



How we stack up  
Corporate Social Responsibility Report 2008

John Lewis

John Lewis operates 27 department stores around the UK, and has a thriving online business, johnlewis.com. It forms part of the John Lewis Partnership, which has a unique system of employee co-ownership. All 69,000 employees ('Partners'), roughly 28,000 of them at John Lewis, have a say in how the business is run and a share in its profits.

Our shops are supported by a Head Office, in Victoria, London, and six Regional Distribution Centres. We also own and operate a production unit in Lancashire, which makes our own-brand furnishings, fabrics and curtains.

We offer our customers up to 350,000 core product lines, supported by our unique 'Never Knowingly Undersold' price commitment. This has been our slogan for over 80 years, and assures customers that the price of any item we sell will always be as low as the lowest competitor price in the local shop area, as well as price matching over 60 competitors nationwide.

John Lewis' gross sales in 2007 rose by 5.6% to £2.8 billion, within the Partnership's total sales of £6.8 billion.

For information about the Partnership's other businesses, visit [www.waitrose.com](http://www.waitrose.com) and [www.greenbee.com](http://www.greenbee.com)

All data in this report covers the period February 2007 to January 2008 unless otherwise stated.

**Front cover:** Rowan yarn uses fully certified organic cotton, which is grown without the use of pesticides and chemical fertilisers, and coloured using only organic plant dyes. The cotton can be traced back to the farms in India where it is grown.





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# CSR: part of our DNA

Corporate social responsibility (CSR) is, to John Lewis, an essential part of our DNA. Sustainable products, mutually beneficial supplier partnerships, resource-efficient shops, good customer service – they're all part of how we do things, each and every day. Such responsibilities are embedded into our business, and because we do not have external shareholders, we can make long-term decisions about how we source our products, run our operations and support our local communities for the best interests of all our stakeholders. We also do all these things – and much more besides, as this report will demonstrate – because they are the right thing to do and because they make good business sense.

As part of the Partnership's ambitious plans to double its size over the next decade, we aim to open a number of new John Lewis shops. The majority of them will be built in town centre locations, reflecting our support for city centre regeneration, and all will be constructed in line with our Sustainable Construction Framework, which ensures the principles of sustainability are adopted at every stage of every construction or refurbishment project.

In addition to building sustainable shops, we need to run all aspects of our business as efficiently as possible. So going forward from our current position, we are exploring further ways to reduce the carbon emissions from our commercial fleet, the packaging we use and the waste we generate. We are also committed to helping customers to do their bit too, which we do through providing services such as recycling beds, mobile phones and white goods. To push the climate change agenda even further, we participate in collaborative initiatives with key organisations such as the British Retail Consortium, the Retail Energy Forum, Business in the Community and the London Development Agency.

As a business with a complex supply chain, we fully recognise the importance of sustainable sourcing. We are in the process of extending our timber sourcing policy, from garden furniture – which should all be independently certified to Forest Stewardship Council standards by the end of 2009 – to cover all wood-based products. And in support of customers' growing interest in environmental issues, our 'We Can Make a Difference' promotion in the spring highlighted the hundreds of responsible products we sell, from Fairtrade and organic to energy-efficient and recycled products.

Despite progress in such areas, there are many challenges ahead so we cannot rest on our laurels. For example, two of our manufacturing businesses – Stead McAlpin, our textile and dyeing business, and textile weavers JH Birtwistle – had been struggling for some time, so in September 2007, we made the not-inconsiderable decision to sell them. The sale will improve their chances of profitability as individual businesses and provide employees with the best possible employment prospects going forwards.

Like our competitors, we are also facing a tougher than expected trading environment, but I am confident that, despite this, we will continue to outperform the retail market. That is in no small part due to the outstanding efforts of our 28,000 Partners, which have been recognised externally through several awards and accolades. Being named Britain's favourite retailer yet again in Verdict's customer satisfaction index and coming second (to our sister company Waitrose) in a similar survey by consumer magazine *Which?* suggests our customers still think we're performing well. In addition, being voted the 'most respected retailer' by over 1,000 chief executives and board members from across the retail sector suggests our peers' perceptions of us are equally favourable.

As with last year's Partnership-wide report, this publication focuses on the areas our Partners, customers, suppliers and other stakeholders see as most important. By confirming what we stand for, sharing what we have achieved so far and outlining our future priorities, in an open and balanced way, we hope this report demonstrates how our performance on these issues 'stacks up' in this crucial element of the John Lewis business.

**Andy Street**  
Managing Director,  
John Lewis



# What makes us different

Like any business, the John Lewis Partnership is commercial and competitive, but it is also the UK's largest and longest-lasting example of employee ownership. Rather than having employees and shareholders, our Partners co-own the business.

## Who we are

We believe our co-ownership business model gives us three significant advantages:

- > It allows us to take a **long-term view** – we can build lasting relationships with all our stakeholders, from customers to suppliers, because we're not driven by the need to deliver short-term gain for the City.
- > It means we can **maximise the value of employee ownership** – Partners have worthwhile, secure and fulfilling employment, which generates loyalty, pride, job satisfaction, knowledge and empowerment.
- > It enables us to **act in the interests of society** – as a long-term employer and neighbour, our long-held desire is to conduct all our business relationships with integrity and courtesy, behave as a good corporate citizen and contribute to the communities where we operate.

## Our business model



## The spirit of the Partnership

There are many aspects of our business that make the Partnership different from other businesses. For example:

- > As co-owners, we share the responsibility for our own successes and failures. This sense of collective responsibility is reflected in the low turnover (22%) and sickness (3.5%) rates that John Lewis exhibits compared with others in our sector.
- > Profits are also shared equally, in the form of an annual Bonus (20% of salary in 2007–08), which gives everyone a shared purpose and a tangible reason to do their job to the best of their ability.
- > We support a healthy work–life balance through flexible working, and a range of leisure activities, clubs and societies, career breaks, long leave and a flexible retirement policy.
- > We support Partners to fulfil their potential, often promoting from within, and offering internal training and career development programmes.
- > We nurture a creative, innovative culture that values difference and diversity.
- > In addition to competitive pay and benefits, we offer Partners a final salary pension scheme, Bonus Save, a Government approved share incentive plan and five subsidised holiday centres around the country.

 The spirit of the Partnership is captured in a short video on [www.johnlewispartnership.co.uk](http://www.johnlewispartnership.co.uk)

“The Partnership returned £324 million to Partners last year in the form of a bonus, pensions and other benefits. That’s an enormously powerful demonstration that our business is different.”

**Charlie Mayfield** Chairman, John Lewis Partnership

### Governance and structure

Our structure is underpinned by the highest levels of corporate governance. This gives managers the freedom to be entrepreneurial and competitive in how they run the business, while giving all our Partners the rights and responsibilities of ownership through active involvement in the business.

At the top level, the Partnership has three governing authorities. **The Partnership Council**, unique in corporate governance, is directly elected by Partners, holds the Chairman and executives to account, and appoints five non-executives to **the Partnership Board**. The Board has five executives and two external non-executives appointed by **the Chairman**, including the Managing Directors of John Lewis and Waitrose.

Find out more about our governance authorities on [www.johnlewispartnership.co.uk](http://www.johnlewispartnership.co.uk)



### Engaging with our Partners

Our ultimate goal is the happiness of our Partners, who share the responsibilities of ownership as well as its rewards, profit and knowledge. To achieve this, they need access to knowledge and the power to influence decision making and challenge performance, which between them make the Partnership a vibrant democracy.

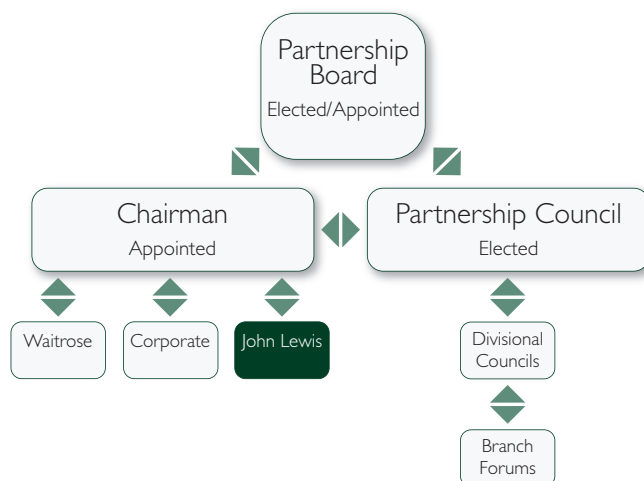
To improve their access to knowledge, we:

- > brief Partners before, or at the same time as, external audiences on any major business decisions
- > hold AGMs for Partners to foster understanding and loyalty
- > provide a range of local and business-wide online communication tools and printed publications, including our Partnership magazines *the Gazette* and *Chronicles*
- > hold regular roadshows and presentations, including video presentations by the Chairman and Managing Director.

Partners can also influence decision making and challenge management on performance through:

- > a democratic network of elected councils and committees
- > local, divisional and Partnership-wide forums, such as our shop-level Branch Forums.

### Our governance structure



A lively **letters page in the Gazette** provides a forum for any Partner to ask any question about the business – anonymously if they wish. All published letters are answered by an appropriate member of management.

### Partner engagement in action

Across the Partnership, 94% of our Partners (John Lewis: 94%) – 62,000 in total – participated in our annual Partner survey, well above our target of 85%. The survey asks Partners – anonymously and confidentially – for their views on a wide range of issues such as job satisfaction, pay, career development, management, their shop, the democratic bodies and the Partnership as a business. In 2007–08, our average score across the Partnership increased from 11.0 to 12.4 (John Lewis: 12.6).

These are the average scores of all responses to each question. So if, for example, everyone strongly agreed with the statement, the score would be 30; if they all disagreed strongly, the score would be -30; and if half agreed and half disagreed, the score would be 0.

### John Lewis – sample 2007 survey scores

"I care about the Partnership."	20
"I know what is expected of me in my job."	18
"The Partnership is a well-led business."	18
"I feel proud to work for the Partnership."	19
"Overall my job satisfies me."	14
"I know what I need to do to improve my pay."	9

# An engaging Partnership

We believe that being a responsible retailer means respecting the interests of all our stakeholders. This involves listening to them and actively responding to their concerns, as well as being honest in our expectations and fair in the reporting of our performance. Here, we outline some of the ways we actively involve our key external stakeholders in shaping our CSR vision and programmes.

## Customers

We encourage opinions, both positive and negative, from customers by providing clear contact information and gathering views directly through focus groups, surveys and online feedback forms.

In late 2007, we commissioned Ipsos MORI to conduct opinion research about CSR issues and consumer behaviour, to better understand Partner and customer views on CSR issues and the level of importance they give them. This involved 13 focus groups comprised of customers and non-customers, Partners, managers and Partnership Councillors.

The survey revealed that the most important issues of relevance to John Lewis were packaging, waste and recycling, and responsible sourcing, both in terms of labour standards in the supply chain and the sustainability of products and materials.

"I would assume that if a product doesn't have the relevant information, then it wouldn't be recyclable."

**Customer** 55+, Norwich

"You need to have massive signs so you know everything there is ethically sourced... If it's just on individual labels, you won't look."

**Customer** 25-40, London

"You're a big organisation, so you should have the resources to do spot checks on suppliers."

**Customer** 55+, Norwich



## Suppliers

As well as day-to-day communications with our suppliers, we:

- > engage with them through conferences, partnered projects and workshops
- > undertake supplier-centred initiatives such as our Responsible Sourcing programme (see page 23).

Our weekly Partnership-wide magazine *the Gazette* also features articles on suppliers, which allow us to showcase their CSR credentials and how we work closely with them through long-term, mutually beneficial partnerships.

"Our aim is to sell 100% natural products. At the moment, we still need to buy things in, but eventually everything will be made from recycled materials."

**Tracy Russell** decoration manufacturer; Big Decs (pictured above)

"We pride ourselves on having products made in Scotland. The fact that we are a British company is strongly in our favour, as people are aware of the 'green miles' involved when something is imported."

**Linda McDonald** jewellery maker (pictured below)







## Local communities

We are committed to contributing to the communities in which we operate, and we aim to build long-term relationships with local community and interest groups. For example, our Community Liaison Co-ordinators work with shop Partners to develop effective community involvement plans. We also carry out public consultations before finalising planning applications for all new shops and refurbishments.

## Industry and other organisations

We actively participate in a number of industry groups and forums, and sit on various policy advisory and working groups covering issues from climate change to chemicals. We support the work of non-governmental organisations (NGOs) on issues such as sustainable timber (Greenpeace, Forestry Stewardship Council), energy-efficient products (Energy Saving Trust) and the regulation of the cotton industry (Environmental Justice Foundation).

In October 2007, in conjunction with sustainable development

charity Forum for the Future, we held a senior managers CSR conference. The purpose of this event was to build awareness and understanding of the importance of sustainability to long-term business performance, and to debate how the Partnership could respond to the dilemmas associated with the sustainability agenda.

“You are famous for being Never Knowingly Undersold. Will you be able to say to your consumers ‘we are never knowingly unsustainable?’”

**Jill Rutter** Director of Strategy and Sustainable Development, Defra

“Retailers will always want to sell more. But for sustainable development, we need them to sell more of the sustainable products and services and less of the unsustainable ones.”

**Tom Berry** Principal Sustainability Advisor, Forum for the Future

“What can you do? Maybe become ‘waste-neutral’? Or at the very least, move along the waste hierarchy, and understand how you can produce less waste. This extends to construction, with opportunities to use recycled and reclaimed materials in new buildings.”

**Mark Barthel** Special Advisor on Retail, Waste & Resources Action Programme (WRAP)



## Government and other authorities

We work closely with Government, local authorities and regulators such as the Environment Agency and the Health & Safety Executive to make sure we operate within the law. We also engage in regular dialogue with policymakers over legislation in areas that may have an impact on our business, such as packaging, carrier bags, energy-efficient products, and electrical and electronic waste.




# Climate change


## Ambition

To reduce our overall carbon impact.

## Targets

- > Reduce carbon dioxide emissions for all UK operations by 10% by 2010, 20% by 2020 and 60% by 2050 (relative to our 2001 trade)
- > Continue to source 100% of our electricity from green sources and consider all forms of renewable energy for our shops and head offices
- > Improve the energy efficiency of our shops and offices by 20% by 2010 (based on 2003 baseline)
- > Aim for a reduction of 15% in energy-related transport CO<sub>2</sub> emissions from stores deliveries by 2013 (compared with 2005 levels)

 More information and detailed data can be found on [www.johnlewispartnership.co.uk](http://www.johnlewispartnership.co.uk)

 See the Waitrose CSR report for more information on our sister company

Climate change is one of the world's greatest environmental challenges. Average temperatures are rising, and extreme weather events like floods, storms and droughts are becoming more frequent, largely due to the increase in carbon dioxide (CO<sub>2</sub>) and other greenhouse gases in our atmosphere. Much of this comes from burning fossil fuels for energy and transport, so we need to use energy as efficiently as possible, switch to renewable resources where we can, avoid unnecessary mileage and use the cleanest technology available.

## Reducing our carbon footprint

As a growing business, our absolute carbon emissions are increasing. The Partnership's total carbon emissions in 2007 were up 8% to just under 380,000 tonnes (of which 128,257 tonnes was attributable to John Lewis). But as a result of a strict carbon management programme, we have seen a 16% reduction in emissions, relative to sales, between 2001 and 2007, and we are currently on track to achieve our 20-year reduction target.

However, the issue of climate change is a global one, and effective solutions cannot be found in isolation. To help to drive the agenda, the Partnership has participated in collaborative initiatives, including:

- > membership of the **Corporate Leaders Group on Climate Change**, a group of senior executives from 20 major UK and international companies, supporting government frameworks for reducing the UK's CO<sub>2</sub> emissions including the Climate Change Bill
- > signing up to the **British Retail Consortium's Climate Change Initiative**, 'A Better Retailing Climate', which includes commitments to reduce energy and water use, transport emissions, waste and packaging, and to support suppliers, Partners and customers in reducing their environmental impacts
- > being one of several retailers on the **Retail Energy Forum**, which shares best practice on energy efficiency and the built environment
- > our Chairman attending the **Business in the Community May Day Summit**, at which 1,700 business leaders were challenged to commit to at least one of six climate change pledges
- > joining the **Green500**, a London Development Agency initiative asking the capital's top organisations to reduce carbon emissions in the capital by 60% by 2025.

We are also assisting the British Standards Institute's Publicly Available Standard (PAS) 2050 Committee in developing a national standard for measuring a product's or service's total carbon footprint, from source to end of life, and the Carbon Trust's standard for communicating and reducing the carbon footprint of consumer products. Both are expected to be completed later this year.



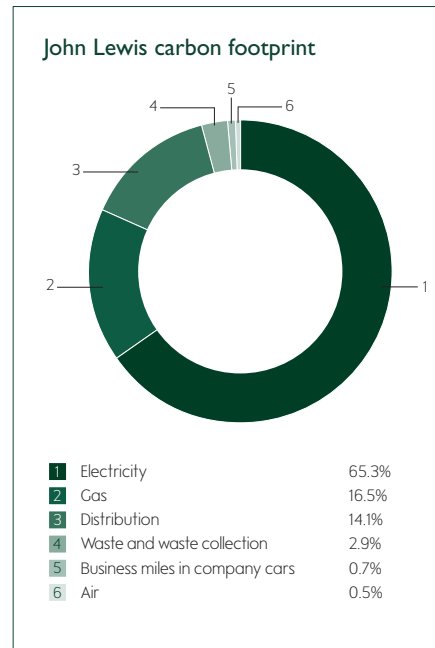
We always seek to stock appliances with the lowest possible energy consumption, and all but three of our own-brand white goods are 'A' or 'A+' rated for energy efficiency.



### Energy use

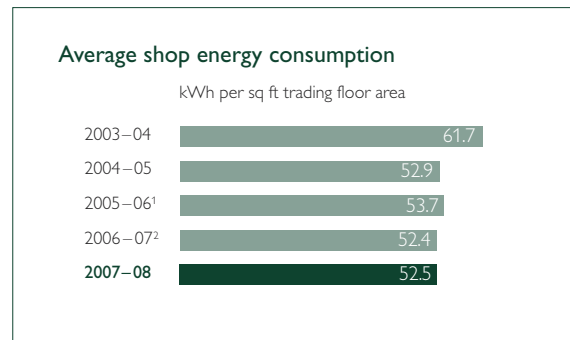
John Lewis used 175 million kWh of gas and electricity last year, at a cost of over £15 million, and although energy efficiency has improved (see chart, right), more shops and longer trading hours mean our total energy use continues to rise. We are aiming to improve the efficiency of all our shops and offices by 20% by 2010 (relative to 2003–04) through a lighting replacement programme, efficient equipment, new controls and by using technology to adjust ventilation to suit occupancy levels.

Working with the Carbon Trust, a Government-funded organisation that helps companies to improve energy efficiency, reduce emissions and develop commercially viable low-carbon technologies, we have distributed a new Energy Awareness Manual, *Saving Carbon and Cutting Costs*, to all shops. The publication features '10 ways to save', from switching off display and sales floor lighting outside trading hours to closing external doors in warehouses. Shops also receive monthly energy reports that enable them to monitor progress against targets, identify problems quickly and share best practice.



# 15%

Reduction in energy consumption per square foot of trading floor area since 2003–04



### Alternative energy

Improving our energy efficiency will reduce, but not avoid, CO<sub>2</sub> emissions, and we believe that renewable energy will provide a sustainable, long-term alternative to fossil fuels. Since October 2007, 100% of the Partnership's electricity (up from 40% in 2006–07) has been derived from green sources through EDF Energy.

Through long-term agreements with a range of suppliers, EDF ensures enough green energy is fed into the National Grid to meet the needs of companies wanting to purchase it, including the Partnership. We purchase energy derived from hydroelectric generation, biomass, landfill gas, energy from waste, certified combined heat and power (CHP) plants, and wind farms, but not from nuclear power. Although securing green power contracts for the future remains a challenge, we are committed to doing so.

<sup>1</sup> 2005–06 figure has been recalculated to include additional data for two John Lewis shops.

<sup>2</sup> To reflect energy use during normal trading activity, 1GWh has been deducted from the 2006–07 figure to allow for the significant overnight energy usage for the Oxford Street refurbishment.



### Green IT

The Partnership is a founder member of the Environmental IT Leadership Team, a cross-industry user group aiming to develop more sustainable IT strategies. The initiatives our IT department has instigated include:

- > increasing the processing power performed per unit of energy consumed of our servers, reducing the need for new servers
- > a policy change to ensure that all new desktops and laptops conform to the highest energy efficiency standards EPEAT (Electronic Product Environmental Assessment Tool) Gold
- > software to automatically power down computers overnight
- > investigating ways to minimise daytime computing energy use
- > improving air circulation in the data centre and allowing the temperature to rise by 1.5°C, thereby using less energy for air conditioning
- > better print management and lower printing costs at our Victoria Head Office.



### Water consumption

We are not big users of water, but recognise the need to use less of this increasingly scarce resource. Our total Partnership consumption has reduced by 19%, largely due to the sale of the production unit Stead McAlpin, which was the Partnership's single largest user of water. Consumption in John Lewis shops has also reduced to 26 cubic metres per full-time equivalent Partner.



In areas where no industry standards on energy consumption exist, such as small electrical items, we work with the Energy Saving Trust (EST) to promote low-energy-use products.

### Engaging Partners

Although the business invests in more energy-efficient systems at a corporate level, individual Partners have also played a critical role. Since 2005, our Partnership-wide energy awareness campaign, 'Save Energy, Share the Savings', has encouraged Partners to turn down heating and air conditioning, switch off lights and computers and adopt more energy-efficient technologies where possible.

The Partnership's Energy and Environment Manager oversees the way Partners are trained to be careful about the energy they use, and members of the senior management team champion energy efficiency in our shops.

We also support the Environment Agency's annual promotion of **World Environment Day**, and encourage Partners to make small lifestyle changes to protect the environment. This year's campaign, 'Stand up to Climate Change', encouraged the public to limit its own impact on climate change, and highlighted ways to cope with some of the inevitable effects of a changing climate. These included adapting your garden to meet the evolving needs of local wildlife and training as a volunteer with emergency relief organisations such as the Red Cross.

## Magna Park goes green

Magna Park, our new national Distribution Centre (DC) near Milton Keynes, will open in 2009, and will play a significant role in supporting our ambitious expansion plans. Able to handle an estimated 87,000 lines of stock quickly, efficiently and accurately, seven days a week, the fully automated site will play a key role in avoiding unnecessary mileage and reducing journey times.

The new DC will be 'green' too, with 15% of the roof made from roof lights to capture natural light, all wood used in construction coming from Forest Stewardship Council-certified sources, movement-activated lighting in the offices, solar thermal energy used to heat water and collected rainwater used in the low-flush toilets. We are also investigating the viability of a wind turbine or bio-fuel plant on site.



In June 2008, John Lewis Reading took part in a trial to test live traffic information for route planning. The project, run by Southampton University and Reading Borough Council, aims to promote 'intelligent' transport services that should help drivers save time and fuel.

# John Lewis distribution centre





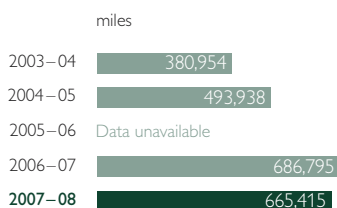
## Transport

John Lewis' commercial vehicles travelled 19.7 million miles in 2007–08, an increase of 12% that reflects our johnlewis.com business being brought in-house.

Through transport consolidation, where a preferred haulier collects from a number of suppliers before delivering to one of our six Regional Distribution Centres (RDCs), we are reducing our total mileage, ensuring greater load efficiency and providing a more viable option for suppliers dealing in small volumes. Using otherwise empty vehicles on outward or return journeys (known as back- and forward-hauling) saved the company 665,415 miles.

All our vehicles currently meet the Euro 3 engine requirements of London's Low Emission Zones (LEZs), and we expect to meet the need for Euro 4 engines, which we began trialling in 2005, ahead of the 2012 deadline. We will also equip our lorries with the latest Euro 5 engines whenever possible.

### Avoided mileage from back- and forward-hauling



### Commercial miles driven



## Fuelling the debate

The Partnership's transport operation is its second largest contributor of CO<sub>2</sub> emissions, after energy, so we have investigated many alternative, lower-carbon fuels. In our latest trial, the John Lewis RDC in Northampton has begun a trial which will see waste cooking oil converted into biodiesel for use in branch vehicles.

However, doubts about the effect that biofuels have on food prices, food stocks and the environment persist, so in the absence of absolute assurances over sourcing and sustainability, we only use the amount of biodiesel required by law (currently 2.5%) under the Renewable Transport Fuel Obligation (RTFO). The RTFO came into force in April 2008; since then, we have received our normal bulk diesel with a 5% blend of biodiesel. This percentage is because most fuel suppliers cannot blend a 2.5% mix for petrol and have to make up the shortfall by doubling the content in diesel.

## Green machines

To send a clear signal to the commercial vehicle industry that we are keen to cut the carbon footprint of our vehicles by at least 20%, and so reduce the impact of road haulage on the environment, Partnership Chairman Charlie Mayfield has set commercial vehicle manufacturers a challenge: develop prototype eco-vans and low-carbon vehicles for us to trial.

The project, which could involve electric or hybrid electric vehicles or high bio-content fuels made from renewable sources such as bio-methane from waste, is being run jointly with Cenex, the UK's national Centre of Excellence for Low Carbon and Fuel Cell Technologies.

## Further information

- > [www.climatecare.org](http://www.climatecare.org)  
Carbon offsetting
- > [www.carbontrust.co.uk](http://www.carbontrust.co.uk)  
Carbon footprinting and reduction
- > [www.direct.gov.uk/actonco2](http://www.direct.gov.uk/actonco2)  
calculate your carbon footprint
- > [www.cpi.cam.ac.uk/bep/clgcc](http://www.cpi.cam.ac.uk/bep/clgcc)  
Corporate Leaders Group on Climate Change
- > [www.brc.org.uk](http://www.brc.org.uk)  
British Retail Consortium
- > [www.bsigroup.com/PAS2050](http://www.bsigroup.com/PAS2050)  
BSI's PAS 2050 standard

According to the Environment Agency, the UK produces 330 million tonnes of waste a year and three-quarters of our unrecycled waste goes to landfill. This has a huge impact on the environment, from unsightly litter to sprawling landfill sites. It is also a financial burden; for instance, the 11,600 tonnes of waste John Lewis generates costs us about £990,000 a year to dispose of. With landfill space running out and the fact that sites produce methane, a greenhouse gas with 20 times more impact on climate change than CO<sub>2</sub>, we need to act now.

## Packaging, waste and recycling

### Ambition

To divert our waste away from landfill by reducing, reusing, recycling or recovering energy from all our commercial waste and packaging.

### Targets

- > Recycle 50% of all John Lewis waste by year-end 2010
- > Help to reduce the overall environmental impact of carrier bags by 25% by year-end 2008



More information and detailed data can be found on [www.johnlewispartnership.co.uk](http://www.johnlewispartnership.co.uk)



See the Waitrose CSR report for more information on our sister company

### Packaging

Packaging is essential for the integrity, safety and usability of our products, and protects them in transit, but overpackaging has environmental and financial costs. So even though John Lewis generates less than 14% of the Partnership's 117,000 tonnes of packaging a year, we remain committed to minimising the amount we use.

In particular:

- > all new paper and card packaging uses either recycled or Forest Stewardship Council-certified material
- > we will reduce our use of plastic packaging, and replace PVC packaging with material with recycling potential
- > we aim to introduce 50 new 'lightweight' packaging lines a year.





We are on track to recycle 50% of our total annual waste by the end of 2010.



### Carrier bags

The total number of carrier bags given away by retailers fell by roughly a billion to 12.4 billion last year; but that is still an average of 233 bags per person. Although they represent just 0.3% of landfilled waste, the Chancellor has announced the intention to introduce legislation forcing supermarkets to charge for plastic carrier bags if voluntary action to encourage customers to recycle and reuse bags does not bring about a significant reduction.

As a signatory to a national Voluntary Code of Practice on Carrier Bags, we have been working with the Government-funded Waste and Resources Action Programme (WRAP) and other retailers to reduce the environmental impact of carrier bags by 25% by the end of 2008.

Initiatives to encourage customers to help us achieve this target include:

- > providing a variety of reusable bags
- > introducing a reusable Bag for Life in all shops in March 2008
- > using 25% recycled material in our standard plastic bags and following a successful trial, rolling out a bag made from 95% recycled content by the end of September
- > trialling carrier bag recycling facilities in Sheffield, Newcastle, Norwich and Southampton.



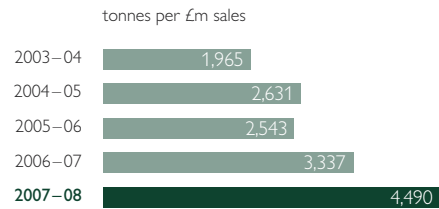
### Putting a waste stream to bed

Following a successful trial, we are introducing a recycling scheme for mattresses and divan sets, which we plan to roll out across all shops over the coming year. This is a chargeable service, in partnership with The Furniture Recycling Company, a sister division to bed manufacturer Hypnos Beds Ltd, where our drivers take away customers' old beds when they deliver a new one. The old beds are sent to a shredding plant in Nottingham, where they are cut into strips, the metal components removed by magnets and the wood, foam and fabrics separated. All four components are then fully recycled.

"Because we are going to the customer's house anyway, no additional carbon emissions are created, and as 100% of the bed is recycled, the service will reduce waste sent to landfill."

**John Justice** Project Manager, Customer Delivery Development, John Lewis

### Weight of waste recycled



Magna Park plans to recycle all its waste and packaging, and become the Partnership's first landfill-free Distribution Centre.

### Waste and recycling

Our waste and recycling procedures continue to deliver substantial cost savings and a step change in our waste recycling. We are currently on track to meet our 2010 target to recycle 50% of all our waste. In 2007-08, John Lewis recycled 4,490 tonnes of its waste (39%), a relative increase of 36%.

In an attempt to maximise recycling opportunities across the Partnership, John Lewis has teamed up with sister company Waitrose on several initiatives. For example, more than 25 tonnes of cardboard and polythene are backhauled from Waitrose Rushden each month by John Lewis vehicles to its central Distribution Centre in Northampton, which makes the best use of available lorry space and reduces our dependence on specialist contractor collections.

A similar arrangement sees cardboard and polythene bales from Waitrose Comely Bank, as well as segregated waste material from John Lewis Edinburgh, backhauled to our local Distribution Centre.

The necessary focus and drive for such schemes comes from the newly formed Recycling and Waste team, which means our business is now better placed to achieve our published recycling targets, and we can provide Partners with clear information and simple guidance about effective recycling.

## Electrical waste

Electrical and electronic appliances make up one of the fastest growing waste streams in the UK.

Since July 2007, the UK's Waste Electrical and Electronic Equipment (WEEE) Regulations allow people to recycle old electrical and electronic appliances at sites across the UK free of charge. To help customers to identify which products are recyclable (or should be considered for repair or reuse), all new electrical and electronic products sold now carry a 'crossed-out wheelee bin' symbol.

As a retailer of electrical products, we have a legal obligation under these regulations. This involves contributing funds to the Distributor TakeBack Scheme (DTS), which is investing £10 million in local facilities so customers can locally recycle old electrical and electronic appliances.

As a producer of own-brand electricals, we also fund, based on our market share, the recycling of waste electricals. This is done through a separate compliance scheme.

This year, we have focused on making sure our Partners fully understand what the WEEE legislation means both for the business and our customers. A customer information leaflet, available in all shops, outlines what options are open to our customers, as well as information on where they can recycle old electrical and electronic products.



In 2007–08, John Lewis recycled 5,340 mobile phone handsets and raised £9,660 for charitable causes.



### Battery recycling

A new EU Batteries Directive will begin its transposition into UK law in September. The Directive aims to create a framework for collecting and recycling batteries, supported by a labelling scheme to demonstrate to consumers the risks associated with the disposal of batteries. John Lewis will play its part to help achieve the Government target of recycling 25% of all household batteries by 2012.

### Encouraging customers

We actively encourage our customers to reuse and recycle more through clear and concise information on how to recycle their packaging. We clearly identify the materials used in our own-label packaging where possible, and we have worked with the Government-funded Waste and Resources Action Programme (WRAP), the British Retail Consortium (BRC) and other retailers to agree on a more consistent approach to labelling.

This voluntary initiative has issued guidelines on replacing the current array of recycling symbols and messages with a single RecycleNow logo, alongside an icon to indicate whether the packaging is:

- > 'widely recycled' – recycled by over 65% of local authorities
- > 'check locally' – recycled by 20–65% of local authorities
- > 'not currently recycled' – recycled by under 20% of local authorities.

In consumer tests, customers found the new labels easy to understand, and we intend to phase in the labelling when new packaging specifications are made. The thresholds will be reviewed annually for accuracy, and it is expected that many packaging components will change categories as facilities improve.

## Further information

- > [www.wrap.org.uk](http://www.wrap.org.uk)  
Waste and Resources Action Programme
- > [www.recycle-more.co.uk](http://www.recycle-more.co.uk) and [www.recyclenow.com](http://www.recyclenow.com)  
Responsible waste management and local recycling services
- > [www.valpak.co.uk/dts](http://www.valpak.co.uk/dts)  
WEEE Distributor Take-Back Scheme

Our ambitious plans for growth provide a significant opportunity to minimise the environmental impact of our built assets and offer long-term value to the local community. This involves ensuring all our shops suit their surroundings, are built responsibly and operate sustainably. We also believe in keeping town centres vibrant by maintaining the shops we have in these locations, and choosing city centre sites where we can.

## Building and operating sustainable shops

### Ambition

To build and operate sustainable stores that are low impact and provide healthy and comfortable environments for our Partners and customers.

### Targets

- > Apply our Sustainable Construction Framework to all new builds and work towards achieving BREEAM (Building Research Establishment Environmental Assessment Method) 'excellent' status or equivalent
- > Recycle more of our building waste and increase the use of recycled materials in new builds to 25%



More detailed data can be found on [www.johnlewis.com](http://www.johnlewis.com)

More information and detailed data can be found on [www.johnlewispartnership.co.uk](http://www.johnlewispartnership.co.uk)



See the Waitrose CSR report for more information on our sister company

### Our expansion strategy

As part of the Partnership's ambitious plans to double turnover over the next 10 years, creating a business with over 100,000 Partners, John Lewis aims to open a number of new shops almost exclusively in city centre locations.

To meet these objectives, we have already embarked on an extensive and ambitious programme of building, acquisition, expansion and refurbishment. In the north of England alone, we have relocated our Liverpool shop to the heart of the new Liverpool One development and in Sheffield, we are relocating the Cole Brothers store to the New Retail Quarter, a £500 million retail and leisure development.

Cambridge also returned home after three years on a temporary site, opening in November as the first of our 'new generation' of department stores. In Leeds, our new store will anchor the Eastgate Quarter redevelopment and create 1,000 new jobs, and we are planning to open further stores in Preston, Cardiff, Portsmouth, Sprucefield, Oxford, Stratford and Crawley before 2014.



We achieved over 90% building waste recycling during the fit-out of our new John Lewis Leicester department store, which opened in September 2008.



### Sustainable construction programme

Working with one of the UK's leading sustainable development charities, Forum for the Future, we have developed a Sustainable Construction Framework for the retail sector; encouraging other retailers to adopt it as a practical step towards their own aspirations in this area. The framework, launched in February 2007, has helped us to define clear social and environmental objectives for each stage of the construction lifecycle and practical steps to ensure that sustainability principles are adopted within the planning, design, construction and operation stages of every building and refurbishment project.

Each building project now starts with a Sustainability Action Plan (SAP) drawn up before the submission of any planning application.

The SAP provides:

- > a vision for the building, reflecting our sustainable construction policy and principles
- > a summary of the key sustainability impacts of the proposed building
- > a set of actions explaining how the impacts will be addressed
- > sustainability performance targets against which the project will be measured.

We recognise that these objectives can't be achieved alone and the framework is therefore dependent on a partnership approach with local authorities, developers, contractors, councils and local residents all buying into the same aims.

"The successful adoption of the Sustainable Construction Framework clearly demonstrates an appetite within the Partnership to deliver more sustainable stores. Building on this framework, we are currently working with designers within both Waitrose and John Lewis to finalise a set of sustainable design principles that everyone can sign up to. These will act as a stimulus for innovation and creative thinking about store interiors, ensuring sustainability is placed at the heart of the Partnership's design and fit-out decisions."

**Martin Hunt** Head of Built Environment, Forum for the Future

# Over 20%

Construction materials for new builds derived from recycled sources

### Fitter fixtures

As an extension to the Framework, we are working to identify ways to improve the sustainability impacts of the design and interior fittings for all shops across the Partnership.

In fact, our biggest-ever 'change programme' involves refitting the lighting, cookware and menswear departments in 21 shops in just six months. This project will not only give each department a lighter, more modern feel, but will introduce purpose-built fixtures and fittings and better signage that can be fully dismantled and deconstructed so that the individual materials can be recycled.



### Environmental impacts

Our drive to reduce our carbon footprint and conserve energy in general is reflected in all new and refurbished shops.

Leicester is one of our new generation of shops, whose construction and fit-out processes are the template for future openings. The four-storey store, which anchors the new Highcross Leicester retail development, has an exterior wall made from patterned glass. The simple, abstract pattern dates back to 1803, yet its 3D effect, achieved by offsetting the external glass from an internal layer, is one of the defining features of an undoubtedly 21st-century department store. The effect reflects the city's history of textiles, hosiery and knitting, as well as the role textiles have played in the Partnership's heritage.

As with all our new buildings, the new Leicester shop conforms to all the environmental criteria set out in the Sustainable Construction Framework and meets all the latest standards for energy efficiency. We're also recycling virtually all (90%) of our construction waste as part of a pioneering project with our contractors Wates Retail.




We are working towards the BREEAM 'excellent' standard in all our new buildings, which all exceed current building regulations. BREEAM provides assessment methods and tools for our construction professionals, helping them to understand and mitigate the environmental impacts of the developments they design and build.

The Partnership has joined property developers, mall owners and retailers in signing up to the British Council of Shopping Centres (BCSC) Sustainability Charter, which outlines commitments designed to address the energy, waste, water and community impacts of shopping centres.



### Town centre development

The development of John Lewis shops forms part of a much larger plan to create cities with wider opportunities, better shopping and easier urban living, and we believe our retail offering can play an essential role in the regeneration and long-term prosperity of town centres. As an employer and neighbour, we invest in creating positive experiences for shoppers, which will enhance an area's economic vitality, and provide sustainable employment for local people.

When we are considering a new development, we fully explore all aspects and impacts of the development, including transport networks, signage, public safety, security and hygiene. If a development is given the go-ahead, we welcome the opportunity to contribute towards its long-term prosperity, contributing to the consultation process with recommendations that consider both the needs of the local community as well as our own.

"To be successful, any development must work with and relate to the community. It is always a challenge to get planning consent, and to build and deliver the shop to the correct standard, but it is even more critical to get the community to buy into the project."

**Jeremy Collins** Head of Retail Development, John Lewis

### An Olympic-sized opportunity

We intend to play a key role in the East London regeneration programme, with a John Lewis shop lying at the heart of a 1.9 million sq ft retail and leisure development, Stratford City, adjacent to the Olympic park being built for the 2012 Games. The Partnership's £50 million investment will generate about 800 jobs, boost the economy, help to regenerate the area for the local community and provide a lasting legacy after the Games. We will also take all our power from the district's Combined Heat and Power scheme.



### Jobs and training for local people

In partnership with our developers, we take a 'hands-on' approach to all developments to make sure these recommendations are followed through. Our Personnel teams get involved in talking to the Council and other local organisations such as job centres about employment and training opportunities. By engaging with local schools and colleges as soon as we can, we can start to address relevant skill requirements.

Our shops generally provide anything up to 1,000 full- or part-time jobs, as well as raise the profile of a career in retail. We are involved with a range of different programmes that support industry and education. Our John Lewis Bluewater shop has worked with the Shaw Trust, a national charity that provides training and work opportunities for people disadvantaged by disability, ill health or other social circumstances.

### Leicester's job shop

Although shopfloor selling Partners are a vital part of the mix, all our shops require a broad range of personnel, from managers to van drivers, kitchen planners to furnishing advisers, and chefs to security staff. For example, a major campaign to recruit up to 700 Partners for our new Leicester shop has been launched to ensure that local people are ready to apply for the vacancies. This will build on the links already developed with the Highcross development where the store will be located, as well as the local community and Job Centre Plus.

Our multi-channel approach – call centres, home delivery and the [www.johnlewis.com](http://www.johnlewis.com) website – ensure everyone can access our goods easily.



### Access all areas

As a responsible member of the community, we want to ensure all customers are welcomed into our shops and can access our products and services. We are also committed to meeting the requirements of the Disability Discrimination Act (DDA) and have integrated the principles of accessibility into the design, construction and operation of all our shops, so that products are quick to find, and information is easy to access and simple to understand.

To help customers with disabilities, we provide reserved parking bays close to shop entrances where possible and offer accessible lifts, toilets and till points. Fixed loops at cash desks for customers with hearing difficulties are an integral part of the design for our new shops and all existing shops have a mobile hearing loop available for use. In addition, leaflets, literature and corporate documents are provided in alternative formats such as audio, Braille and large print.

All Partners receive general training that raises their awareness of the need to be vigilant, and respond accordingly, to each customer's individual needs.

### Safety and health

Legally, we have to make sure our Partners' working environment is safe and healthy. We set and maintain high standards, and aim to minimise, if not eliminate, risks to safety and health from people, plant or processes. Management Partners are responsible for the safety and health of their teams by implementing the Partnership's Safety and Health policy.

## Further information

- > [www.forumforthefuture.org](http://www.forumforthefuture.org)  
Forum for the Future
- > [www.breem.org/retail](http://www.breem.org/retail)  
BREEAM
- > [www.bcsc.org.uk/research/sustainability/charter.asp](http://www.bcsc.org.uk/research/sustainability/charter.asp)  
BCSC Sustainability Charter


# Supplier relationships


## Ambition

To trade fairly, ensuring everyone in our supply chain is treated with honesty, fairness and respect.

## Targets

- > Train all buyers on the Responsible Sourcing Code and supplier assessment programme
- > Continue to ensure that all own-brand suppliers are registered on Sedex (Supplier Ethical Data Exchange), complete a labour standards self-assessment and high-priority suppliers are independently audited

 More information and detailed data can be found on [www.johnlewispartnership.co.uk](http://www.johnlewispartnership.co.uk)

 See the Waitrose CSR report for more information on our sister company

We work in partnership with a worldwide network of 3,300 suppliers in approximately 50 countries, which enables us to offer our customers around 350,000 product lines. These relationships also help customers to have trust in how our products are produced and sourced, and confidence that everyone who works to supply them is treated fairly. To do that, our suppliers work with us – not for us – as partners, and together, we maintain mutually beneficial relationships that help them and their suppliers, agents and distributors to create responsible businesses that provide sustainable employment.

## Improving labour standards

Our relationship with our suppliers is built on honesty, fairness and mutual respect, and our commitment to responsible sourcing is engrained in our Constitution. We aim to uphold internationally agreed standards of labour, and we expect our suppliers to respect the rights and wellbeing of their employees, support their communities, protect the natural environment and promote high standards of animal welfare.

We have a set of Responsible Sourcing principles and a Partnership-wide Code of Practice. Our Code, which has been translated into nine different languages, sets out our expectations of suppliers, and covers such issues as pay and benefits, working hours, working conditions and health and safety, the use of forced, bonded or child labour; employee representation and worker associations, equality of treatment, respect for the environment and animal welfare. The Code is reviewed every year, and minor amendments last year included an additional clause requiring confidential mechanisms to allow workers to report any sub-standard practices or mistreatment.

Our aim is to encourage suppliers to be honest about the issues they face and share best practice so that we can work together to make realistic, long-term improvements. To this end, own-brand and exclusive suppliers must be assessed against the requirements of our Responsible Sourcing Code of Practice and provide annual confirmation of continued commitment to meeting its terms.

Through day-to-day contact, our highly trained buyers give suppliers a helping hand in meeting the terms of our Responsible Sourcing Code of Practice.





### Ensuring our suppliers comply

Because our products are sourced, directly and indirectly, through literally thousands of suppliers and agents, it is a challenge for us to confirm that every supplier throughout our supply chain is fully compliant with the Code at all times. Nevertheless, we do not seek to avoid the challenge, and are fully committed to ensuring our suppliers observe the Code. To help us with this, we continue to use the Supplier Ethical Data Exchange (Sedex), the world's largest database of labour standards.

This tool enables our suppliers to share information with us on their labour standards and work practices, and allows us to jointly agree action plans for improvement, where current practice falls short of our expectations. Sedex currently facilitates the provision of labour standards information for 22,000 separate sites of employment in more than 143 countries and is used by more than 250 companies involved in the monitoring of supply chain standards.

We are currently focusing on our own-brand suppliers to ensure they are using the Sedex tool effectively, and providing information that enables us to assess them and measure their compliance to the Code. Over 950 sites of production have registered, of which 802 (84%) have fully completed our information requirements. From the information we receive from Sedex, we prioritise sites for further action.

We then seek further assurances from prioritised supplier sites and if we still do not get the assurance we need, independent audits are conducted. Through Sedex, we can access many more audits than we ourselves commission, avoiding duplication of effort and minimising 'audit fatigue'.

# 1,304

Suppliers registered on Sedex supplying John Lewis own-brand products

Should non-compliances be identified, we work directly with supplier's site management and independent third parties to assess their operations. This extends to offering email and telephone helpdesks, running supplier conferences and providing a Responsible Sourcing Supplier Workbook. We have also developed a responsible sourcing e-learning tool to give our suppliers a better insight into our Responsible Sourcing Code of Practice and a greater understanding of the related issues and challenges faced in supply chains.

As part of the ongoing development of its self-assessment questionnaire, Sedex has introduced a section on business integrity (focusing on bribery and corruption). We have also been involved in a working group to develop questions about environmental impact, such as whether a site has an independently certified environmental management system and what measures are in place to help to avoid or reduce environmental damage. A risk-assessment scoring mechanism for the new questions is expected later this year.

84% of our registered sites of production have completed our information requirements.



## EJF cotton campaign

In relaunching its campaign to improve the regulation of the cotton industry, the Environmental Justice Foundation (EJF) expressed concerns about the 'unsustainable, inequitable and abusive conditions under which much of the world's cotton is produced'. The campaign groups' concerns focus on the use of pesticides, water consumption and the existence of forced and child labour; particularly in Uzbekistan but also in Egypt, Pakistan, Turkmenistan, Tajikistan and India.

Our Indian organic cotton is grown without the use of pesticides and chemical fertilisers, and coloured using only organic plant dyes. However, John Lewis plans to meet with the EJF to explore how we can work together to develop an even more robust and transparent cotton supply chain. Initial estimates suggest it is likely to entail a far greater effort than needed for our timber supply chain.



We support British manufacturers and suppliers wherever we can, from Scottish wool to Sheffield steel, and from Dartington crystal glassware to Wedgwood china.

### Material issues

John Lewis owns a production unit in the north of England, Herbert Parkinson, which produces our own-brand duvets, pillows, furnishing fabrics and ready-made curtains, and provides our made-to-measure curtain service.

However, in September 2007, we announced – with great regret – the sale of Stead McAlpin, our textile and dyeing business in Carlisle, and JH Birtwistle, our Lancashire-based textile weaving subsidiary, to Apex Textiles. Despite significant capital investment and restructuring, both businesses have suffered declining sales and ongoing losses for the last 10 years. The decision to sell to a buyer with considerable experience in textile manufacturing was seen as providing the best chance of profitability and the best employment prospects for the Partners working in these businesses, while enabling the Partnership to withdraw from the manufacturing sector.

In addition Partners' working terms and conditions will be protected for two years and they will receive ex gratia payments to reflect the loss of their Bonus and discount.

"Job security has been a priority throughout the negotiations, and our focus has been on finding the option that best supports Partners' long-term employment interests."

**Andy Street** Managing Director, John Lewis

## Further information

- > [www.sedex.org.uk](http://www.sedex.org.uk)  
Supplier Ethical Data Exchange
- > [www.ejfoundation.org](http://www.ejfoundation.org)  
Environmental Justice Foundation
- > [www.wwf.org.uk](http://www.wwf.org.uk) and [www.oxfam.org](http://www.oxfam.org)  
Organic cotton farming
- > [www.herbertparkinson.com](http://www.herbertparkinson.com)  
Herbert Parkinson

Our customers increasingly want to know where our products come from, the materials they use, and what methods and standards were followed to produce them. Our complex global network of suppliers makes some of these questions challenging to answer, but we remain committed to bringing our customers the best products at the best prices in a responsible, sustainable way.

## Sustainable products

### Ambition

To sell responsibly sourced quality products.

### Targets

- > Double our range of Fairtrade, organic and recycled products
- > Extend timber sourcing policy to cover all wood-based products in 2008
- > Ensure all garden furniture is Forest Stewardship Council-certified by end of 2009
- > Phase out the sale of incandescent light bulbs by end of 2011



More information can be found on [www.johnlewis.com](http://www.johnlewis.com)

More information and detailed data can be found on [www.johnlewispartnership.co.uk](http://www.johnlewispartnership.co.uk)



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### Setting high standards

Our buyers are dedicated to sourcing the best products at the best prices from all over the world, but not at any cost. Working closely with our dedicated Merchandise Standards team, they strive to ensure our products are safe to use, fit for purpose and comply with all relevant consumer legislation. And with product integrity at the top of our buying agenda alongside provenance and safety, we are developing policies and programmes to address the range of social, ethical and environmental issues in our supply chain.

Our large and complex supply chain means that ensuring all goods are sourced responsibly and standards are always met is a huge challenge. We therefore focus on addressing those product areas where we suspect standards would otherwise fall below acceptable levels, such as the timber used in our wood products (see overleaf).

Providing clear, informative and accessible information to our customers is also important, from shop signs through to product labels and advertising. We do not promote any ethical labels that contain confusing or unsubstantiated statements and only refer to independently verified ethical standards such as the Forest Stewardship Council (FSC).

### Chemicals of concern

EU regulations concerning the Regulation, Evaluation, Authorisation and Restriction of Chemicals (REACH) aim to protect human health and the environment from the use of chemicals, by making manufacturers and importers responsible for understanding and managing the risks associated with their use. Our responsibility extends to own-brand products we bring into Europe, so we have started to work more closely with suppliers to assess the products affected, ensure they understand their legal obligations and assist them in meeting those obligations.



We are now extending our timber policy to cover 100% of our wood-based products.



### Sustainable timber

John Lewis' timber products are made from 44 different species of timber, including 19 tropical hardwoods, sourced from 48 different countries. Although keeping track of where all this timber comes from and checking it has been legally sourced is a considerable undertaking, we are committed to ensuring that, in the long term, all our timber comes from forests that have been certified as well-managed.

Recognising the importance of the issue, John Lewis developed a timber policy in 2003, which commits us to ensuring that 'all timber used in the course of our business has been sourced with the least possible damage to the natural environment'. We aim never to source from areas where we believe forest management is poor, although sometimes, where necessary, timber may be sourced from regions where certified products are not yet available. Where this is the case, we will help suppliers to work towards forestry certification (see below), in order to raise forestry standards, increase the availability of certified timber and phase out illegal and unsustainable sources.

### Timber assessment system

Working with sustainable forestry consultancy ProForest, our timber assessment system encourages suppliers to move towards using only FSC-certified sources. This process involves independent audits to assess the legal status of all timber used, and helps suppliers to improve their forest management practices through four stages:

1. **Origination:** Timber of 'known origin' – the entry level. The supplier must provide specific information on the source and species of every timber product.
2. **Evidence:** Timber from verified legal sources – the minimum level to ensure continuation as an approved supplier. This requires objective evidence concerning the legality of the forest source, and that it has harvested and traded in accordance with national forestry laws and standards, and may require independent scrutiny.
3. **Verification:** Verified timber from sources showing active progress towards certification, as demonstrated through approval by or membership of independent schemes such as the Tropical Forest Trust (TFT).
4. **Certification:** Independently certified FSC timber – the long-term objective for all timber purchased by John Lewis.

The application of our timber sourcing policy currently focuses on garden furniture, not least because we have one of the widest selections on the high street. Our target is to ensure all garden furniture is independently certified to the Forest Stewardship Council (FSC) standard by the end of 2009. The FSC is an independent, not-for-profit, non-governmental organisation that provides standards, trademark assurance and accreditation services for responsible forestry.

In 2008, 78% of the garden furniture we purchase will be FSC certified, and because of consumer concerns over large-scale illegal logging of tropical hardwood timbers, a customer leaflet clearly stating our timber sourcing policy for garden furniture is available in all garden furniture departments. Yet despite our progress, we still have more to do, which is why we will be extending our timber policy to assess all wood-based products from 2008.



Risk assessments on our products are based on ProForest's priority lists.

- > **Red:** Timber from countries where forest governance is very poor: John Lewis buyers cannot buy from suppliers using timber on this list, unless there is proof that the timber has been independently verified or certified (stage 3 or 4).
- > **Amber:** Timber from countries where there is a high risk of raw material from illegal sources entering supply chains. John Lewis buyers can buy from these suppliers only if the timber has been evidenced as originating from a legal source (stage 2).

Any suppliers falling into red or amber categories must commit to moving towards independent certification.

## Making a difference

In response to customers' growing interest in environmental issues, John Lewis ran a 'We Can Make a Difference' promotion in March and April 2008. The campaign covered more than 600 lines, which included biodegradable, organic, energy-efficient, Fairtrade, recycled and sustainable products ranging from organic beauty products and cotton linen to energy-efficient light bulbs and bins made from recycled newspaper. The promotion involved supplier events, window displays, banners and posters – made from recyclable paper and water-based inks – and we already intend to repeat it with more products in 2009.

"Using the shop floor to communicate our CSR standpoint, the campaign introduced our impressive range of environmentally responsible products and demonstrated our ongoing commitments."

**Claire Gibbens** Promotions Co-ordinator, John Lewis



## Handmade rugs

In parts of rural India, making handmade carpets provides much-needed income for homeworkers, and many of the rugs we buy are produced by families in their own homes. In 2007, we launched a series of regular workshops to improve the working conditions for all our Indian rug makers, and to draft a code of practice. The rug supplier working group also helped to set up local eye camps, where specialists diagnose cataracts and other sight-related problems, and then cancer camps, which have already caught two cases very early. In recognition of the special relationship we have with rug makers in Ghosia, India, John Lewis has contributed approximately £50,000 over the last nine years to set up and run a local school for girls under the age of 15, who do not traditionally benefit from a formal education.

Our animal welfare commitments include a ban on animal testing on own-label cosmetics, toiletries, baby care and personal care products, a strict 'no fur' policy, and support of both the Fur Free Retailers initiative and the Convention on International Trade in Endangered Species (CITES).



## Fairtrade

In addition to working to ensure our own-label products are traded fairly, we also support established schemes such as Fairtrade, which contribute to the sustainable development of the communities where farmers and workers live. An estimated 7.5 million people in the developing world benefit from the sale of Fairtrade items, which guarantee a minimum price to cover production costs plus a 'Fairtrade premium' to be reinvested in farmers' businesses or the workers' local community.

Fairtrade sales in the UK exceeded £490 million in 2007. John Lewis Fairtrade products include items such as flowers, wine and clothing available in our shops, and coffee in our Place to Eat restaurants. In spring 2008, we again supported Fairtrade Fortnight with in-store and online promotions.

## Pulling the plug on conventional bulbs

As part of our commitment to promote energy efficiency, John Lewis supports calls by the Government to phase out the sales of conventional incandescent light bulbs by the end of 2011. We will work with both Government and the lighting industry to ensure a full assessment of impacts is conducted before any mandatory policy measure is introduced. We also encourage customers to look for the 'Energy Saving Recommended' label, which means the bulb has met Energy Saving Trust criteria and standards.

## Further information

- > [www.fairtrade.org.uk](http://www.fairtrade.org.uk) and [www.fairtrade.net](http://www.fairtrade.net)  
Trading fairly
- > [www.fsc.org](http://www.fsc.org) and [www.proforest.net](http://www.proforest.net)  
Sustainable timber sourcing
- > [www.respectforanimals.co.uk](http://www.respectforanimals.co.uk)  
Fur Free Retailers initiative
- > [www.energysavingtrust.org.uk](http://www.energysavingtrust.org.uk)  
Energy Saving Trust



As a co-owned business, we take particular pride in serving our customers well and passing on our knowledge about our products. All our Partners are carefully trained, our products honestly labelled and information made accessible to customers both in-store and online. This dedication and expertise has deservedly earned external recognition in several prestigious customer satisfaction surveys (see page 40).

# Improving the customer experience

## Ambition

To provide the best possible choice, value and service to our customers.

## Priorities

- > Divide our focus equally between managing the shopfloor and interacting with customers over the telephone
- > Measure the quality of our interaction, setting ourselves stretching targets to ensure we stay ahead of the competition
- > Ensure we are answering customers' calls within 20 seconds



More detailed data can be found on [www.johnlewis.com](http://www.johnlewis.com)

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## Nurturing our passion for selling

We want to give customers great service so that they become loyal advocates of our business. Partners want to serve customers knowledgeably, politely, with consistency and flair, and always treat them fairly. We treat all our customers as individuals, responding to their particular needs and taking all reasonable steps to make sure each one receives the same high level of service. We also challenge ourselves to raise our retail standards, create new products and services, and to try out new ideas.

Our plans to recruit at least 90,000 new Partners over the next five years will require significant investment in training. We acknowledge that doubling the size of our business, without compromising on customer service, is a major challenge, so developing the skills of both new and existing Partners will be critical.

All new Partners currently receive an induction and lots of on-the-job training. This year, we are investing more in training Partners on areas such as product knowledge and specialist skills such as call handling, so that we can support our selling Partners as much as possible to achieve our performance targets consistently.

The appointment of Partnership Chairman Charlie Mayfield to the UK Commission on Employment and Skills (UKCES), launched in April 2008 to encourage employers to invest in workforce skills, can only aid our ambitions further.



John Lewis was ranked first for service in the Verdict customer satisfaction index for 2007, topping the poll for the eighth consecutive year with its highest-ever score.

FIRST FOR SERVICE

## Take it as Red

John Lewis has become the first retailer to promote Red Tractor-assured food in its customer restaurants. All fresh pork, lamb, beef, chicken and turkey supplied to the restaurants will now carry the Assured Food Standards' Red Tractor mark, which signifies it has been produced on UK farms that have been regularly inspected to ensure that they meet the standards of the Red Tractor scheme.

"This accreditation shows our commitment to the UK farming industry. Red Tractor continues to boost the reputation of UK-produced food and it's great that we can now support them and take their messages to our consumers."

**Marco Zacharia** Strategic Development Manager for Catering, John Lewis

Our restaurants are addressing ethical standards in other food areas such as using fish from sustainable sources, serving Fairtrade coffee and One water, which raises money to build water pumps in Africa, and making improvements in waste reduction and recycling to support company targets.



## Never Knowingly Undersold

Customers know they can trust John Lewis because shopping at our stores means they will get the lowest price in that shop's competitive area. This is enshrined in our Never Knowingly Undersold (NKU) policy, which remains, as it always has been, the bedrock of our trading philosophy. We constantly check the prices of more than 60 of our national competitors, as well as those of local competitors, so that when we find a price that is lower in our competitive area, we reduce that price for all customers.

## Customer feedback

To consistently offer our customers a great shopping experience, we need to find opportunities to listen to them, be open to feedback, and act quickly on what they tell us, particularly if we've got something wrong.

We use formal methods of research and feedback, such as customer surveys, panels, focus groups and online feedback forms (see 'An engaging Partnership' on page 6). These help us to monitor levels of customer satisfaction, and give us a good snapshot of customer opinion to respond to. We also use our mystery shopping and calling programme to regularly measure our performance.

Appreciations are managed at a shop level and provide a great way to celebrate success at a local level, but we are also focusing on reporting and sharing the details of any customer complaints we receive, so that we can learn from such feedback.

## Further information

- > [www.ukces.org.uk](http://www.ukces.org.uk)  
UKCES
- > [www.redtractor.org.uk](http://www.redtractor.org.uk)  
Red Tractor
- > [www.verdict.co.uk](http://www.verdict.co.uk)  
Verdict Research




# Supporting our communities


## Ambition

To make a positive contribution to our communities through investing in local initiatives and encouraging Partner involvement.

## Targets

- > Contribute at least 1% of our pre-tax profits to community initiatives
- > Increase Partner participation in employee volunteering programmes
- > Using the LBG model, improve measurement of outputs and impacts of our community programmes

 More information and detailed data can be found on [www.johnlewispartnership.co.uk](http://www.johnlewispartnership.co.uk)

 See the Waitrose CSR report for more information on our sister company

## £6.2 million

Total Partnership contribution to charities and community groups in 2007

Our Constitution states our aim 'to contribute to the wellbeing of the communities where we operate', and this starts with good customer service. But it's also about Partners actively forging links and devoting time and energy to become more involved in the local communities in which they live and work. This doesn't just benefit the local community either; fundraising and volunteering help us to broaden our own skills and experience too, which in turn enhances our reputation and improves the service we offer. We use the phrase 'more than just a business' to describe how we positively support the communities in which we trade.

## Community investment

We have recently reviewed the governance of our community investment within the Partnership, developing a more structured and co-ordinated approach so that we focus on projects with a real, measurable impact on the community. As well as increasing collaboration between divisions, there will also be greater engagement and involvement at local level, with individual shops continuing to be responsible for developing local programmes, monitoring the impact of their efforts and communicating their achievements. We will seek to find opportunities for Partners to engage in local initiatives that match the division's aims.

The objectives of our Community Investment Programme are to ensure:

- > the value we add to the community – as a business and as individuals – has lasting impact, and reinforces who we are as a business
- > Partners feel pride in the Partnership
- > we engage and involve our customers and key stakeholders
- > our impact in our local communities can be measured and communicated.

## Our approach to financial support

We contribute, both as a company and as individual Partners, through fundraising, sponsorship and donations to good causes, especially in the areas of community, medical, youth and disability issues. Between them, a divisional committee, with elected Partner representatives and local appointed community co-ordinators, oversees charitable spending at a local and national level, so that everyone has a say in how our collective contributions are spent.

To measure and monitor our overall community investment, we use the London Benchmarking Group's model to calculate the value of our non-financial contributions (gifts in kind, Partner time and management costs) as well as our cash donations.

# Charities week



To date, Partners have raised £138,000 for Wallace and Gromit's Children's Foundation, this year's John Lewis Charity of the Year.

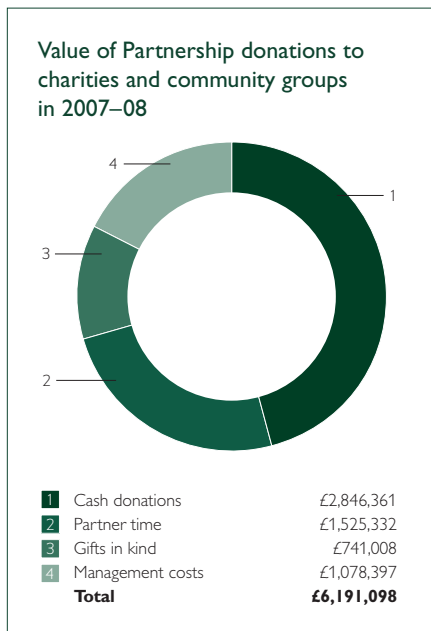


### Charities week

In 2007, Partners all around the business raised £316,000 during our Charities week. This included a £70,000 donation to help YoungMinds, our then Divisional Charity of the Year, to keep its helpline running, as well as support for many local good causes around the country. Fundraising activities ranged from abseiling and skydiving to bike rides and auctions, and by the end of the year, the total raised was £150,000. It wasn't just about money, as YoungMinds trained some of our Partners in aspects of mental health, and we were able to help them with IT support.

In 2008, we've been busy fundraising again, this time for Wallace and Gromit's Children's Foundation, which helps to improve the quality of life for children in hospitals and hospices across the UK. During Charities week, Partners in every shop got involved in the activities to some degree. £138,000 has been raised to date and more activities are planned this year, so this figure will rise further.

We participate in Macmillan Cancer Support's annual event, the World's Biggest Coffee Morning, by supplying draw prizes, supporting Partner fundraising and making donations for every cup of coffee sold in customer restaurants.



### Let's Get Cooking

The John Lewis Partnership is a key partner for the pilot scheme of the Let's Get Cooking project, a five-year, Lottery-funded programme that will invest £20 million in setting up 5,000 school cooking clubs. Addressing issues such as obesity, health, nutrition, education, skills and employability through employee volunteering, pro bono work and in-kind support, the aim is to inspire up to 1.5 million children to improve their food preparation and cooking skills, and increase their intake of healthy food. John Lewis has already donated £21,000 worth of equipment to the first primary schools to sign up to the scheme.

### Laughter helps to make friends

In advance of a new shop opening, we seek opportunities to demonstrate that commitment through some significant activity in a community project. For example, in Leicester this year, we were the main supporter of the Make Me Happy community programme, an offshoot of the city's Comedy Festival, which encouraged people with disabilities and underprivileged young people to participate in a range of projects and performances. These include a Leicester-based version of the TV sitcom *Friends* that seven Partners from the Partnership's Dramatic Society helped to create.

"The festival gave us a unique opportunity to be a force for good, contribute positively to the city and raise our profile in advance of opening our new shop."

Amanda Dammers Managing Director, John Lewis Leicester

### Employee volunteering

We encourage our Partners to participate in employee volunteering programmes, actively forge links and become involved in the local communities in which they live and work. By giving their time and skills in this way, our Partners make a genuine difference to local people's lives. But employee volunteering doesn't just provide an opportunity to give something back to the local community, reinforcing our commitment to being a responsible retailer; Partners can also develop new skills and benefit from increased confidence and motivation.

During 2007-08, John Lewis Partners contributed 53,404 hours. An additional 22,500 were contributed through our Golden Jubilee Trust scheme (see page 38). While guidance and support is provided from the centre, Partners use their local knowledge and understanding of community issues to decide how best to allocate their support.

Other schemes include the Victoria time-bank, which enables John Lewis Victoria and Corporate Partners to undertake up to 30 hours of community or charity work a year during working hours. This creates another opportunity for team building and increased motivation, and reinforces our commitment to being a responsible retailer. In 2007, 114 Partners (up from 46 in 2006) gave over 1,200 hours to six charities, including the Vauxhall City Farm riding club for disabled children and the Kipper project, where purpose-built flats have been refurbished for young adults who have recently left foster care.



### Building Foundations in Liverpool

Working closely with our development partners, our activities can support local communities that would not necessarily benefit directly from economic city centre regeneration. For example, our new shop in Liverpool is supporting the charitable trust set up by the property developer Grosvenor – the Paradise Foundation. This charitable trust focuses on assisting those communities facing considerable social challenges and for whom shopping has little relevance. The Foundation is largely funded by the investors, builders, engineers, architects, retailers and subcontractors involved in Liverpool One; John Lewis has made a significant cash contribution and provided administration support in the Foundation's office.

Our direct involvement with the Foundation has led to John Lewis Liverpool, John Lewis Victoria and our fit-out contractor, Wates Retail, renovating Kingsley United football club's facilities in Tiber Park, Toxteth. Liverpool City Council originally donated two football pitches and a school hall to the club three years ago, on the understanding that the club was to become self-sustaining within five years. Despite major efforts to source external funding, the hall remained uninhabitable and the children lacked suitable facilities.

With the support of Wates Retail and its subcontractors, and after 200 hours of Partner volunteering and the donation of John Lewis appliances, the club opened its fully renovated clubhouse in September 2007, complete with central heating, replacement windows and refitted changing facilities. This will enable the club to give something back to the local community as a venue for after-school activities and social functions. It can also now apply for additional funding from the National Lottery and UEFA, European football's governing body.

Malcolm Wilkinson swapped his role as a security guard at John Lewis Newcastle to one protecting the birds at the Wildfowl and Wetlands Trust centre in Washington through a Golden Jubilee Trust secondment.



### Business protection and combating crime

Our Partners, customers, shops and other assets are all protected appropriately against the risks we face, and we work actively with others to contribute to the wellbeing of the communities in which we operate.

We are represented in, and in some cases lead, local business efforts to create safer communities by sharing information, participating in radio information networks, providing Special Constables to the 'Shopwatch' community policing scheme and developing close links with the police. For example, John Lewis Welwyn has chaired the local Business Against Crime group for six years, during which time it has won a Safer Business Award, increased its membership, and introduced a newsletter and a members' training scheme.

As a future priority, we are working as part of the National Retail Crime Steering Group, administered by the British Retail Consortium, to develop a coherent, community-based strategy to respond to retail crime in the UK.



## Golden Jubilee Trust

A key component of our employee volunteering is the Golden Jubilee Trust (GJT), which enables any Partner to volunteer for a part- or full-time secondment with a UK registered charity for up to six months.

The GJT scheme matches Partners' abilities and experience with the needs of the charities being supported, creating strong links with the community and providing the charities with the resources they need. Since it was set up in 2000, the GJT has supported 331 Partners across the business, who have given over 136,000 hours to over 300 charities. Thirty-three John Lewis and Corporate Partners donated 18,279 hours through the Trust in 2007, while a further 17 received awards in spring 2008.

The Trust's primary goal is to benefit the charities it supports and, through these, the wider community, mirroring our principle of contributing to the wellbeing of the communities where we operate. However, we also recognise the significant benefits participation brings to both participants and the business, such as the chance to develop new professional or personal skills, or to strengthen our standing in the local community.

In 2008, the Golden Jubilee Trust was reaccredited and once again received a Business in the Community 'Big Tick' Award for Excellence.

"Hop, Skip and Jump provides a safe place for children with special needs to play, while giving their parents a break from childcare. I know first-hand how valuable the service is, as my six-year-old Lewis has Asperger's syndrome. Now that things are a lot better, I have been able to repay some of the support I have received with a six month secondment, working on everything from organising a database to sourcing new office equipment. My John Lewis skills have come in useful at the centre but I have also learnt new abilities that have given me greater confidence and will help me do my job better."

**Teresa Oxenham** Call Centre, John Lewis Cribbs Causeway



### Newcastle – vocational placements

The ongoing BTEC placement programme at John Lewis Newcastle started with five students in 2005, and quickly grew to 38 students in 2007. These students had placements one day per week for a year while studying for BTEC qualifications in Retailing and Hospitality, and all students completing the course achieved their qualifications in 2007. The scheme has also generated a talent pool of Partners.

“Being nominated to become a sponsor on the department meant a lot to me. My manager had the confidence in me to be able to support the students. I remember being in their position two years ago, as I had just finished my BTEC placement in November 2006. My confidence and knowledge have really grown and have given me the motivation to aim for more.”

**Nicola Thackray** Selling Assistant Womenswear, John Lewis Newcastle

### Sheffield – employment schemes

John Lewis Sheffield is playing a pivotal role in piloting Local Employment Partnerships, a new back-to-work initiative. The scheme is a local initiative to help local employers recruit and retain people from a wide range of backgrounds, and brings together business, local government and the voluntary sector to improve economic regeneration, employment and skills training. Job Centre Plus helped the 10 candidates with health and safety, customer service and interview training, based on John Lewis training material, before they joined us for two weeks' work experience; four were then employed over the Christmas period.

“The programme really supported Sheffield's City Strategy and our Local Employment Partnership commitments. As a business we gained great additions to our Christmas temps and the individuals gained valuable paid employment. The highlight was a visit by the Minister for Employment and Welfare Reform who met the candidates and shared their stories. The programme allowed the candidates to gain important retail skills such as confidence in delivering customer service and organisation skills in managing their time.”

**Mark James** Recruitment and Development Manager, John Lewis



After the extensive flooding in Yorkshire in 2007, we donated £5,000 of linen and toiletries to help affected residents of Sheffield, Doncaster and Rotherham, and John Lewis Sheffield delivered a truckload of replacement electrical appliances. We also gave £20,000 to the British Red Cross' National Flood Relief Appeal.

### Bristol – work experience

Two refugees from Somalia were able to gain two weeks' work experience at John Lewis Cribbs Causeway through the 'Ready To Work' project, part of BITC's Business Action on Homelessness programme. In addition to interview training and a reference, each participant was given a Partner 'buddy' who ensured they had ongoing support. The shop has recruited three Partners from the scheme in the past.

### Glasgow – mentoring

In 2007, Partners from John Lewis Glasgow provided 480 hours of volunteering, equating to approximately £4,200, to St Roch's Secondary School. They mentored Year 9 and 10 pupils, helping them to widen their understanding and awareness of business, and improve their motivation, timekeeping and attendance. As well as developing the pupils' abilities and employability, the ongoing relationship enhances our reputation in the local area, develops a potential source of recruits, and provides personal and professional development opportunities for Partners.

The scheme, now in its fourth year, helps children selected by their teachers who may need some direction in life. As these pupils are more likely to have poor attendance and average results, the school monitors their attendance, timekeeping and academic results before and after their participation in the scheme. Last year, 78% of the children showed an improvement in their overall attendance and 62% achieved better exam results than predicted.

## Further information

- > [www.bitc.org.uk](http://www.bitc.org.uk)  
Business in the Community
- > [www.lbg-online.net](http://www.lbg-online.net)  
London Benchmarking Group
- > [www.wallaceandgromitfoundation.org](http://www.wallaceandgromitfoundation.org)  
Wallace and Gromit's Children's Foundation
- > [www.macmillan.org.uk](http://www.macmillan.org.uk)  
Macmillan Cancer Support



# External recognition

External awards, accolades and other benchmarking measures not only give Partners a sense of recognition for a job well done, they also help us as a business to regularly check that we're responding to the issues that affect our wide range of external stakeholders. Below, we highlight a selection of our achievements in 2007–08.



## A Big Tick in the box

John Lewis was awarded **Business in the Community (BITC) Awards for Excellence**, known as 'Big Ticks', for two CSR initiatives – John Lewis Glasgow's school mentoring programme and John Lewis Newcastle's vocational placement programme – as well as the Golden Jubilee Trust. Big Ticks are awarded to companies able to demonstrate excellence in the way that they organise and integrate their responsible business practices and who can show a positive impact both on society and on the business.

## Index linked

For the third year running, the Partnership has been ranked a Platinum company by scoring more than 95% in the **BITC Corporate Responsibility Index**, the UK's leading benchmark for responsible businesses. The Partnership scored 100% in several areas of the Index, which was published in *The Times*' Companies That Count supplement in May 2008.

## Retail therapy

John Lewis was voted the 'most respected retailer' in the 2008 Strategic Leadership Survey by global recruitment consultancy Harvey Nash. This survey gives an insight into the views of 1,200 chief executive officers and board members from across the retail sector: John Lewis secured 32% of the total vote, knocking Tesco, leader for the last two years, into second place (20%) and leaving M&S (15%) third. According to the report's authors, John Lewis' improved position – up from third last year – shows that fellow retailers have a more positive opinion of our offer; our brand strength and our investment in our Partners.

## Another satisfied customer

In January 2008, retail analyst **Verdict's** customer satisfaction index saw John Lewis named Britain's favourite retailer yet again. In the survey of 6,000 shoppers, John Lewis increased its overall satisfaction score to the highest ever attained in the Index and has now been ranked first for service for eight years. John Lewis and Waitrose, which came second in the poll, have taken the top two spots in both surveys for the last three years.

In another poll published in January 2008, John Lewis came second (behind Waitrose) in the annual customer satisfaction survey by consumer magazine *Which?* with a score of 78%. Despite dropping from overall first place last year, we achieved impressive scores from an 11,000-strong panel of shoppers and ranked first in every category we appeared in.

John Lewis also enjoyed success in the **UK Customer Satisfaction Index** conducted by the Institute of Customer Service (ICS), registering an 'exceptional' customer satisfaction score of 89%. The survey asked 6,000 people to rate companies and organisations in 12 key public and private sectors in areas such as professionalism, complaint handling, quality and competence and friendliness of staff.

## Employer of choice

In the **Top Employers 2008** survey published in *the Guardian* newspaper, the John Lewis Partnership ranked 37th with a score of 71.55% and among significant employers with over 10,000 employees, the Partnership ranked ninth. This is a noticeable drop from our ninth place overall last year; but the way the survey is conducted has changed from an open questionnaire, with the opportunity to expand on our efforts with fuller answers, to a multiple choice form.

# Performance against key priorities

This section summarises our progress and achievements against the key priorities set over the last two years.

KEY: ● Achieved ● In progress ● Not achieved

Key priorities 2006–08	Status	Progress and achievements (2007–08 unless stated)
<b>Climate change</b>		
Reduce CO <sub>2</sub> emissions by 10% by 2010 and 20% by 2020, relative to sales.*	<span style="color: orange;">●</span>	16% reduction (2001–02 baseline).
Improve energy efficiency by 20% by 2010.	<span style="color: orange;">●</span>	15% improvement (2003–04 baseline).
Source all electricity from green sources by October 2007.*	<span style="color: green;">●</span>	100% electricity from green sources through EDF Energy.
Reduce miles driven year on year (per £million sales).	<span style="color: red;">●</span>	7,008 miles driven per £million sales (7% increase), see page 13.
<b>Packaging, waste and recycling</b>		
Recycle 50% of all waste by year-end 2010.	<span style="color: orange;">●</span>	39% of waste recycled.
Develop generic waste strategy.	<span style="color: green;">●</span>	Recently revised waste and recycling procedures.
Widen availability of long-life reusable carrier bags; increase recycled material in plastic carrier bags.	<span style="color: green;">●</span>	Bag for Life introduced March 2008; plastic bags contain 25% recycled material; 95% recycled content by end September 2008.
<b>Building and operating sustainable shops</b>		
Include renewable energy in new building design and exceed Part L Building Regulations.	<span style="color: orange;">●</span>	Renewable energy considered for all new shops; biomass boilers at Oxford shop and new Distribution Centre; building regulations exceeded in all new builds.
Recycle more of our building waste and increase the use of recycled materials in new builds to 25%.	<span style="color: orange;">●</span>	Over 20% of construction materials from recycled sources; over 90% recycling achieved at Liverpool and Leicester.
Apply Sustainable Construction Framework to all new builds; achieve BREEAM 'excellent' status or equivalent.*	<span style="color: orange;">●</span>	All new builds start with Sustainability Action Plan, sustainability principles adopted at every stage of project; work towards BREEAM status ongoing.
<b>Supplier relationships</b>		
Continue to add priority production sites to Sedex; ensure they fully complete our information requirements.	<span style="color: orange;">●</span>	953 production sites registered on Sedex, 84% of which have completed our information requirements.
Develop buying teams' role within Responsible Sourcing programme.	<span style="color: green;">●</span>	Job descriptions for buyers/assistant buyers now include responsible sourcing. Training ongoing.
<b>Sustainable products</b>		
All garden furniture FSC-certified by end 2009. Expand timber sourcing programme to all wooden products.	<span style="color: orange;">●</span>	78% garden furniture sourced from FSC-certified timber or from suppliers in transition towards certification; policy to cover all wood-based products from 2008.
Roll out chemicals of concern programme; work with suppliers to replace/remove 'high-risk' chemicals.	<span style="color: orange;">●</span>	Working with own-brand suppliers to assess products and assist them in meeting REACH obligations.
<b>Supporting our communities</b>		
Contribute at least 1% of Partnership pre-tax profits to community initiatives.*	<span style="color: green;">●</span>	1.63% of pre-tax profits contributed.
Using LBG model, improve measurement of outputs/impacts of community programmes.*	<span style="color: orange;">●</span>	Total contributions: £6,191,098 (6% increase); implementing systems to improve measurement.
Increase Partner participation in employee volunteering.*	<span style="color: green;">●</span>	96,846 hours contributed (an increase of nearly 60%).
<b>Partners</b>		
Improve average John Lewis response rate/score in Partner survey.	<span style="color: green;">●</span>	John Lewis response rate: 94% (target: 85%); average score: 12.6 (target: 12).
Implement Partnership-wide career break policy.*	<span style="color: green;">●</span>	Policy introduced July 2006.
Expand diversity awareness training for managers.*	<span style="color: orange;">●</span>	Diversity Toolkit in development; training driven by local needs.

\*Partnership-wide priority and performance.

### **Acknowledgements**

We would like to thank all our Partners for showing a keen interest in our approach to CSR, and whose hard work and dedication helps us to achieve our objectives in this area.

Further information about corporate social responsibility at John Lewis can be found at [www.johnlewispartnership.co.uk/ourresponsibilities](http://www.johnlewispartnership.co.uk/ourresponsibilities)

If you have any comments regarding this report please contact:

Gemma Lacey  
Corporate Social Responsibility  
John Lewis Partnership  
Partnership House, Carlisle Place  
London SW1P 1BX

**Email:** [csr@johnlewis.co.uk](mailto:csr@johnlewis.co.uk)

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