JOHN LEWIS 8 PARTNERS

SHOWER PROOF

WEAR IT. LOVE IT. HAND IT DOWN

CIRCULARITY & WASTE

To reduce the environmental impact of our business activity we must, where possible, support the transition to a more circular economy by designing, making and selling products that limit waste and pollution and keep materials in use for longer.

Reducing the amount of physical waste produced through business operations and sale of goods and services, whether it be food waste or plastic packaging, is vital to prevent further environmental damage, food scarcity and climate change pandemic, in 2020 consumers still saw protecting the natural environment as a key priority.

Positive progress continued to be made through our circularity programmes including in-store takeback and home collection services. Waitrose continued to focus on reducing waste, including both product packaging and food waste top of Greenpeace's Supermarket Plastic



IN 2020/21 WE FOCUSED ON:

John Lewis furniture rental trial with Fat Llama.

MOVING TOWARDS CIRCULARITY

- · John Lewis became one of the founding signatories of WRAP's Textiles 2030 agreement. Signatories have committed to a collaborative approach to accelerate progress towards a circular economy for textiles as well as tackling the climate impact of the industry. You can find out more about our commitment as a signatory here.
- In 2020 we enrolled six further John Lewis branches in the Fashion Buyback trial and also included Waitrose Cheadle Hulme. Despite being paused just three weeks into the extended roll out due to the Covid-19 pandemic, over 900¹⁹ items were returned to us via the scheme, 85% of which arrived in the three weeks that the trial was rolled out to the additional branches. Circumstances permitting, we aim to restart the trial this year.
- The Partnership Home Collection Service was paused at multiple points throughout 2020/21 due to the Covid-19 pandemic. However:
- The Partnership customer mattress recycling programme, which diverts mattresses from landfill, saw our service

⁹ 900 and 85% figures exclude Waitrose Cheadle Hulme



FURNITURE RENTAL

In August 2020 John Lewis launched a small-scale furniture rental trial, partnering with Fat Llama. We recognised that there are customers who want access to our products but might not want to own them permanently for a number of reasons. For some customers this is because they are renting a home; others don't want to manage disposing of an item once they're finished with it. For many customers who want to live more sustainably, it's the reduced wastage and circular approach that appeals.

provider receive over 50,000 units from the John Lewis Partnership.

- Our sofa reuse scheme saw over 3,000 items collected from customers' homes, and 2,326 items donated by John Lewis which were then reused or recycled by charity members of the Reuse Network. Through this we were able to provide items to more than 1,000 households in need. In the past seven years over 47,000 sofas have been collected as part of this scheme, helping over 13,000 households.
- In 2020/21, the Partnership collected over 700 tonnes of textiles and shoes through our collection banks in Waitrose car parks. These items are collected and processed by SOEX for reuse or recycling.
- 51 John Lewis product design Partners participated in Circular Design training with the Centre for Circular Design. The training focused on ten sustainable design principles including designing products that reduce waste, water and energy and the need to consume. These learnings are being applied in a live project across our home and fashion buying offices to make existing products more sustainable.

Almost all of the items were rented out within 48 hours of the launch and we've already had items returned and re-rented, creating a small circular proposition.

As part of this project, we are beginning to create an understanding of how to fix and repair items to extend their lifespan and how we might build that into our services. This knowledge will add to the potential for creating other ways of helping customers extend the life of other items. In 2021, we are continuing our partnership with Fat Llama. The trial will be extended, offering even more products for rent in the second half of 2021.

REDUCING WASTE

OPERATIONAL WASTE

• The Partnership met its target with 99.8% of the Partnership's operational waste being diverted from landfill by the end of January 2021. We will continue to monitor and maintain this performance moving forward.

PACKAGING WASTE



- In 2020 Waitrose relaunched its own-brand Essential range with almost 2,000 tonnes of packaging removed versus the previous range. The continued removal of shrink wrap plastic on Essential tinned grocery products sold as multipacks, saved almost 42 tonnes of plastic in 2020 alone.
- 73% of Waitrose own-brand plastic packaging is widely recyclable, reusable or home compostable. This is an 4% increase from last year and includes:
- Continuing to replace hard-to-recycle black plastic ready meal trays with more easily recyclable coloured trays made from recycled polyethylene terephthalate bottles.
- Waitrose Duchy Organic removed 19.5 tonnes of packaging across the full range of products; of this, plastic accounted for 3.8 tonnes and other material accounted for 15.7 tonnes.
- Waitrose came top of <u>Greenpeace's Supermarket Plastics</u> <u>Scorecard</u> for a second consecutive year reporting a 6.1%²⁰ absolute plastic reduction since 2017. This equates to the removal of just under 2,000 tonnes of single use plastic packaging.



- In 2020 Waitrose and John Lewis removed all glitter from single use Christmas products²¹. Waitrose was the first supermarket to sell rolls of Christmas gift wrap unpackaged, giving customers a plastic-free option for Christmas gifts. This approach is estimated to have saved 210kg of plastic.
- 92% of all John Lewis's own-brand primary packaging is now widely recyclable or reusable. Additional own-brand packaging progress includes:
- 11²² tonnes of cardboard tubing has been removed from the core of our gift wrap.
- 3.8 tonnes of plastic has been saved by removing the plastic windows from our Christmas cracker boxes.
- One tonne of cardboard has been removed through re-engineering the packaging for own-brand toys.



SURPLUS FOOD

- The Partnership's relationship with <u>FareShare</u> continues and is now live in 334 Waitrose branches. Through this relationship, Waitrose donated surplus food equating to over 2.5 million meals. FareShare redistributes this to charities who support those in need. Since 2017 we have donated over two million kg of surplus food, which equates to over 4.5 million meals donated.
- In October 2020 we announced that we're supporting the government's food waste partner, WRAP, in its goal to halve food waste by 2030 by committing to help halve our customers' food waste by 2030. To help achieve this collective ambition we'll support customers by providing useful tips and zero-waste recipes to help avoid food waste at home.

WAITROSE UNPACKED

- Waitrose continues to offer the Unpacked test at four of its branches. In January 2021 it launched the <u>Unpacked Report</u> highlighting the key findings from the initial 11-week test at Waitrose Botley Road in Oxford. The report provides learnings and suggests success factors for industry progress.
- In December, a further 13 Unpacked products were added to the 31 existing lines offered in the range at Waitrose's Wallingford branch. In January 2021 the branch took the concept one step further by becoming the first national supermarket to integrate unpacked items into its regular aisles, rather than having a single Unpacked fixture.

REMOVING PLASTIC BAGS

- Waitrose are mindful that all bags, regardless of the material from which they're made, can have a negative environmental impact. A number of trials are taking place across our branches to remove single use bags. These include:
- The removal of Home compostable fruit and vegetable bags in six Waitrose shops with the introduction of a reusable alternative 30p bag.



- ²¹ Single use Christmas products are defined as all own-brand cards, crackers, wrapping paper and gift bags.
- ²² 11 tonnes of cardboard removed on a like-for-like gift wrap volumes purchased in 2020 vs 2019.

- Further to the removal of 5p carrier bags from all Waitrose branches in March 2019, we are trialing the removal of 10p bags for life in eight Waitrose branches and replacing them with 50p reusable alternatives.
- The successful trial which removed 5p carrier bags at John Lewis, Oxford will be extended in 2021 to further branches. Customers will have the option to purchase a more durable, reusable 50p or 75p bag if required.

TACKLING PLASTIC POLLUTION

- In 2019 Waitrose launched Plan Plastic: The Million Pound challenge, which gave grants to five diverse and innovative projects, to rethink how Waitrose use and dispose of plastic, tackle plastic pollution and create a tangible impact. The grants were all distributed by the end of January 2021. The achievements to date of each project we supported can be found in the latest <u>Waitrose Plan Plastic report</u>.
- In October Waitrose joined other supermarkets including Tesco, Aldi and the Co-op in signing an open letter to ministers calling for a ban on plastics which are only degradable in industrial conditions with chemical additives. The letter urges the UK to follow the EU and implement a legally binding ban on oxodegradable plastics.

 $^{^{\}rm 20}$ 6.1% reduction on our 2017 baseline: 32,028 tonnes, between Feb 2018 and Jan 2020.



CONTINUING TO RECYCLE

- In 2020 John Lewis created the The Hanger Recycle Project allowing customers to bring unwanted John Lewis clothing hangers into any of their stores for recycling. Despite not yet launching due to the Covid-19 pandemic, within John Lewis's own operations, the Company collected over three million redundant hangers from in-store garments which were recycled into new hangers. The aim is to officially launch The Hanger Recycle Project to customers in 2021.
- Through the John Lewis appliance disposal service the store collects customers' Waste Electrical and Electronic Equipment (WEEE) which is reused or recycled where possible. Despite collections being paused for almost two months in 2020/21, the Partnership collected over 10,000 metric tonnes of waste electricals from customers' homes for reuse and recycling.
- Waitrose relaunched its own-brand ECOlogical cleaning range, with packaging improvements estimated to save 4.1 tonnes of virgin plastic a year. The range of 17 naturally derived products, made exclusively in the UK, uses innovative recovered and recycled 'Ocean Bound Plastic' in some of the product packaging. Vegan and Vegetarian friendly, and compliant with the Leaping Bunny program, the products contain a minimum of 98% naturally derived ingredients, but contain no phosphates or ammonia.
- John Lewis launched its first fully recyclable EcoMattress[™]. Handmade in Yorkshire, the Ecoflex fibres which fill each mattress are made from polyester-filling created from recycled plastic bottles.



• BeautyCycle continued to operate throughout the pandemic when participating branches were open. In the 2020/21 financial year 25,000 customers recycled over 175,000 beauty empties across 36 branches. Since the roll out of BeautyCycle in late 2019, more than 46,000 customers have made use of the programme diverting over 230,000 hard-to-recycle beauty packaging empties from going to landfill.

TARGET	2020/2021 PERFORMANCE	2019/2020 PERFORMANCE
100% of our operational waste across the Partnership will be diverted from landfill by the end of January 2021.	99.8%	99.7%
85% of all operational waste across the Partnership will be recyclable by 2028.	71.7%	69.7%
All own-brand primary product packaging across our two brands will be widely recyclable, reusable, or home compostable by 2023.	John Lewis: 92% Waitrose: 88%	John Lewis: 67% Waitrose: 86.5%
By 2030 Waitrose will reduce operational food waste by 50% against a 2018 baseline ²³ .	-20.7%	-7%
New targets set in October 2020		
John Lewis: All product categories ²⁴ will have a 'buy back' or 'take back' solution by 2025.	We will begin to report our progress from spring 2022.	N/A
We will halve food waste in our supply chains by 2030.	We will begin to report our progress from spring 2022.	N/A
Waitrose will reduce single use plastic used in its own-brand product packaging by 20% by 2021 – increasing to 50% by 2025.	We will begin to report our progress from spring 2022.	N/A

²³ 2018 Baseline: 6,969 tonnes.

²⁴ Product categories: Home Furnishings, Home Accessories, Gift Cook & Dine, Technology, Menswear, Womenswear, Beauty, Childrenswear.

LOOKING FORWARD

We will continue to develop solutions to reduce waste across our product and packaging supply chains, our online and physical service propositions, in our own operations and in customers' homes. We will be an active voice, supporting the industry to transition to a more circular economy.

- In 2020 we launched new circularity and waste commitments:
- All John Lewis product categories will have a 'buy back' or 'take back' solution by 2025.
- John Lewis will continue to develop sustainable rental and resale options for customers.
- We will halve food waste in Waitrose's supply chains by 2030 in addition to our existing 2030 operational target.
- We will help halve our customers' food waste by 2030.