and Breast Cancer Haven had been her place of 'solace and serenity' during her illness. She describes 2016 as an 'amazing year'. 'The project I'm most proud of during my Golden Jubilee Trust secondment was developing a bag-for-life that could be sold in all Waitrose stores during Breast Cancer Awareness month. It was a brilliant project that will overall donate about £30,000 to the charity, but crucially delivered national awareness of a small charity.'

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Victoria returned to her role at Waitrose in July 2016, with experience in 'setting direction and vision'. 'Working on the bag-for-life, and developing the charity's social media strategy, really gave me the opportunity to develop something from an infancy of an idea,' she says. 'This gave me a fresh perspective when approaching projects when I returned to work, such as the bespoke hamper service that we offered in a few stores at Christmas.'



Baaba Sow joined the Partnership in 1998 and he works as a Section Manager in the Fitted Kitchens department at John Lewis Cribbs Causeway. He's originally from Senegal in west Africa and in 2016 he was awarded a Golden Jubilee Trust secondment, enabling him to spend three days each week, for six months, working with charity [African Initiatives](#) while still receiving his pay and benefits.

'The Partnership has given me opportunities that I probably would not have had if I'd worked anywhere else,' he says. 'The Golden Jubilee was a lifetime opportunity in terms of looking back at my background - I was able to help people from the countries that I come from. Help kids develop themselves and fulfil their ambitions. I've enjoyed every

minute.'

Over the last six months Baaba has been working as an ambassador for the charity, pitching to businesses and helping develop fruitful funding streams, 'deploying the skills', he says, he acquired in the Partnership. 'Being able to interact with various people of various backgrounds, and do a presentation and convince listeners - all of those skills I've practised in the Partnership.'

'I've been a Partner for 19 years and I want to continue to work for the Partnership because I work for a business that gives people opportunities. Whatever you want to do, the Partnership can give you the opportunity to realise it.'

Get involved

The Partnership aims to be a responsible member of the community. We favour donating to charities close to where we operate.



Donation policy

We do not give money to individuals, religious or political groups or third-party fundraising.

We channel the majority of our giving through our Community Matters scheme in Waitrose and John Lewis shops. Each month every Waitrose store donates £1,000 (£500 for convenience stores), and every three months John Lewis donates £3,000 split across three local good causes.

The Golden Jubilee Trust

For charities that would like to highlight a potential secondment opportunity to our Partners please download the [Golden Jubilee Trust information leaflet for charities](#) (PDF 3.5MB) for more information. All Golden

Jubilee Trust reports can be viewed in our [report archive](#). Trustees value secondments which demonstrate a strong skills match between Partner's and their projects and will deliver a long lasting

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impact well beyond the completion of the secondment period. Projects which are important to the local community and which help a charity to achieve previously unreachable goals are prioritised.

John Spedan Lewis Trust for the Advancement of Natural Sciences

The Trust promotes an interest in natural history. It was established in 1955, in honour of John Spedan Lewis, an enthusiastic naturalist, who studied the plants and animals of the Leckford Estate in his spare time.

In 1972, several small areas of Leckford farm were adopted as Nature Reserves. Over the years, visiting experts have monitored and recorded the many plant, insect and animal species that live there. The Trust also supports volunteers during conservation projects on its reserves and runs a programme of annual lectures. The Trust has eight Trustees, who are appointed by the President of the Partnership Council.



John Spedan Lewis Foundation

This foundation provides finance for horticulture, ornithology, entomology and associated environmental education and conservation projects. Preference for funding is given to small projects with an educational content. The size of donations range from approximately £500 to £5,000.

Further information about the Foundation can be obtained by emailing JSLF@johnlewis.co.uk or from the [Charity Commission](#).

The John Lewis Foundation

The John Lewis Foundation's primary aim is to invest in disadvantaged communities that support the John Lewis business throughout the world helping them to acquire relevant skills required for meaningful employment. In 2016 the single use carrier bag charge was introduced to England and Scotland and monies raised through this specifically support disadvantaged communities within these countries. The money raised in Wales continues to be donated to Keep Wales Tidy.



The Waitrose Foundation

The Waitrose Foundation is a partnership between Waitrose, our suppliers and the growers who produce, pick and pack our fresh produce in Ghana, Kenya and South Africa. The Foundation was launched in 2005 to help improve the lives of the workers and communities that supply our products, including some citrus fruits, flowers and avocados.

Carrier bag levy

For further information about how funds are allocated from the carrier bag levy please see www.waitrose.com and www.johnlewis.com

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Source and sell with integrity

We source 380,000 products from over 90 countries. We recognise that growing pressure on global supply chains, the people who work in them and the natural environment, are likely to make our costs more volatile and impact the stability of our supply. Changes in society - such as growing public health pressures - will also require us to respond to ever more complex needs in our product offer if we are to attract and retain valued customers.

Our aims and how these support the business plan

- We strive to build customer confidence in the products and services we sell and the way we sell them. We want to help customers make positive choices about their health. We want to know where and how products have been grown, sourced or made and who made them.
- We want to contribute to a better understanding within the industry of how a broad range of systemic supply chain issues can be tackled collectively. We are doing this through our active membership of a number of business-led forums and sector-led groups.

What we are doing

- We support our suppliers to ensure they safeguard human rights, promote decent working conditions and source materials that meet the highest possible standards.
- At Waitrose, food safety is a priority and we actively develop our assortment to support better diets. Through information, support and advice Waitrose aims to inspire customers to make healthy decisions.

Human rights

Our Founder, John Spedan Lewis, instilled a culture in the Partnership of acting with courtesy and kindness. This extends not only to our co-owners, but to all those with whom we interact. Our approach to tackling modern slavery is influenced by these business values. It forms part of our broader human rights strategy which ensures we work with suppliers to raise labour standards, improve working conditions and create fairly rewarded employment.



Our 2017 Human Rights and Modern Slavery report provides an update on progress against our plans. It shares information about the issues and challenges we have faced over the course of 2016/17, and exceeds the requirements of the Transparency in Supply Chains clause of the Modern Slavery Act.

The report focuses on workers in our supply chains - both in our Goods for

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Resale (GFR) and Goods Not for Resale (GNFR). The global nature of our supply chains and the diversity of products and services that we use and sell, means that this is where the greatest complexity and risks lie. Our strategy and programmes address the most salient issues faced by workers and are delivered in those areas where we can have the greatest impact.

We are committed to providing greater transparency of manufacturing supply chains. In support of this commitment, in August 2017, John Lewis released the names and addresses of the factories supplying own brand clothing, accessories, footwear and homewares.

This transparency strengthens our human rights due diligence and better enables us to collaborate with civil society in identifying, assessing, and avoiding actual or potential adverse human rights impacts. The list will be reviewed and updated every six months to ensure it reflects the current supply base.

Download:

- [Our Human Rights and Modern Slavery Progress Report 2016/17 \(PDF 1.6MB\)](#)
- [Our Human Rights and Modern Slavery Report 2015/16 \(PDF 3.6MB\)](#)
- [Our Responsible Sourcing Code of Practice \(PDF 272KB\)](#)
- [Our Human Rights Position Statement \(PDF 695KB\)](#)
- [Our Anti-Bribery and Corruption Policy \(PDF 50KB\)](#)
- [John Lewis Factory List February 2018 \(PDF 435KB\)](#)

Addressing our salient issues

Our projects and programmes address the most salient issues in our supply chains. Below are two examples of projects that we progressed in 2016/17. Further examples are outlined in [our Human Rights and Modern Slavery Progress Report 2016/17 \(PDF 1.6MB\)](#).



John Lewis addresses worker engagement in China

John Lewis sources from 780 factories in China. Through our auditing programme and our work in-country, we know that workers don't always have effective communication channels to express opinions and positively influence working conditions. Low levels of engagement can compound poor productivity rates and increase absenteeism and staff turnover. We have partnered with Impactt, an expert ethical trade consultancy to deliver a pilot programme that aims to build managers' confidence in bringing workers together to address specific workplace concerns and build the foundations for meaningful and sustainable communication. The pilot involves training for managers on effective engagement followed by workshops which gather insights

from workers about current communication channels in the factory and actions that could improve their experience of being at work.

Once the pilot is completed we will review progress with our factories to evaluate the improvements needed and monitor the impacts with a longer term view to scaling this project up across our supply base in China.

Waitrose partnership with Fairtrade Foundation

In 2015 we entered into a strategic partnership with the Fairtrade Foundation through which we hope to increase the breadth and depth of the positive impact on worker welfare and livelihoods across our respective networks. One of the four focus areas of this partnership is to tackle salient issues within Waitrose's Fairtrade supply chains. Specifically we are investigating how worker wages on banana

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plantations in the Dominican Republic can be improved so that by 2020 they are closer to living wage benchmarks.

Through on site engagement with exporters, managers, workers and association representatives on the issue of worker wages, Waitrose established a multi-stakeholder working group to discuss and understand the challenges and drive the programme forward. Independent research was commissioned to inform the programme and a workshop was held to identify specific recommendations and agree actions. Based on these insights we are developing a programme to tackle the systemic issues identified.



Overview of progress

- **Governance and Policy:** Our Partnership and Divisional governance committees have shown leadership and commitment in overseeing our strategy and plans. We have updated our Responsible Sourcing Code of Practice and extended its scope to cover Goods Not For Resale (GNFR).
- **Advocacy and engagement:** We have engaged and communicated on human rights and labour standards internally, with our suppliers, with our peers, on public platforms, with policy makers and, of course, with workers in our supply chains.
- **Supplier collaboration:** Supplier engagement is integral to improving labour standards for workers. Our programmes and pilots rely on the commitment and enthusiasm of key suppliers.
- **Understanding of risks and salient issues:** Through our programmes, stakeholder engagement and further risk assessments we have gained a deeper understanding of the salient issues faced by workers at a more local level.
- **Extending the scope of our work:** We have carried out further investigation into our raw materials supply chains, increased focus on GNFR and extended our due diligence requirements beyond tier 1 in key product areas.
- **Transparency:** In August 2017, John Lewis released the names and addresses of the factories supplying own brand clothing, accessories, footwear and homewares to increase transparency of manufacturing supply chains.

Outlook

In November 2016 we held our second stakeholder roundtable, with expert NGOs, other businesses and policy makers, in which we had a constructive discussion about our strategy, our progress and where we can do more. There was a strong consensus in the group that addressing modern slavery as part of a broader human rights strategy is the right approach.

There are some key areas that we plan to develop in the coming year based on what we have learned and stakeholder feedback:

- **Delivering our core programmes:** Throughout the document we have updated on progress against our plans. There is more work to do to deliver these plans, learn from them and look to take them to scale across our supply chains. We will also strive to understand the impacts and outcomes of these programmes.
- **Engagement of workers:** We will continue to test and learn from different approaches to worker engagement and continue to promote worker representation and look to consult trade unions to help guide our work.

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- **Deeper understanding of issues:** We will continue to seek to understand the issues workers face at local levels in our supply chains and engage suppliers to address issues such as women's empowerment and caste discrimination.
- **Addressing issues in raw material supply chains:** In 2017 we will look at ways to address human rights issues identified along-side our environmental sustainability strategies for our key raw materials such as cotton
- **Procurement practices:** We will look to strengthen our procurement processes for GNFR, establishing clear standards for our labour providers, engaging Partners across the business and carrying out due diligence.

Raw materials

We depend on the world's natural resources for the 380,000 different product lines we source and sell each year. Our commitment is to put controls in place to ensure that raw materials are sourced in ways that protect and enhance local ecosystems, and improve the livelihoods of the people in our supply chains.

In order to understand the impact of the key raw materials in our own-brand products, we are committed to tracing them back to source. Many of these contain commodities such as leather, palm oil, soy, timber and paper. These have wide ranging environmental and social risks associated with their extraction and production. As a consequence, we are continually working with our buyers and suppliers to ensure that we have traceable and well-managed supply chains. This enables us to source products in a way that does not harm ecosystems and that respects human rights.

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Target	Progress
100% of our own brand timber and paper products will be from responsible and sustainable sources by year end 2020/21.	38%* of material sources are responsible and sustainable. When calculated by volume of sales, this equates to 32% ^{1*} . See our policy (PDF 664KB) for further detail.
By year end 2020/21 50% of cotton (by volume) in own-brand products will come from more sustainable sources.	3%*. We expect significant progress over the coming year, in particular as a number of our high volume suppliers have agreed to switch their sources over to more sustainable sources in our product ranges.

*We engaged KPMG LLP to undertake an independent limited assurance engagement, reporting to the Partnership, over selected information

In order to understand the impact the materials in our products have, we need to understand where they come from in the first place. For this reason, we are committed to tracing key raw materials back to source.

Timber and paper

Our target is to ensure 100% of the timber and paper used in our own-brand products comes from responsible and sustainable sources (as defined by our [policy](#) (PDF 664KB) by year end 2020/21.

We have completed a significant supply chain mapping exercise on over 500 different timber sources and their supply chains. For the majority of sources, we have been able to establish a supply route back to country of origin.

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We assess each source against the criteria of our policy and continually evaluate the information provided. This mapping work is helping us to better understand where our risks and opportunities lie, and to focus our efforts accordingly. 38% of these sources are responsible and sustainable. When calculated by volume of sales, this equates to 32%¹. Although there is still work to be done, we are pleased with the progress we are making towards our target. This progress is as a result of an increase in the ability of our suppliers to provide us with more detailed information about their supply chains than in previous years.

We have also increased our capacity to support and assess our suppliers. In particular, this year we have introduced a programme for auditing and species testing. This has added to the robustness of our due diligence procedures. It has also provided us with valuable insights, which we have been able to share with both our suppliers and buyers to support sourcing decisions.

¹This year fitted furniture has been excluded from our reporting scope.

Cotton

Cotton is one of the most significant raw materials we use, both in terms of volume and the

environmental and social risks associated with it.

Last year we set a target that 50% of our cotton would come from more sustainable sources by the end of 2020/21. So far, we have been able to verify that 3%* of our cotton is from more sustainable² sources, either through the Better Cotton Initiative (BCI) or the Global Organic Textile Standard (GOTS). This is just the start of our journey. We expect significant progress over the coming year, in particular as we focus on our Home ranges which comprise the biggest volumes and a number of suppliers of these ranges have agreed to switch to more sustainable sources. In addition to our supplier engagement programmes, we are also involved in a number of projects to support the expansion of sustainable cotton practices.



Since 2011, the John Lewis Foundation (JLF) has worked with CottonConnect, on several initiatives to transform the lives of cotton farmers and communities and helping them to develop more sustainable cotton supply chains. The first programme supported by the JLF was in Gujarat, India where 1,500 farmers were trained on sustainable growing methods over a three-year period. In 2016 the programme came to an end having achieved some great results. Over five years, farmers saw a reduction in water-use, pesticides and fertilizers, as well as a growth in yields and profits in comparison to those who did not receive the training. JLF also funded the provision of 750 vermicompost units, providing a nutrient-rich organic fertiliser and soil conditioner to further improve growing conditions.

In 2016, our Better Cotton Initiative membership fees funded a farmer training project in Maharashtra, India. This equipped women farmers with the skills and tools needed to support their livelihoods through sustainable farming methods. The three-year project aims to train and support more than 1,500 women farmers in the region.

In 2017 the JLF is funding a new three-year training programme with cotton farmers in Xinjiang, China. This will support 200 Uyghur Farmers in the region, building their knowledge and skills, both economically and sustainably, and supporting them to create opportunities as entrepreneurs within their communities.

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²This includes Better Cotton Initiative (BCI) and Organic including Global Organic Textile Standard and Fairtrade.

*We engaged KPMG LLP to undertake an independent limited assurance engagement, reporting to the Partnership, over selected information

Leather

Leather has a considerable environmental footprint at every stage of the supply chain, from animal farming to hide processing and manufacturing of the final product. Our efforts are focused on overcoming the environmental impacts of the leather-tanning process as this is where we have the most leverage with our suppliers.

In 2016 we joined the Leather Working Group (LWG) - an independent organisation of brands, retailers and suppliers which has developed an environmental audit for tanneries. Our initial aim is to ensure we have 100% traceability of the tanneries that produce leather for John Lewis products. Once this is in place we will work with our suppliers to ensure these tanneries have been audited to the LWG standard. This year we began mapping the tanneries that supply our suppliers in India and have conducted on-the-ground research to understand the issues facing the sector. In addition, we are developing more resources and training for our Buyers to understand the impacts of leather production.



Feather and Down

Feather and down are essential filling materials for our range of duvets and pillows. However we recognise the animal welfare risks associated with geese and duck farming. We have strict animal welfare standards in place and have been working with the animal welfare charity Four Paws since 2015 to help us improve our approach to feather and down sourcing.

In 2016 we committed to sourcing 100% of our feather and down from certified-responsible sources such as those covered by the Responsible Down Standard (RDS) by the end of 2020/21. These standards provide independent verification that the feather and down we use does not come from sources that practice live plucking or force feeding. We are working with all of our suppliers to understand their supply chains and transition to certified responsible sources.

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Target	Progress
100% of cotton used in our own-brand products will be sourced responsibly deploying schemes such as the Better Cotton Initiative, Cotton Made in Africa and Fairtrade Certified Cotton by year end 2020/21.	Our suppliers have purchased enough BCI Cotton to be equivalent to 55% of our total cotton footprint.
100% of palm oil and palm kernel oil based ingredients and derivatives used in own-brand products to be RSPO physically certified.	94%*

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100% of the soy used in feed for the production of own-brand meat, milk, poultry, egg and farmed fish products will be procured through certified sustainable sources, including those operated by The Round Table on Responsible Soy and the Pro-Terra Foundation by the end of 2020/21.	77%
100% of our own-brand timber and paper products will be sustainably sourced by year end 2015/16.	98%*

Palm oil in ingredients and soy in animal feed are two of our biggest focus areas. We have made significant progress this year in addressing the systemic supply chain issues associated with both of these commodities.

*We engaged KPMG LLP to undertake an independent limited assurance engagement, reporting to the Partnership, over selected information

Palm oil

If palm oil is grown and managed correctly, it is a sustainable ingredient in food and health and beauty products due to its efficiency as a high yielding vegetable oil. Its production is also a significant source of income for many developing regions of the world. However, we recognise that the global expansion of palm oil production has caused far-reaching environmental and social destruction. Our policy on palm oil used in Waitrose branded food, household goods and health and beauty products ensures that wherever possible the palm and palm kernel oils used by our manufacturers are sourced from physically certified supply chain sources. This demonstrates that production has been carried out in accordance with strict social and environmental criteria and assures customers that we are making positive choices about the products they are buying.



Currently, 94%* of palm oil is from physically certified supply chain sources with the remaining covered by Book and Claim certificates. In addition to certification, we also actively seek suppliers who have a zero deforestation policy and are committed to social enhancement in the communities in which they operate.

About 30% of world palm oil production is produced by more than 3 million smallholder farmers - defined by the [Roundtable on Sustainable Palm Oil](#) (RSPO) as working on a plantation of less than 50 hectares. This presents a challenge for the industry as the costs associated with certification can be a barrier for many smallholders. Recognising this, our focus is now on developing practical solutions to enable these smallholders to meet the standards required to become certified.

We are ranked as 'leading the way' in the World Wildlife Fund's (WWF) palm oil [scorecard](#).

*We engaged KPMG LLP to undertake an independent limited assurance engagement, reporting to the Partnership, over selected information.

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Soy

The production of soy for food ingredients and in animal feed is associated with a wide range of environmental and social impacts – from deforestation of fragile ecosystems to displacement of communities where plantations are located.

We have been increasing the proportion of responsible soy used in our own-brand products over a number of years and so have achieved the highest rating of any UK supermarket in the WWF soy scorecard.

Our ability to affect sustainable change at scale is in feed systems and 77% of the soy used in the feed used by our farmers for own-brand meat, milk, poultry, egg and farmed fish products comes from certified sustainable sources. We

aim for 100% coverage by 2020 and we are confident that we will achieve this early as we aim to move all pig feed to European Non-GM certified and the remaining supply chains will phase out soy in feed over the coming year.

Sustainable farming

A variety of issues have surfaced amongst global food businesses more prominently in recent years. These include food scandals, tightening regulatory and investor concerns on welfare and food safety and consumer interest in issues of food quality, safety, provenance and traceability. This has led to growing attention on the issue of farm animal welfare and the fragility of the food systems we rely on to feed a growing global population.

Efficiency and economic and environmental sustainability lie at the heart of Waitrose's agriculture strategy and our Farming Partnership. This partnership consists of three groups of suppliers whose objective is to future-proof farming businesses – The Agronomy Group, The Livestock Steering Group and The Fish Forum. Each group is tasked with implementing programmes that contribute to a more sustainable future for UK farms and elsewhere.

Sustainable production

Waitrose Farm Assessment

At the core of our work on improving sustainable production in fresh produce is the Waitrose Farm Assessment (WFA). This initiative began in 2011 and is led by our Agronomy Group. The WFA is a detailed survey conducted on farms, by trained suppliers. It identifies key areas and opportunities for improvement, which drives research and continuous improvement - engaging, supporting and learning from our suppliers and growers on a range of topics such as water use, biodiversity, waste, energy and carbon.

One of the ways in which we reward leading farms and share best practice is through our Demonstration Farm scheme where we award winners in each assessment category every year. College Farm in Cambridgeshire won Demonstration Farm status in 2014 and since then the findings of the Waitrose Farm Assessment has enabled them to put in place measures to reduce inputs, improve soil condition, manage water responsibly, dispose of waste appropriately, and optimise pest and weed control.

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Stabilising supply through British sourcing

Climatic uncertainty has placed pressure on our farmers to become increasingly agile in response to changes in weather patterns and so we are undertaking a number of initiatives to reduce supply chain vulnerability.

A key success of the past few years has been to extend the length of British seasons through various methods such as protected cropping and improved plant variety. This not only stabilises growing conditions but reduces our reliance on imports. For example, since 2012 we have extended the British strawberry season so that we can now sell British strawberries earlier in the summer and throughout the Christmas period. In addition, salad crops cultivated in vast state-of-the-art greenhouses under LED lights are providing us with a secure, year-round supply of home-grown leaves without the reliance on imports.



We have extended the length of British seasons through various methods such as protected cropping and improved plant variety

Supporting the next generation of experts

We want to help create future generations of experts in sustainable farming. Alongside the Biotechnology and Biological Sciences Research Council (BBSRC), we are co-sponsoring 15 students' research projects on issues identified by our Farm Assessment.

Last year the Waitrose Agronomy Group sponsored seven. For example, Megan Mc Kerchar of the University of Worcester examined the use of wildflowers to increase the number and diversity of pollinators and natural pest predators, reducing the need for chemical pesticides and naturally increasing yields for farmers.

In partnership with Lancaster University we have also created a Masters programme on the 'food challenges of the 21st Century'. The course currently has 60 students enrolled and aims to equip them with the knowledge to deal with increasing food demand from a growing global population.



The Responsible Efficient Production Index

The Responsible Efficient Production (REP) Index was launched in 2014 by the Waitrose Farming Partnership along with our academic partners at Aberystwyth University. It was developed in response to the need to promote welfare and sustainable agricultural practices which produce nutritious and safe food. Similar to the Waitrose Farm Assessment for fresh produce, the Index assesses performance at a farm level. Over the past year our independent panel has been evaluating the criteria and scoring system to ensure continuous improvement.

Over 50% of the livestock farms that supply Waitrose participated in our most recent pilot study. This gives farmers an opportunity to make improvements, and also allows the supply chain to see any overall weaknesses. We can then offer support on a larger scale and where necessary make changes to our production policies. Going forward we aim to carry out REP biannually so that progress can be monitored.

Waitrose has worked with our strategic partner, Dalehead to help implement our Responsible Sourcing Code of Practice in Waitrose livestock supply chains for the first time. Find out more about how we are

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addressing the most salient human rights issues in the supply chains of the products we buy and sell across John Lewis and Waitrose in our Human Rights report.

Livestock feed

Livestock plays an essential role in food security. However its production requires considerable resources. In particular, a global increase in the demand for livestock products has led to a rise in the demand for protein-based animal feeds and is typically more water intensive than alternative food sources.



Soy

77% of the soy used in feed used in the production of our own-brand meat, milk, poultry, egg and farmed fish products is certified sustainable. In addition, this year we have made further progress in our efforts to reduce the dependency on imports from South America, seeking to increase feed grown within the UK and Europe.

In 2016 Waitrose became the first UK retailer to introduce European non-GM certified soy into our animal feed supply chain. The first shipment, farmed in the Danube region of Europe, has been incorporated into the diets of pigs which produce Waitrose pork, via our dedicated pork supplier Dalehead Foods with the aim of including it in all pig feed.

Forage protein project

The use and integration of other more sustainable protein sources for livestock feed are the key to developing resilience in UK food security and as such our Livestock Steering Group has just completed its five year Forage Protein Project.

The scale of UK grassland offers a huge opportunity to source forage protein for livestock feed as opposed to soy. It is important to tackle the barriers to their use - from establishment to feeding strategies. In 2016, our Livestock Steering Group completed its five-year Sustainable Forage Protein project. With co-funding from Innovate UK we worked with industry partners and leading research institutes to find solutions to these barriers. The project involved eight farms from the Waitrose beef, lamb and dairy supply chains, which grew a range of high-protein forage crops that they had not previously grown on their farm and fed it to their livestock. The farmers collaborated with researchers at Aberystwyth and Bangor Universities to monitor progress as well as recording production details that might impact on costs and carbon emissions.



In 2017 we will use the outcomes of this work to help farmers share and apply best practice across their farms. We will also launch a range of Waitrose Farming Partnership grass and protein mixes for our farmers to grow in spring 2017.

Animal welfare

Leading the industry

We want Waitrose customers to know that the meat and animal produce they buy is sourced from animals reared to the highest standards of care and welfare by farmers who share our values. This is

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supported by our supply structure - one that consists of a select group of dedicated producers, many of whom have long standing relationships with us. Having fewer suppliers enables us to be confident that food is produced to the highest standards of welfare and quality.

Our Agriculture Manager, in conjunction with the Waitrose Farming Partnership Livestock Steering Group (WFP-LSG) has overall responsibility for animal welfare in the Waitrose supply chain. The Steering Group comprises livestock experts from Waitrose and its dedicated suppliers. Regular farm-level welfare performance reports, verified by third parties are presented to the group so that improvement plans can be carried out where required.

One of our Farming Partnership sub-groups is the Responsible Health Group. This consists of representatives of every livestock business and their lead veterinarian.

The Business Benchmark on Farm Animal Welfare (BBFAW) is the first global measure of company performance on this issue. Since launching in 2012 it has positively influenced corporate practices on animal welfare management and reporting. We are proud that Waitrose has been in the top tier of the global BBFAW for three years, maintaining our leadership position in 2016. We openly shared our animal welfare protocols, outcomes and KPIs on our website (www.waitrose.com), as we believe that openness is key to addressing customer and NGO and driving welfare standards across the sector. Transparency will be an increasing feature of the landscape going forward.

Grazing pledge

In February 2016, we announced our 100 day grazing pledge. This requires that cattle supplying us with milk and cream has grazed outdoors for a minimum of 100 days. From 2017 we are increasing this pledge to 120 days. During 2016 our conventional dairy farmers grazed their cattle for an average of 167 days as some farmers have, in the right conditions, been able to keep cattle outdoors for significantly more than the minimum required.

The move was commended by Compassion in World Farming - Jemima Jewel, Head of Food Business said, 'Waitrose is doing what's right for dairy cow welfare and delivering what its customers expect. We would encourage more retailers to follow their lead.'

Responsible aquaculture and fisheries

The world's fish stocks continue to be overexploited with detrimental consequences for marine ecosystems and communities. Through our purchasing power and expertise, we aim to influence positive change in global sourcing practices and to reassure customers that the fish they buy has been sourced responsibly.

Target	Progress
100% of our own-brand fish and shellfish will be from third party verified responsible sources by year end 2016/17.	89%* of our own-brand fish and shellfish (farmed and wild) is from third party verified responsible sources. See below for further details.

*We engaged KPMG LLP to undertake an independent limited assurance engagement, reporting to the Partnership, over selected information.

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Our policy and approach

We recognise that dynamic changes are happening in the world's oceans and aquaculture operations and so we need to constantly adapt our approach. The complexity of global supply chains and marine practices means we cannot do this alone. Collaboration with suppliers and the wider global industry underpins our approach.

Our fish sourcing policy is clear - Waitrose own-brand suppliers must source only fish and shellfish from fisheries or farmed aquaculture operations that are responsibly managed and we aim for all fish to be verified by third party assurance standards.



We also recognise the significant impact plastic microbeads have on marine life and birds. These are tiny pieces of plastic that are added to everyday cosmetic products, face wash, toothpaste, abrasive cleaners that are small enough to pass water filtration systems and so end up in waterways and oceans. We have taken a strong position that Waitrose will not sell any products that contain them, whether branded or own-brand.

Supporting the health of our marine ecosystems

We made a commitment that by the end of 2016/17 all Waitrose own-brand fish and shellfish would be from third party verified responsible sources. In 2016/17 89%* was third-party verified. We are finding it challenging to reach 100% due to our smaller suppliers' capacity to achieve third party verification, but we expect to do this by 2020. We are working closely with these suppliers to ensure high standards of practice are met and going forward our priority will be to support them to obtain verification.

In addition, we have co-funded and are members of the Project UK Fisheries Improvements (PUKFI). This organisation runs fishery improvement projects at six fisheries which have been identified as of major importance to the UK fishing industry. The projects help fisheries understand where they fall short of third-party verification and PUKFI works with the fishery to create an action plan.

We also actively support the Seafish Responsible Fishing Scheme - a voluntary vessel-based programme certifying high standards of crew welfare and responsible catching practices on fishing vessels. We have set a requirement that British fishing vessels supplying our seafood will need to be part of this scheme by 2020.

We sit on the Technical Committee of the Seafish Responsible Ports Standard which is currently in development. This aims to promote responsible food safety and good operational practices within fishing ports and harbours.

We are also now a retail member of the consumption group of the DEFRA Seafood Task Force 2040. The purpose of the task force is to promote a collaborative and sustainable seafood industry across England.

*We engaged KPMG LLP to undertake an independent limited assurance engagement, reporting to the Partnership, over selected information.

Focus on tuna

Tuna is integral to our marine ecosystem. It supports the diet of millions and, as a commodity, is fundamental to the global economy. Managing how it is caught is critical.

Certain methods of fishing for tuna are more likely than others to result in bycatch of non-target species. Recognising this risk, we have set a goal that by the end of 2017 all canned tuna sold at Waitrose will

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either be Marine Stewardship Council (MSC) certified, or guaranteed as caught using only pole and line fishing methods. We are also working with WWF and two other supermarkets to improve the standards in the handline tuna fisheries in the Philippines in order to secure certification.

Since 2013, Waitrose has been an active Member of the International Pole and Line Foundation (IPNLF). This works to develop socially and environmentally responsible one-by-one (pole-and-line, handline and troll) tuna fisheries. Waitrose has supported initiatives to improve tuna management regionally and in-country. One example of this is the Indonesian tuna Fishery Improvement Project (FIP) for pole-and-line and handline fisheries. This comprehensive FIP

is making exceptional progress and is on course to enter full assessment for Marine Stewardship Council certification in 2017. Waitrose and IPNLF continue to work collaboratively with the shared vision of ensuring coastal tuna fisheries and the people, businesses and seas dependent upon them, thrive.

Health

At Waitrose, we have a role to play in promoting healthy eating and driving improvements in public health outcomes. We develop our product range to support better diets for our customers, and by also providing information, support and advice, we want to inspire them to make healthy decisions. Our food must meet our customers' high expectations on quality and value as well as safety and legal standards. In addition, we are working with the industry to help tackle public health concerns.

Developing our nutrition strategy

We have updated our nutrition policy and have set targets to reduce calories, saturated fat and sugar by 10% in nine key categories. These will have the biggest impact on our customers' diets.

In particular, we are taking action on sugar and are guided by the government's 2016 [childhood obesity report](#). We will reduce sugar levels in products, reduce portion size and shift purchases to lower sugar products. In 2016, we reduced the sugar content of 22 out of 27 of our own-brand cereals by an average of 15%. Over the next year we plan to reduce sugar in our soft drinks, desserts and our morning goods range, through a combination of reducing sugar levels and portion sizes.



Alison Tedstone, Chief Nutritionist at Public Health England has said: 'It's good to see further reductions in sugar by Waitrose across its own-brand cereals. It recognises the impact of excessive sugar in the diet and shows they are moving in the right direction in helping to reduce calorie intakes and the risk of weight gain and obesity.'

Information and advice

We want Partners in our stores to be well informed about healthy eating in order to advise our customers while they shop. In 2017 we will integrate healthy eating advice into our product knowledge training.

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We also plan to offer free healthy eating training to all of our Partners in 2017 to enable them to make healthier choices for themselves and their families.



Omega 3 chicken

A decade of research amid concerns within the medical community that consumers don't include enough omega 3 in their diets prompted us to become the first British retailer to launch omega 3-enriched chicken. This is particularly helpful for children, who often do not like oily fish. The chicken is produced by our dedicated supplier, Moy Park, to Waitrose's bespoke high welfare standards. These ensure the chickens receive plenty of natural light, and more space than the industry standards, allowing the birds to display natural behaviour. The chickens are fed a diet containing an algae that is naturally rich in omega 3. The taste and appearance of the chicken is the same as birds reared on a conventional diet.

Tackling antibiotic misuse

Overuse and misuse of antimicrobials in farm animal feed is recognised as a risk to human health¹ as overexposure can result in resistance. All antibiotics are used carefully, under strict protocols and only in controlled circumstances. Entirely healthy animals are not routinely given antibiotics. Some use of antibiotics is necessary in some circumstances but they must be used sparingly, under the close supervision of a veterinary surgeon. We believe antibiotics should be given only as a last resort when other actions have proved ineffective and when welfare would be seriously compromised if they weren't prescribed.

One specific area of concern is the use of Critically Important Antimicrobials (CIAs) – those most important to human and animal health, which are rarely prescribed. This protocol applies to all our supply chains, including aquaculture. This year, we have focused on tackling this issue further and aim to entirely eliminate the use of CIAs in the livestock used for our food production.

In late 2015 we formed a cross-species Responsible Animal Health Group to share best practice in this area. All our own-brand supply chains are working with urgency towards continuous and significant year on year reductions in usage of all antibiotics and we have pledged to end the use of all CIAs as soon as possible.

Action on Campylobacter

Campylobacter is the number one cause of food poisoning in the UK. We have made significant progress in tackling campylobacter in chickens over the last year, together with our dedicated chicken supplier Moy Park. The most recent [Food Standards Agency report](#) (March 2017) shows that, overall, levels of Campylobacter present on fresh chickens has fallen over 2016. Waitrose was found to have the lowest presence of the bacteria on shop samples tested by the agency.

John Lewis Partnership



Deliver more with less

Natural resources - such as water, soil, clean air and ecosystem services that they provide - are vital for our health and quality of life. However, their supply and quality are gradually being eroded by the growth of the world economy and a rising global population. We aim to minimise the impact of our operations on natural resources, and manage resources more efficiently throughout their lifecycle - from extraction, transport, transformation and consumption, to waste disposal.

Our aims and how these support the business plan

- Our business depends heavily on natural resources. This represents a risk to us and an impact on society if not managed carefully.
- We will reduce our reliance on natural resources, using them as efficiently as possible, for as long as possible, then recovering and regenerating products and materials at the end of life so that they can continue to add value.

What we are doing

- Through our sourcing programmes, we work closely with our supply chain partners to drive down the impacts of the products we sell.
- In our own operations, our focus continues to be on reducing the carbon emissions and utilities consumption associated with our buildings, finding more efficient ways to distribute our goods and managing our waste and use of resources. We also offer services for customers that make use of their products when they are no longer useful to them.

[See the website for our Responsible Development Framework](#) to find out how the framework has been re-aligned to ensure that refurbishment activities are undertaken in the most sustainable way.

Operational emissions

We remain committed to increasing the energy efficiency of our buildings, procuring low carbon energy, distributing our goods in the most resourceful way and encouraging innovation as we do this.

Our strategy

Following the changes we made to our operational emissions targets in 2015/16 we have spent 2016/17 embedding the revised strategy throughout our organisation and now have more Partners working full time to reduce our energy usage.

We have introduced several new innovations to help reduce the carbon impact of our business. For example, we are trialling a new lower carbon refrigerant and lower carbon methods to power the refrigeration on our trucks. If the trials are successful, we will roll these out in 2017. We also continue to focus on proven solutions such as ensuring all new and refurbished stores are equipped with LED lighting and extending our water-cooled refrigeration solution that uses natural refrigerants.

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We increased our procurement of renewable electricity in 2016. As a result we have already achieved our target of a 65% reduction in carbon intensity (tonnes per £m of revenue) against a 2010 baseline. For sites within our contractual control, we remain committed to purchasing only renewable electricity.

We are encouraged by the progress we have made. However, there is still more to do to reduce our energy consumption in stores and on the roads. We want to empower Partners at all levels to make decisions with resource reduction in mind, so we have begun trials to give current energy information to shops via mobile apps, allowing shop-specific decisions to be made. This has also enabled us to report more regularly to our management boards on progress against performance.

Global Greenhouse Gas emissions data (tonnes carbon dioxide equivalent)

Scope	2015	2016
Scope 1 Combustion of fuel and operation of facilities, refrigeration	202,094	193,796*
Scope 2 Electricity purchased and heat and steam generated for own use		
Location-based	294,927	269,986*
Market-based	43,594	7,401*
Scope 3 Water, business travel, waste to landfill and transmission and distribution losses from purchased electricity	60,778	55,901*
Tonnes CO ₂ e per £m sales		
Location-based	49.6	45.7*
Market-based	27.3	22.6*

Methodology

The Partnership has reported on all of the emission sources as required under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013. 2016 data is reported on an approximate calendar year basis which comprises the period from 27 December 2015 to 24 December 2016. Data from 2010 to 2014 is reported by financial year, with 2015 as an approximate calendar year. The methodology used to calculate our CO₂e emissions is the GHG Protocol Corporate Accounting and Reporting Standard (revised edition), using the operational control approach on reporting boundaries. This covers the properties where the Partnership has operational control and are financially responsible for the utility supply. Data has been calculated using Defra 2016 emissions factors, with the exception of certain refrigerants, and some emissions sources associated with our Leckford farm which are taken from industrial and academic sources. 2015 has been restated for Scope 1 and Scope 3. Scope 1 has been restated due to an improvement in calculation methodology with water and water treatment. Scope 3 has been restated due to 2016 agriculture emissions factor changes resulting in re-stating the historic data to allow for comparisons.

*We engaged KPMG LLP to undertake an independent limited assurance engagement, reporting to the Partnership, over selected information

Our Targets and Progress

Target	Progress
By year end 2020/21 we will achieve a 65% reduction in carbon intensity (tonnes per £m) against a 2010 baseline.	-66%*
By year end 2020/21 we will reduce energy consumption (kWh per ft ²) by 20% against a 2010 baseline.	-18%*
We will ensure refrigerant emissions leakage is no more than 7% entrained volume by year end 2015/16.	6.98%*
By year end 2020/21 we will achieve a 5% reduction in carbon intensity from distribution (tonnes per £m) against a 2010 baseline.	-3.1%*
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Our buildings and site emissions

Investing in our buildings

Whenever we open a new shop, our aim is that this exceeds minimum standards wherever possible so that we maximise resource efficiency and lower our impact on the environment. Waitrose Worcester and John Lewis Leeds, which both opened this year, were designed to exceed Building Regulations standards on carbon emissions by approximately 40%. This is as a result of a number of design specifications in these shops.



- Building Regulations requires all new buildings to be air sealed and sets a minimum air permeability of 10m³/hr/m². The Waitrose target was 3m³/hr/m² and the building actually achieved 2.03m³/hr/m². John Lewis set a target of 5.0 m³/hr.m² and the building achieved 4.5 m³/hr.m². As a result less external and untreated air infiltrates the internal space, reducing heating requirements.
- The thermal properties of the building fabric are better than the minimum standards set out in the building regulations and this results in lower heating loads.
- At Waitrose Worcester, Cold Air Retrieval (CAR) takes cool air from low down in the cabinet aisles and uses it to overcome the extra heat generated at the checkouts where typically there is solar gain from the shop front glazing and a higher density of people. The CAR system uses less electricity compared to a traditional air conditioning system.
- Our Waitrose refrigeration system uses water cooling and therefore significantly less refrigerant than a conventional supermarket system. The refrigerant is a Hydrocarbon (HC) and has a lower Global Warming Potential (GWP) compared with a Hydrofluorocarbon (HFC). While systems are designed and installed to avoid leaks, should the system leak refrigerant into the atmosphere the associated emissions are much lower than for a conventional system.
- LED lighting throughout the shops reduces both electrical consumption and potential cooling loads as less heat is produced from the fittings.

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- The heating, ventilation and cooling systems are all controlled from a Building Management System (BMS), which optimises the operation of the plant. This switches the plant on and off at optimum times and avoids overheating and overcooling areas. It slows down fan speeds when the heating and cooling loads allow. This results in an overall reduction in electricity consumption.
- High efficiency boilers and water heaters also lower our use of energy.



Refrigeration

We have a target to ensure that by the end of 2020/21 refrigeration leakage will be no more than 7% of entrained volume - this year we met and just surpassed it at 6.98%*. To maintain this, all new and replacement refrigeration units will continue to be replaced with natural gas alternatives. In our remaining systems we will ensure that the refrigerants replaced are of the lowest GWP. In 2016/17 24 store systems were upgraded in this way. We will also continue to monitor the estate day and night to ensure that, where leaks occur, they are dealt with as quickly as possible.

Establishing low-carbon solutions at our farm

Waitrose is working with the Anaerobic Digestion (AD) Network and the University of Southampton on a feasibility study funded by the BBSRC (Biotechnology and Biological Services Research Council). This is investigating the potential for an AD plant at our farm in Leckford in Hampshire. If viable, the AD plant would convert farm waste streams into energy which would be used on site for both electricity and heating.

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Our transport emissions

Growing our network

In 2016/17 we continued to grow our distribution capability. As we take our brands to more customers and invest in offering new ways to do grocery and non-food shopping - whether it's in the comfort of their own home, on-the-go with mobile technology, or in shops - we need and increasingly agile distribution network.

Trialling alternatives

We focus on where we can make the biggest emissions savings in our fleet. In 2016, we became the first UK retailer to use 'dedicated gas' trucks that run purely on Government-certified biomethane. This is a breakthrough - the biomethane is created from waste material, transported by the gas grid and extracted locally. The trucks save 83% on carbon and are significantly quieter than their diesel equivalent. We already run 12 trucks and intend to expand the fleet further in 2017, by replacing trucks that reach the end of their life.



We are also trialling a more efficient way to power the refrigeration on our trucks. This is currently responsible for approximately 20% of Waitrose's distribution emissions. The new system enables refrigeration units on the trucks parked at our Distribution Centre to be powered from our mains electricity which is on a renewable energy contract. When on the road, the units will be powered by the more efficient, cleaner truck engine, rather than a separate engine.

Waste

The Partnership has an overriding aim to stop all types of waste. In fact, we consider waste materials we generate to be valuable resources. We are committed to working with our supply chain to explore opportunities to reduce waste and 'close the loop' on our waste material. We also want to increase reuse services for products when they reach the end of their useful life.

Target	Progress
Divert 100% of waste from landfill by end 2020/21	98.2%* was diverted in the 7 months to July 2016 ¹
75% operational waste to be recycled by year end 2020/21	67.2%* was recycled in the 7 months to July 2016 ¹
100% closed-loop recycling of cardboard, plastic & glass by year end 2020/21	We continue to look for opportunities to increase the use of recycled materials in our buildings and operations, and, where possible, to make this a closed-loop solution.
15% reduction in Waitrose organic matter waste (vs 2014/15 baseline) by 2020/21	13.9%* compared to the first 7 months of 2014/15 ¹

¹This covers the period 1 January 2016 - 31 July 2016 due to a changeover in waste contractor during the year. We are working with the new contractor to develop accurate and robust waste reporting.

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Operational waste

Making progress

In our operations, our approach is to follow the waste hierarchy by reducing waste, recycling and diverting it from landfill and we have engaged extensively with our Partners to help them to play their part in achieving our targets.

We have continued to make progress towards our targets to divert 100% of our operational waste from landfill and reducing our organic matter waste by 2020/21. 98.2%* of waste was diverted from landfill in the 7 months to the end of July 2016 and the volume of organic matter waste has reduced by 5.9% (13.9%* since 2014/15). We made progress towards our target to recycle 75% of our operational waste with 67.2%* being recycled in the same period.

These improvements have been made possible by engaging our Partners and working with our supply chain. To steer us further towards our targets, we have increased the frequency of internal reporting against our waste key performance indicators and established new Partnership-wide governance mechanisms for our operational waste which will steer us towards our vision and manage activity against our targets.

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Collaboration for improvement

We also continue to work collaboratively with others to deliver industry progress, for example through Waitrose's involvement in the [Courtauld Commitment 2025](#) and the Partnership's participation in

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the Paper Cup Recovery and Recycling Group (PCRRG). The PCRRG is a collaboration of raw material producers, cup manufacturers, retailers, recyclers and Non-Governmental Organisations (NGOs). The Group aims to find solutions to the environmental impacts of paper cup, such as designing a paper cup that can be efficiently recycled and engaging customers, waste collectors and local authorities to ensure they are put through the appropriate waste streams.

Closing the loop

Making use of end-of-use

We recognise the potential to improve the recycling and reuse of the products that we sell as well as items that are no longer useful to customers. We continue to offer a number of takeback services. We will explore opportunities to expand these services to new product ranges whilst also increasing the variety of products that can be taken back in store for recycling.

Approximately 10 million items of furniture are thrown away every year in the UK but it's estimated that 3 million could be reused². John Lewis's sofa reuse scheme, our first not-for-profit service, involves collecting 'end-of-first-life' sofas from customers homes, then reusing or recycling them in partnership with local charities to support disadvantaged communities. In 2016, through our work with the Furniture Reuse Network, almost 2,000 of our customers' sofas were reused.



Waste Electrical Equipment (WEEE) is one of the fastest growing waste streams in the UK and landfill sites are reaching full capacity. Much of this waste can be recycled and the resources recovered to make new consumer goods. Through our appliance disposal service, we collect customer WEEE and put it to good use again through reuse or recycling. In 2016/17 over 370,000 items of WEEE were collected of which nearly 30,000 were reused and the remainder recycled.

The majority of mattresses in the UK also end up in landfill when they are no longer in use. Through our mattress recycling service, mattresses are collected and broken down. Most of material extracted such as PU foam, polyester, nylon and steel springs are recycled. In 2016/17 approximately 46,000 mattresses were collected and recycled, preventing roughly 1,500 tonnes of waste going to landfill.

Carpet waste can be particularly challenging to recycle due the variety of component materials that need to be separated. However, in 2013, we began collecting and reprocessing off cuts from our fitters to create new underlay, which is comparable in quality to conventional underlay.



Packaging solutions

Cardboard packaging is a significant but valuable waste stream for the Partnership. Wherever possible we incorporate our operational packaging waste into new customer packaging. In the first 7 months of 2016, we collected and recycled approximately 23,000 tonnes of cardboard. Approximately 1,000 tonnes of this was blended with FSC-certified pulp to make John Lewis 'Click & collect' boxes. We are also committed to working with our suppliers to incorporate more of the cardboard we recycle into our packaging.

Waitrose is working to develop first-to-market solutions for new, more sustainable packaging materials that can be

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shared with the industry. As well as maximising the amount of packaging that is easily recyclable, we aim to increase the number of products we sell using bio-based packaging year-on-year, which will complement existing materials and infrastructure. Our Love Life Gluten Free Pasta, for example, uses packaging that blends 85% paper with 15% of a compatible bean waste by-product.

Reducing food waste

Our policy on food waste

We want all of our food to be eaten - either by our customers, our Partners, or local communities. Where this is not achievable, as a last resort, food and other organic matter waste (including horticultural waste and spent coffee grinds) is sent to generate energy through anaerobic digestion. This has been our policy since 2012 and we aim to reduce this waste stream by 15% by the end of 2020/21. We are pleased that this year we have reduced the volume of this waste stream by 5.4%¹ and by 13.9%^{1*} since 2014.

We have achieved this through better stock management and training, price reductions and improved data and waste management practices. Our enhanced Partner shopping offer also now includes initiatives such as providing Partners and discount card holders with an additional 25% off items on their last day of life.

We were one of the founding signatories of the [Courtauld Commitment](#) and continue to work closely with Waste Resources Action Programme (WRAP) to identify ways to reduce food waste and meet industry targets.

Distributing surplus

We want all our stores and depots to have an arrangement in place with local organisations, such as a charity or social enterprise, to donate food before it goes past its use-by date. Our preference is first to donate for human consumption and then for animal consumption. In 2016 we donated £1,445,088 worth of surplus food to local charities and social enterprises. To expand this further, we have developed a relationship with [FareShare Foodcloud](#) to increase the proportion of surplus food that can be redistributed.

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BASIS OF REPORTING FOR EXTERNALLY ASSURED CORPORATE RESPONSIBILITY DATA 2016/17

Data periods

Our financial (trading) year always finishes on the last Saturday of January. This means our year on year data period may sometimes vary by one week. The 2016/17 financial year is the 52 weeks ended 28 January 2017.

Community and sourcing data is reported in line with the financial year and environmental data is reported in line with an approximate calendar year for 2015 and 2016 and financial year for all prior years, unless otherwise stated. For 2016, environmental data covers 27th December 2015 to 24th December 2016 similar to 2015. Environment data was prepared under financial year reporting for all years prior to 2015.

Reporting frequency

We report externally on an annual basis. Internally we report more frequently on some management information included below.

Assurance

Selected data reported for 2011/12 has been assured by Corporate Citizenship (Community) and The Carbon Trust (Carbon). 2012/13, 2013/14, and 2014/15 data has been assured by DNV GL and by KPMG in 2015/16 and 2016/17.

COMMUNITY

Our community investment total includes the value of cash, in-kind and time given to charitable and community purposes and includes all branch and head office sites.

We use the London Benchmarking Group model for reporting.

Description	Methodology	Scope/exclusions	Unit of reporting
Total value of cash contributions	Records of cash, cheques or BACs donations inputted electronically by branch personnel into a centralised	This includes all monetary donations made to charities and community groups.	£

	database.	This figure includes a total of approximately £2.8 million generated for The Prince of Wales's Charitable Foundation through royalties paid from the sale of Duchy Originals.	
Total value of time contributions	<p>Records of volunteer activity inputted electronically by branch personnel into a centralised database, multiplied by the value of the time donated.</p> <p>For 2014/15, we introduced two new hourly values when calculating volunteering time and management time replacing the London Benchmarking Group average value, which was used in previous years; one for Partner volunteering (with a value which better reflects volunteer salaries) and one for management time, which reflects the salaries of Partners with responsibility for community investment. The new rate used for 2014/15 activity lowered its value materially. We have reviewed the rate again in 2016/17 which has not made a material difference to the value.</p>	This includes the value of Partner time contributions made to charities/community groups during working hours. This is also broken down by London Benchmarking Group category. This excludes costs of management hours for our community programmes.	£
Total value of in-kind contributions	Records of in-kind activity (including values) inputted electronically by branch personnel into a centralised database. These are valued as a cost to the business, not the value to the beneficiaries.	This includes all non-cash gifts made to charities/community groups such as gift vouchers, products, samples, equipment, loan of rooms/facilities/equipment etc.	£
Total value of management costs contributions	Self-declared estimates of time spent on community investment management at a head office level plus estimated time allocated through community related roles at a branch level.	This includes hours spent by key roles managing and directing community investment programmes and activities.	£

	The hourly rate calculation changed in 2014/15 as we went from using the London Benchmarking Group standard rate to our own internal averages, which has impacted total value of management time and volunteering, lowering its value materially.		
Partner hour contributions	Records of volunteer activity in work time inputted electronically by branch personnel into a centralised database.	<ul style="list-style-type: none"> - Hours spent hosting school visits/workplace placements - Time spent administering school visits and workplace placements - Partner talks to charities/community groups - Man-hours involved in community roles (e.g. School Governors, Justices of the Peace etc) where these Partners are released on leave - Partner time volunteered on any charitable or community project, event or activity. 	Hours
Golden Jubilee Trust cumulative volunteer hours	<p>Records of volunteer activity are inputted electronically by Golden Jubilee Trust personnel into a centralised database.</p> <p>The hours recorded relate to awards granted at trustee meetings during the financial year.</p>	Total number of hours awarded for all Partners seconded to charitable organisations through the Golden Jubilee Trust scheme.	Hours

ENVIRONMENT: WASTE**Site scope/exclusions:**

All Waitrose stores included. Some John Lewis shops including Bluewater and Peterborough have centre managed waste arrangements; an estimate is included to account for this waste. The waste for these branches is estimated on a branch of similar size for these shops.

Franchised/licensed/third party operated stores: Only Shell Stations included (2). No Welcome Break franchises included.

JL service buildings/Combined Service Buildings: all included

Head offices: Waitrose, John Lewis & Group head office data is included from 2014/15 onwards

Own distribution sites: All

Not included:

Third party sites operated solely for JLP (e.g. distribution centres)

Holiday centres

Sir Bernard Miller Conference centre

Manufacturing sites (Herbert Parkinson or Leckford)

Description	Methodology	Scope/exclusions	Unit of reporting
Weight of waste disposed to landfill	Monthly data reported from waste contractor, collated by MML team.	Waste disposed to landfill is waste sent direct to landfill for disposal plus generic % of remaining waste after Material Recycling Facility (MRF) technological and manual extraction of mixed recyclable material, where the MRF operator indicates landfill as destination for remaining residual waste.	Tonnes
Proportion of generated waste that is disposed of/diverted from	% waste diverted from landfill is the sum of measured operational waste except direct to landfill, and the residual waste tonnes where the MRF operator indicates landfill as the destination	As above.	% to one decimal place

landfill	for the remaining waste not extracted for recycling. It includes weight of waste diverted to energy from waste facilities. Expressed as a proportion of the total operational waste generated.		
Weight of waste recycled	Monthly data reported from the main waste contractor, and individual monthly data files submitted by each recycling contractor, and collated monthly by the MML team.	Waste recycled is all 'source separated' material including cardboard, mixed plastic, polystyrene, paper, metal cans, and wood, and the generic % of mixed recyclable materials separated by Material Recycling Facility (MRF) technological and manual processes. This does not include food waste which is included in weight of waste diverted to energy from waste facilities.	Tonnes
Proportion of waste recycled	Waste input expressed as a proportion of the total operational waste generated.	As above.	% to one decimal place
Weight of waste diverted to energy from waste facilities	Monthly data reported from the main waste contractor, collated by MML team.	General, non recyclable waste is, wherever environmentally and economically sound to do so, diverted from landfill to energy from waste processing facilities. This is broken down by waste stream including food waste.	Tonnes
% Weight of waste diverted to energy from waste facilities	Waste input expressed as a proportion of the total operational waste generated.	As above.	% to one decimal place

ENVIRONMENT: ENERGY CONSUMPTION			
Description	Methodology	Scope/exclusions	Unit of reporting
Total energy consumption (gas and electricity)	Consumption data is calculated through a combination of billing and estimates based on reference sites where no data is available for the site.	Energy associated with all shops, offices, clubs and owned and operated distribution centres has been included. Waitrose energy for Leckford has also been included. Energy used at outsourced distribution centres has not been included in the reported consumption, but is included within the Carbon Footprint.	kWh
Total energy consumption per ft² selling floor space	Energy Consumption data is calculated through a combination of billing and estimates based on reference sites where no data is available for the site. Sales floor area (Sq ft) is provided by Store Development and Finance Teams.	Selling floor space is calculated as front of house sales area, excluding any back of house operations. Those areas are captured in the metric gross internal area (GIA) also in ft ² .	kWh per ft ² selling floor space

ENVIRONMENT: GREENHOUSE GAS EMISSIONS			
Description	Methodology	Scope/exclusions	Unit of reporting
Absolute Location-Based Partnership GHG emissions	<p>See below for the methodology for individual emissions sources.</p> <p><u>Conversion factors:</u></p> <p>Data has been calculated using Defra- 2016 emissions factors for the majority of carbon streams. Leckford agriculture and our latest refrigerants require the use of more specific</p>	Our carbon footprint includes emissions resulting from UK-owned and operated parts of the business. It also includes significant emissions from third party operated distribution sites that are solely operated for Waitrose. See below for individual emissions sources.	Tonnes CO ₂ e

	<p>factors.</p> <p>2016 emissions factor changes to agricultural emissions have resulted in a re-baseline for our historic data to allow for comparisons.</p>		
Absolute Market-Based Partnership GHG emissions	<p>As above.</p> <p>Some of our electricity suppliers have provided auditable Renewable Energy Guarantees of Origin (REGO) certificates showing our purchases are 100% renewable. Under latest GHG scope 2 guidance, this allows us to apply a zero emissions factor to their supply. Where we have not received this assurance, the AIB residual mix emissions factors have been used to calculate our emissions.</p>	As above.	
Partnership Gross emissions (tonnes CO2e) per £m sales	Total of all – scope 1, 2 (market based) and 3 – emissions divided by gross Partnership annual sales.	As per absolute emissions above.	Tonnes CO2e per £m sales
<u>Scope 1</u> Fuel combustion	<p>Fuel consumption all calculated from actual usage: bills based on meter readings (natural gas) and delivery invoices (other fuels). Natural gas estimates as per energy section above. No estimates made in other fuels.</p> <p>Distribution emissions are calculated from fuel invoices.</p> <p>Agricultural amounts based on farming records of fertiliser application and animal stocks.</p>	<p>Emissions sources included:</p> <ul style="list-style-type: none"> - Company owned vehicles – commercial fleet and company cars. - Stationary combustion of natural gas, gas oil, kerosene, LPG/ propane, diesel, petrol, wood pellets - Emissions from agriculture: fertilisers, animals 	Tonnes CO2e

<p>Scope 1 Refrigeration and cooling direct emissions (tonnes CO2e) and by division</p>	<p>All refrigerant gases based on records actual top-ups by maintenance teams. No estimates made.</p>	<p>Refrigerants include those from both vehicles collated from vehicle maintenance records and buildings including air conditioning, which are recorded through contractor reports of refrigerant replacements.</p> <p>For Waitrose, refrigeration and cooling direct emissions for Leckford have been included.</p>	<p>Tonnes CO2e</p>
<p>Refrigerant leakage as a percentage of entrained volume</p>	<p>As above as a percentage entrained volume.</p>	<p>As above.</p>	<p>% entrained volume</p>
<p>Scope 2 Purchased electricity (market and location based)</p>	<p>See ENERGY for data collection methodology and absolute emissions above for conversion factors.</p>	<p>Scope as per absolute emissions above.</p> <p>Also includes district heating network purchases.</p>	<p>Tonnes CO2e</p>
<p>Scope 3 Employee business travel</p>	<p>Business mileage: All car owners or hired by the John Lewis Partnership for employees will come with a fuel card. Employees who are part of the Partnership Car Scheme, driving more than 5,000 per annum in own cars, will also be given one. Partners with fuel cards record business mileage each month.</p> <p>Air,rail and taxi travel: Travel distance data collected through employee travel bookings via centralised travel agency system (In 2016 this was HRG & Clarity).</p> <p>Estimation: air travel, rail travel, business mileage for taxi travel distances are uplifted to account for bookings outside of the travel agency system,</p>	<p>Business mileage (including company cars, personal car use and taxis), air and rail travel by John Lewis Partnership employees included</p>	<p>Tonnes CO2e</p>

	based on an annual sample. 2016 figure is: 71.3% capture through agency. Converted into emissions using Defra factors.		
Scope 3 Waste disposal to landfill	See WASTE. 2016 data has been calculated using Defra-2016 emissions factors.	See WASTE.	Tonnes CO2e
Scope 3 Associated with third parties	Distribution emissions including outsourced distribution are calculated from fuel invoices.	Electricity, gas, water, waste, LPG consumption, refrigerant leakage, from third party operated distribution centres.	Tonnes CO2e
Scope 3 Water consumption	Consumption data is calculated through billing, 12 month rolling averages and estimates based on reference sites where no data is available.	Water associated with shops, offices, clubs and owned and operated distribution centres has been included and abstracted water at Leckford farm has been included for Waitrose. Water at outsourced distribution centres has not been included in the reported consumption, but is included within the Carbon Footprint.	Tonnes CO2e
Partnership transport-related CO2e (tonnes) per £m sales	The CO2e is calculated by multiplying the quantity of all CV road fuel and road gasoil used by the John Lewis Partnership, by the appropriate DEFRA conversion factor, and divided by the published John Lewis Partnership turnover.	Commercial (distribution) vehicles only.	Tonnes CO2e per £m sales

ENVIRONMENT: COMMERCIAL (DISTRIBUTION) MILEAGE			
Description	Methodology	Scope/exclusions	Unit of reporting
Commercial (distribution) Mileage by division	The majority of the data is gathered from our telematics system, which mirrors the vehicle's odometer. In a small proportion of light commercial vehicles, this data is not available, so the mileage is calculated from the fuel consumed using an assumed MPG.	This includes all mileage of John Lewis and Waitrose commercial vehicles (CVs). It includes trunking and home delivery miles.	Miles
Waitrose outsourced distribution mileage	Telematics data	This is a 3PL Regional Distribution Centre at Brinklow, Milton Keynes, acting exclusively for Waitrose. Waitrose has a number of distribution centres that are operated on our behalf by contractors.	Miles

SOURCING			
Description	Methodology	Scope/exclusions	Unit of reporting
John Lewis timber and paper from responsible and sustainable sources	All data is collated, assessed and verified via our Lighthouse system. Timber supply chains are assessed through a combination of in house staff and legality experts NEPCon. Each timber source is given a policy rating in Lighthouse. Reports are run from lighthouse to provide % figures (count) for each policy rating assigned to a timber source. Sales data is also overlaid to calculate volume (tonnes). The volume is	All own-brand Goods for Resale products except fitted furniture.	Count of sources & volume in tonnes.

	calculated by multiplying the weight of timber contained in each product by the number of units sold.		
John Lewis Cotton by volume from more sustainable sources	Product information is exported from product hub and provided to an expert consultant to calculate annual tonnage figures as a baseline for the cotton tracker. - developed by MADE-BY. Volume data is collected throughout the year from all BCI credits and GOTS certificates and entered into the cotton tracker. The tracker then calculates the % of the volume that has been sourced from more sustainable sources.	All own-brand Goods for Resale products.	Volume in tonnes.
Waitrose Own brand fish and shellfish from third party verified sources	<p>Waitrose Fish policy Annexes provides suppliers with a prescriptive list of wild caught and farmed fish species with details of certification status.</p> <p>Suppliers can only source from this prescribed list and the source detail is verified as part of the Specification approval process by the Technical Managers. Commercial systems generate number of units multiplied by weight of fish sold. Data is calculated for both certified and uncertified species and a percentage then calculated and expressed as % certified fish.</p>	All Waitrose own brand fish.	Tonnes of fish sold Expressed as % certified fish
Waitrose Own brand paper and timber products by volume sourced from FSC, PEFC or equivalent schemes	<p>Sustainable Environmental Consultancy (SEC) risk assesses and verifies raw material specification that has been uploaded by suppliers onto the Waitrose sustainable raw material portal. Supporting information for verification purposes includes chain of custody certification information (FSC/PEFC/ Recycled) and invoices.</p> <p>This information is corroborated against the list of products from the Waitrose internal systems reports and multiplied by unit sales from the same system.</p>	All Waitrose own brand products which are made of solid wood, wood composites (such as MDF and particleboard), paper or pulp-based products, where wood materials are in excess of 5% of the finished product by weight.	Tonnes (t/m ³ /RWE _m ³) Expressed as % sustainably sourced timber
Waitrose Palm oil and palm kernel oil	Sustainable Environmental Consultancy (SEC) risk assesses and verifies raw material specification that has been	All variants of palm oil and its derivatives and fractions used in Waitrose	Tonnes

<p>based ingredients and derivatives used in own brand products that are RSPO physically certified</p>	<p>uploaded by suppliers onto the Waitrose sustainable raw material portal. A list of products and quantities supplied to Waitrose is provided by suppliers via on-line questionnaire on the portal. Supporting information includes RSPO Certification status of palm oil ingredient/derivative used in the product.</p> <p>Final data breakdown provides the tonnage of Certified Segregated, Certified Mass Balance and non-certified status of palm oil and palm kernel oil based ingredients and derivatives. The calculated non-certified element is then covered through purchase of Green Palm certificated Book and Claim certificates.</p> <p>Data is recorded in line with the calendar year.</p>	<p>Branded Food, Household and Health & Beauty products.</p>	<p>Expressed as % physical certified palm oil</p>
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Independent Limited Assurance Report to John Lewis Partnership plc

KPMG LLP ('KPMG' or 'we') were engaged by John Lewis Partnership plc ('John Lewis Partnership') to provide limited assurance over the Selected Information described below for the year ended 28 January 2017.

Our conclusion

Based on the work we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information has not been properly prepared, in all material respects, in accordance with the Reporting Criteria.

This conclusion is to be read in the context of the remainder of this report, in particular the inherent limitations explained below and this report's intended use.

Selected Information

The scope of our work includes only the information included within the Our Responsibilities section ('the Report') of the John Lewis Partnership website, <http://www.johnlewispartnership.co.uk/csr.html> for the year ended 28 January 2017 marked with the symbol * and the presentation of the description of the Internal Control Process ('the Selected Information').

We have not performed any work, and do not express any conclusion, over any other information that may be displayed in the Report or elsewhere on John Lewis Partnership's website for the current year or for previous periods unless otherwise indicated.

Reporting Criteria

The Reporting Criteria we used to form our judgements are:

- John Lewis Partnership's Reporting Guidelines 2017 as set out at <http://www.johnlewispartnership.co.uk/csr.html> for the Selected Information marked with the symbol *;
- the Global Reporting Initiative ('GRI') G4 reporting principles for defining report quality as set out at <https://www.globalreporting.org> for the Selected Information included in the presentation of the description of the Internal Control Process.

The Selected Information needs to be read together with the Reporting Criteria.

Inherent limitations

The nature of non-financial information; the absence of a significant body of established practice on which to draw; and the methods and precision used to determine non-financial information, allow for different, but acceptable evaluation and measurement techniques and can result in materially different measurements, affecting comparability between entities and over time.

Directors' responsibilities

The Directors of John Lewis Partnership are responsible for:

- designing, implementing and maintaining internal controls relevant to the preparation and presentation of the Selected Information that is free from material misstatement, whether due to fraud or error;
- selecting and/or developing objective Reporting Criteria;
- measuring and reporting the Selected Information in accordance with the Reporting Criteria; and
- the contents and statements contained within the Report and the Reporting Criteria.
- the maintenance and integrity of information included on John Lewis Partnership's website.

Our responsibilities

Our responsibility is to plan and perform our work to obtain limited assurance about whether the Selected Information has been prepared in accordance with the Reporting Criteria and to report to John Lewis Partnership in the form of an independent limited assurance conclusion based on the work performed and the evidence obtained.

Assurance standards applied

We performed our work in accordance with International Standard on Assurance Engagements 3000 – 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' ('ISAE 3000') and, in respect of the greenhouse gas emissions information included within the Selected Information, in accordance with International Standard on Assurance Engagements 3410 - 'Assurance Engagements on Greenhouse Gas Statements' ('ISAE 3410'), issued by the International Auditing and Assurance Standards Board.

The work performed in a limited assurance engagement varies in nature and timing from, and is less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Independence, professional standards and quality control

We comply with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and we apply the International Standard on Quality Control (UK and Ireland) 1, 'Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements'. Accordingly, we maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements and professional standards (including independence, and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour) as well as applicable legal and regulatory requirements.

Summary of work performed

Considering the level of assurance and our assessment of the risk of material misstatement of the Selected Information, whether due to fraud or error, our work included, but was not restricted to:

- assessing the appropriateness of the Reporting Criteria for the Selected Information;
- conducting interviews with John Lewis Partnership management to understand the key processes, systems and controls in place over the preparation of the Selected Information;
- examining a selection of the internal process documentation which explains the processes, systems and controls in place over the preparation of the Selected Information;
- performing two store visits to observe the key processes, systems and controls in place over the preparation of the Selected Information;
- agreeing a selection of the underlying data which supports the Selected Information to corresponding source documentation;
- reperforming a selection of the carbon conversion factor calculations, other unit conversion factor calculations and manual calculations performed over the Selected Information;
- agreeing the relevant prior period and baseline data to previously reported data where these were used in the calculation of the Selected Information, including re-performing the calculation;
- performing analytical review procedures over the aggregated Selected Information, including a comparison to the prior period's amounts having due regard to changes in business volume and the business portfolio;
- agreeing a selection of processes from the John Lewis Partnership Internal Control Process Description to corresponding supporting documentation; and
- reading the Report and narrative accompanying the Selected Information with regard to the Reporting Criteria, and for consistency with our findings.

In respect of the sales, profit before tax and square footage data used in the calculation of the Selected Information, our assurance procedures were limited to agreeing the sales, profit before tax and square footage data used in the calculation to the John Lewis Partnership data to test if it has been extracted accurately from the John Lewis Partnership Annual Report and Accounts for the year ended 28 January 2017.

This report's intended use

This assurance report is made solely to John Lewis Partnership in accordance with the terms of the engagement contract between us. Those terms permit disclosure to other parties, solely for the purpose of John Lewis Partnership showing that it has obtained an independent assurance report in connection with the Selected Information.

We have not considered the interest of any other party in the Selected Information. To the fullest extent permitted by law, we accept no responsibility and deny any liability to any party other than John Lewis Partnership for our work, for this assurance report or for the conclusions we have reached.

Paul Holland



for and on behalf of KPMG LLP

Chartered Accountants
London
9 May 2017