

ETHICS & SUSTAINABILITY

PROGRESS REPORT

2019/20



JOHN LEWIS
& PARTNERS

JOHN LEWIS
PARTNERSHIP

WAITROSE
& PARTNERS

OUR HIGHLIGHTS

100%
of palm oil ingredients and derivatives used in own-brand products are RSPO certified

800+
UK factory workers have completed our Better Jobs Employee Satisfaction survey



56,000
beauty empties saved from landfill by John Lewis 'Beauty Cycle'



228
heavy goods vehicles to be powered by biomethane by the end of 2020

99.7%
of operational waste across the Partnership is diverted from landfill

800+
Partners volunteering as wellbeing champions across the Partnership



1.3m+
meals donated to those in need via Fareshare

31,000
seconded volunteering hours recorded via our Golden Jubilee Trust volunteering programme

92.7%
of our own-brand fish and shellfish comes from third-party verified responsible sources



£4m+
donated to good causes via our Community Matters scheme

As a co-owned business we are driven by our values and belief in doing the right thing. The Partnership's Constitution is based on clear and enduring principles and it lays out our responsibilities to each other, to those with whom we do business, and to the wider community.

It has never been more important for us to be a better and different kind of business. The world we live in is changing rapidly. In addition to the challenges of environmental degradation and social injustice we have the global spread of coronavirus, the consequences of which are uncertain and likely to be profound. We have however seen that these unprecedented times bring out the very best in people and I would like to thank our suppliers and farmers for their unwavering support. I also want to thank our Partners who have continued to go above and beyond in supporting colleagues, customers and communities during this challenging time. Beyond this, we have created a £1million community fund to help those most in need, given an additional £1.4 million to around 3,000 local charities and donated a further £225,000 to Age UK, Fareshare and the Trussell Trust.

We continue to innovate to provide sustainable solutions in the areas that matter most to Partners and customers. We have been raising the bar in animal welfare, with Waitrose recognised as one of the top five companies for animal welfare standards worldwide. Last year we launched a trial of 'Unpacked' in four Waitrose shops, removing unnecessary packaging from over 200 products. In a number of John Lewis shops we've successfully introduced fashion and beauty packaging buy-back schemes. We're also making good progress towards our ambitions for all heavy goods vehicles to run on biomethane by 2028 and no fossil fuels across our entire transport fleet by 2030.

Although we are proud of our progress to date, we have much more to do as part of our ambition to be the most ethical and sustainable retailer in the UK. Alongside the Partnership's wider Strategic Review this year, we are undertaking a full review of our current Ethics and Sustainability strategy, placing an even greater emphasis on the work we do in this area. We look forward to sharing more in the coming months. In the meantime, we have prepared this Ethics and Sustainability Progress Report for the financial year ending 25 January 2020. It highlights our key achievements against the three commitments of our current strategy: Always Fair, Never Wasteful, and Transforming Lives. As always, we welcome your feedback.

SHARON WHITE
Partner & Chairman



You can read more about our business, governance and the Strategic Review in our 2019/20 Annual Report and Accounts.

ALWAYS FAIR



Conducting business fairly is a critical element of our Constitution, and we aim to give our customers confidence in the products we sell and the way we sell them by increasing transparency in how products have been grown, sourced and made.

In 2019/20 we focused on:

- The rollout of in-country programmes that aim to ensure people working throughout our supply chains are treated with respect, kept safe, fairly rewarded, and have a platform to voice their opinions.
- Developing sustainable farming practices and continuing to raise the baseline on animal welfare standards.
- Embedding the use of sustainable material sources and practices throughout our own-brand key raw material supply chains.

HIGHLIGHTS

7,500+

workers across 28 John Lewis own-brand factories in China trained in promoting more active worker-manager dialogue

6

Waitrose maintained its top tier position in the global Business Benchmark on Farm Animal Welfare for the 6th time

79%

of the timber used in own-brand products comes from trusted timber sources

PEOPLE AND SUPPLY CHAINS

We have highly complex and varied supply chains and believe real and lasting change is often best delivered with cooperation across the wider industry. We engage and work closely with a number of Non-Governmental organisations, third parties, government departments and trade organisations to improve practices within and beyond our supply chains.



¹ Tier one is defined as those sites manufacturing a finished product, or where the majority of assembly and packaging of the product bearing the John Lewis or Waitrose label occurs.

PARTNERSHIP WIDE PROGRESS

- Our first John Lewis Partnership [factory list](#) was published providing details on all John Lewis and Waitrose tier one¹ own-brand factories. The data includes information on worker gender and whether an active union or worker committee is in place.
- We have partnered with the Slave-Free Alliance and started the roll out of a 'spot the signs' training programme to enable Partners to identify those working on our sites that might be at risk of exploitation. The training is intended for our warehouse-based Partners who have responsibilities for forecasting labour requirements and supervising agency workers on shifts. We have so far trained over 35 Partners and the training continues in 2020.
- A face to face training session on modern day slavery was run for 30 key supplier-facing Partners. The training was designed to help Partners to spot any signs of exploitation on supplier and farm visits.

- We are proud to be members of the Bright Future employment scheme which aims to provide long-term employment opportunities for survivors of modern slavery through a four-week trial work placement, which then leads to a permanent contract if the placement is successful. In 2019 this led to the first successful placement of a candidate within our retail operations.

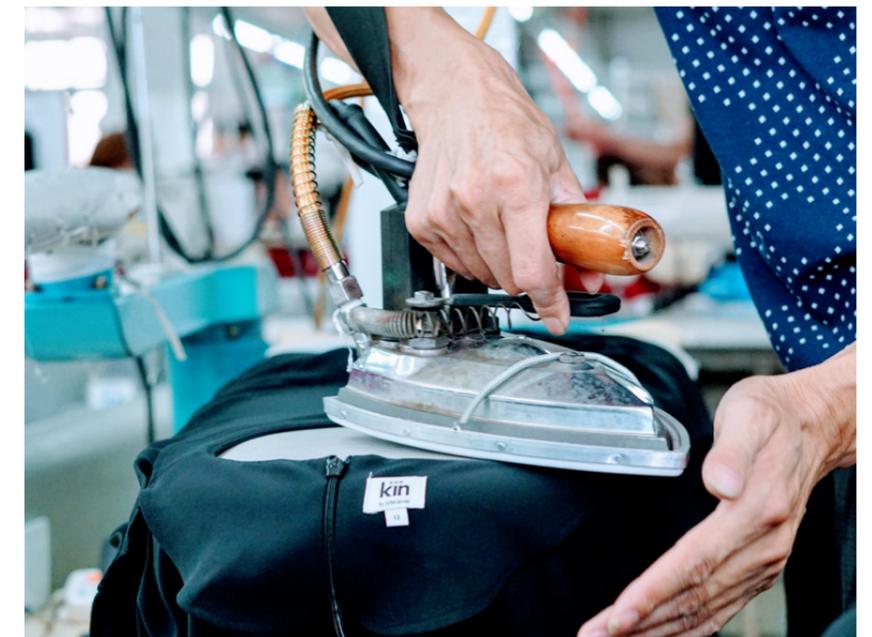
JOHN LEWIS

- Our Better Jobs programme now represents over 800 workers in our UK general merchandise supply chains, providing insight into their experience of working in the manufacturing sector and feedback for their employers.
- In Turkey the Partnership funded training in ten factories that had either insufficient worker representation, or where worker committees were not as effective as they could be. Over 3,700 employees have been positively impacted by the programme. Employees reported a greater sense of trust between managers and workers, that their issues are being resolved in a more timely manner, and they are feeling more valued in their workplace.

- In China, 28 of our own-brand factories, employing over 7,500 workers, benefited from workplace training that promotes more active worker-manager dialogue.

WAITROSE

- We strengthened our relationship and engagement with the [ISSARA Institute](#) - a South East Asia based NGO committed to tackling issues of human trafficking and forced labour through 'worker voice'. This relationship enables us to receive feedback directly from migrant workers employed in our Thai supply chains.
 - Over 9,000 workers within our own-brand fish supply chains are now covered by our supply chain risk assessments in association with the [Wilberforce Institute for the Study of Slavery and Emancipation \(WISE\)](#). WISE aims to address systemic problems and drive supply chain improvements.
 - Over 1,150 farm assessments have now been conducted globally at our own-brand fresh produce farms, verifying environmental and social conditions for workers. This includes verifying all workers have written contracts and are provided with detailed payslips. The assessment results demonstrate:
 - Over 90% of farms provide workers with contracts.
 - Over 90% of farms provide workers with detailed payslips.
- Where these are not being provided, our suppliers are working with the farms to ensure these requirements are met.
- We created a film documenting the importance of worker welfare to the Partnership, and the steps our farmers can take to recognise and prevent any form of modern slavery from touching their farms. 72% of farmers said they have a better understanding of the risks of modern slavery to their business as a result.



CREATING BETTER JOBS FOR WORKERS IN OUR SUPPLY CHAINS

The John Lewis Better Jobs programme aims to create more rewarding and satisfying employment for the people who make our products. The programme consists of two parts: a framework that helps suppliers think about the ways they support, engage and reward their employees, and an employee survey to provide workers with an opportunity to share their experiences of being at work. In 2019 the programme was launched to our UK supply base.

23 suppliers completed the framework, and 800 workers from their sites completed the employee satisfaction survey. The resulting data enables us to help suppliers identify opportunities for improvement within their business, and develop action plans to have a positive impact in their workplaces. We will track suppliers' progress over time capturing the improvements and ensuring others can learn from this success.

First year findings suggest that most workers in our UK factories feel they are able to voice their opinions at work, however improvements are needed in the way management teams support career progression and skills development for workers.

As we move into the second year of the programme, we will also be looking closely at how job design can influence the attraction and retention of talent in the UK manufacturing industry. By the end of 2020, we also hope to have over 20 factories in China joining the Better Jobs programme.

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SUPPLIERS COMPLETED THE FRAMEWORK

800

WORKERS COMPLETED THE EMPLOYEE SATISFACTION SURVEY



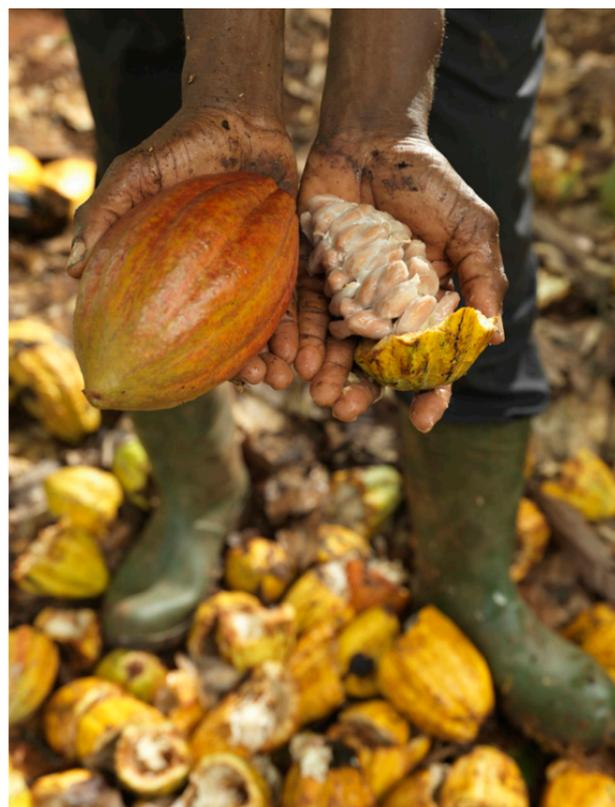
For more detailed information on our approach to protecting the human rights of workers in our supply chains please see our [2019/20 Modern Slavery Statement](#).



WAITROSE & PARTNERS FOUNDATION

The [Waitrose & Partners Foundation](#) was set up in 2005 to improve the lives of the people who grow, pick, and pack our produce. A percentage of the sale of Foundation products is invested back into the country of origin, co-funded with our dedicated suppliers.

- Last year, the Foundation invested in 90 projects, across seven countries, supporting an estimated 27,000 people.
- We celebrated 10 years of the Waitrose & Partners Foundation in Ghana and Kenya, and in 2020 are celebrating 15 years in South Africa. In Ghana alone we have supported more than 100 projects, benefitting over 100,000 people. Projects include improving schools and healthcare facilities, and supporting smallholders to develop their businesses and improve their environments.
- In February the Foundation launched in Senegal and the Gambia, bringing on board 4 new farms representing over 4,300 workers.



FAIRTRADE FOUNDATION

- From the start of 2020 all cocoa in Waitrose on-brand confectionery is sourced on Fairtrade terms.
- We rolled out a pilot with Fairtrade International looking at how to improve interpersonal skills, labour efficiency, and wages for managers and workers on banana plantations in the Dominican Republic. 88 workers and managers attended workshops, and we have developed training materials to support future activity.
- In partnership with the [Fairtrade Foundation](#) we launched the UK's first Fairtrade Java coffee. This ensures 150 coffee farmers in the region now receive a Fairtrade premium, allowing them to cover the cost of coffee production and further invest in their farming community.

FARMING AND FISHING

FISHING AND AQUACULTURE²

- We reached 92.7% against our target of 100% of own-brand fish to come from a certified third-party verified responsible source. Many of the remaining suppliers are already on improvement projects designed to help them achieve third party certification standards including Project UK, an ambitious stakeholder partnership project involving improvement projects on six UK fisheries. However reaching 100% may take longer than the planned date of January 2021.
- We celebrated the 10 year anniversary of our commitment to selling only pole and line caught tuna across our own-brand label tinned tuna. Waitrose & Partners remains the only dedicated food supermarket retailer in the UK to exclusively source all of its canned tuna through MSC certified pole and line methods. It is a highly selective way to fish, helping to minimise the risk of catching other species, including endangered turtles, dolphins and sharks.
- We completed the first cycle of bi-ennial Responsible Harvest Assessments (RHA) in all our salmon and sea-grown trout farms. This is a Waitrose tool developed to assess and drive continuous improvement in harvesting fish, improving fish welfare, providing measures to prevent escapes and potential interactions with marine predators. We also completed the first cycle of our Responsible Efficient Production (REP) in all our seabass and seabream farms, and the second cycle of our salmon and sea-grown trout farms, assessing their farming husbandry and working with our farming partners to identify and implement opportunities for continuous improvement. Our farmed fish suppliers have also developed a REP for our farmed prawn supply chains, to be implemented in 2020.
- All British fishing vessels supplying Waitrose own-brand fish are in the process of adopting the [Responsible Fishing Scheme](#). This is a vessel-based standard ensuring responsibly sourced seafood can be fully traced across the supply chain.

² Across farming and fishing we have moved away from quantitative based targets and instead focused our attention on programmes to deliver specific directed long term improvements within our supply chains.

Target	2019/2020 performance	2018/2019 performance
100% of our own-brand fish and shellfish will come from third-party verified responsible sources by the end of January 2021	92.7% ³	91.2%

³ Due to its scope and complexity, we are reviewing our reporting process of this target to ensure optimum understanding of achievement from 2020/21 onwards.

FARMING

- A leading NGO, [The Alliance to Save our Antibiotics](#), has again named Waitrose as the supermarket with the most comprehensive farming antibiotics policy of any UK retailer.
- All own-brand meat suppliers to Waitrose have voluntarily signed up to the agreement to not use Colistin (or any other critically important antibiotics) in their supply chains unless in the most exceptional circumstances when untreated illness would have a significant negative impact on farm animal welfare.
- We retained the biennial [Compassion in World Farming Best Retailer Award](#) for our comprehensive farm animal welfare policies and maintained our top tier position in the global [Business Benchmark on Farm Animal Welfare](#), one of only five companies in the world to hold that position. Both give us independent verification that, with farm animal welfare standards, we are truly global leaders.
- Through our three-year sponsorship (2019-2022) of the [Farming Community Network](#), and by partnering with the [Farmers Guardian](#) newspaper, we are ensuring that more people than ever, within the agricultural sector, are aware of the support available during times of distress and crisis.
- We have begun removing lead shot from our game supply chain to achieve our pledge of complete removal by winter 2020.



Photo Credit: Sterling Suffolk Ltd

GREENER, RED TOMATOES

'Sterling Suffolk' has built the UK's first semi-closed glasshouse, producing high quality tomatoes for Waitrose. After six years of planning, the first tomatoes were harvested for Waitrose in early 2019. There are many environmental benefits associated with this growing process, and the semi-closed glasshouse will deliver energy savings over the project's lifetime. The majority of the CO₂ input is used by the crop, not vented through the roof as in traditional structures. LED lighting and thermal blackout screens use 20% less energy than a conventional new glasshouse. The associated purpose built reservoir has captured a year's rainfall and, to date, 100% of the water given to the crops has come from the rainfall and recycled water collected in the reservoir.

Outside the glasshouse, wildflower meadows and over 1,000 trees will be planted to increase biodiversity. UK native bumble bees (*Bombus terrestris audux*), used for crop pollination in the glasshouse are released into the wild at the end of their working life. Growing slabs are reused for three seasons instead of one, reducing their carbon footprint and the quantity of waste plastic generated. All plant waste is composted and used by the farmer for crop production.

RAW MATERIALS AND SUSTAINABLE SOURCING

JOHN LEWIS

- In 2019 John Lewis created a new online tool 'Materials Matter' to help internal sourcing teams better understand our sustainable sourcing requirements, showcasing a range of more sustainable raw material options. The platform launched to Partners in February 2020 with the aim to release it to suppliers by the end of 2020.
- 63% of cotton used in our John Lewis own-brand fashion supply chains is now sustainably sourced, up 22% on last year.

WAITROSE

- Waitrose's positive progress against its cotton target stepped backwards during the 2019/20 reporting period. Own-brand cotton consumption is more material to John Lewis and we are in the process of reviewing our cotton targets to create one consistent target across both brands.
- In 2019 Waitrose ran a number of training sessions to improve the accuracy and robustness of the supplier declarations on the timber used in own-brand products. This resulted in an increase in the number of timber sources declared by suppliers and an apparently backward step in our progress towards our target,



Photo Credit: UNIDO Egypt

THE EGYPTIAN COTTON PROJECT

We are the first British retailer to join an international working group initiated by the United Nations Industrial Development Organisation (UNIDO), in collaboration with Cotton Egypt Association (CEA), the Egyptian Ministry of Trade and Agriculture, the Better Cotton Initiative (BCI) and brands including Hugo Boss and Filmar. The group is leading the 'The Egyptian Cotton Project' with the following aims:

- Embedding sustainable farming programmes in Egypt by introducing farming communities to the Better Cotton Initiative and setting up organic cotton plantations.
- Improving cotton growers' livelihoods and economic performance with technical skills, sustainable agricultural practices, and fairer, more consistent pricing.
- Supporting youth skills, education, and development in sustainable agricultural and industrial practices.
- Supporting vulnerable communities through education and encouraging equal opportunities.

We have introduced our Egyptian cotton suppliers to the working group to ensure they are part of this collaborative approach.

however this process will be beneficial long term, providing greater accuracy and improvements.

- In 2019, we hit our 100% target on soya while also expanding the scope of reporting to include all non-liquid dairy, and dairy and eggs that are included as ingredients in our own-brand products. At present we cannot directly influence the soya used to feed the animals that produce these ingredient items so have bought additional Round Table Responsible Soy (RTRS) credits to cover this part of our footprint. In the coming year we will be working closely with suppliers and the wider industry to transition more of the soya used for animal feed in our own-brand supply chains, for which RTRS credits are currently purchased, to physically certified supply.
- Of the RTRS credits purchased for Waitrose & Partners soya last year, 46% were from specific farms in the Maranhao and Piaui regions of Brazil, home to much of the vulnerable Cerrado ecosystem. This targeted purchase supports producers in high risk deforestation and conversion areas, who conserve native vegetation on their land and farm responsibly.
- In 2019, mixed leys⁴ were introduced to encourage productivity and provide a wider biodiversity on 49% of livestock farms supplying Waitrose. This builds on the five year Sustainable Forage Protein project which involved eight farms in Waitrose's own-brand supply chain. The project was designed to maximise the use of sustainable grassland based systems and forage based protein, and reduce reliance on fertilisers, feeds and concentrate protein feedstuffs.

COLLABORATION

- We continue to verify a number of products to certification schemes and engage with certifying organisations to ensure their standards remain robust. For example, we are members of the Retail Palm Oil Group (RPOG) which has a representative on the Roundtable on Sustainable Palm Oil (RSPO) Board of Governors and use this position and associated voting rights to help drive improvements. Waitrose is also a founding member of the Retailers' Cocoa Collaboration (RCC) which aims to support existing industry efforts to drive improvements in the cocoa sector. Our participation will better define the role we can take in improving sustainability in the cocoa sector.
- Where certification schemes are not available, we work with other organisations and retailers on continuous improvement:
 - In 2019 we visited every step in the supply chain of our own brand pure cashmere, from the farms where the cashmere is carefully removed from the goat, to the factories where our garments are produced. We are a pioneer member of the Sustainable Fibre Alliance (SFA) and will work with them to develop a best practice standard in sustainable cashmere production.
 - John Lewis is a member of Textile Exchange, a global non-profit driving industry transformation in preferred fibres', addressing integrity, standards, and responsible supply chain networks. John Lewis worked with the Textile Exchange and Mohair South Africa to develop the first third party Responsible Mohair Standard.

⁴ A mixed ley is a complex seed mixture which provides a range of benefits to forage, soil fertility and livestock productivity.

Target	2019/2020 performance	2018/2019 performance
Timber⁵		
John Lewis: 100% of the timber and paper in our own-brand products to come from trusted sources by the end of January 2021	TOTAL: 79% Best: 30% Better: 22% Good: 27% Unverified: 21%	TOTAL: 82% Best: 36% Better: 17% Good: 29% Unverified: 18%
Waitrose: 100% of the timber and paper in our own-brand products to come from trusted sources by the end of January 2021	TOTAL: 80% Best: 68% Better: 12% Good: 0% Unverified: 20%	TOTAL: 97% Best: 84% Better: 0% Good: 13% Unverified: 3%
	GROUP TOTAL: 79%	GROUP TOTAL: 87%
Cotton		
John Lewis: 50% of cotton used in own-brand products to be from sustainable sources by January 2021	TOTAL: 36% fashion: 63% home: 22%	TOTAL: 25% fashion: 41% home: 19%
Waitrose: 100% of cotton used in own-brand products to be from sustainable sources by January 2021	TOTAL: 23%	TOTAL: 37%
	GROUP TOTAL: 36%	GROUP TOTAL: 27%
Feather and down		
John Lewis: 100% of feather and down used in own-brand products to be from certified responsible sources by the end of January 2021	We continue to work with all our own-brand feather and down suppliers to implement certified responsible standards in their supply chains, and are on track to meet our target and report this as a percentage by the end of the 2020/21 financial year	
Soya⁶		
Waitrose: 100% of the soya used in animal feed for the production of own-brand meat and farmed fish products, milk, and eggs to be certified sustainable or organic by December 2020	TOTAL: 100% Physically certified supply: 30.6% Certified organic physical supply: 15.7% RTRS credits: 53.7%	TOTAL: 100% Physically certified supply: 51% Certified organic physical supply: 15% RTRS credits: 34%
Palm oil		
Waitrose: 100% of palm oil and palm kernel oil based ingredients and derivatives used in own-brand products to be RSPO physically certified by December 2020	TOTAL: 100% RSPO physically certified: 98% RSPO-IS credits ⁷ : 2%	TOTAL: 100% RSPO physically certified: 92% RSPO credits: 8%

⁵ Timber

- Best, Better & Good categories are defined in our John Lewis Partnership [Timber Standard](#).
- Scope excludes fitted furniture timber products e.g Fitted Kitchens.

- Unverified: Timber sources which do not yet meet our Trusted Timber Standard, but with which we are working closely with our suppliers to ensure they meet our standard as soon as possible. This category does not include any products in scope of the EUTR.

⁶ Soya

- We accept RTRS, Proterra, Danube/European, CRS, Cargill SSS and ISCC+ (with add-ons) certified soya; we prioritise segregated or mass balance supply chains but also use credits.

- This target now also includes the expanded scope for 2019 including, non-liquid dairy products, dairy and eggs included as ingredients in our own-brand products.

⁷ RSPO-IS credit: Roundtable on Sustainable Palm Oil credits specifically supporting independent smallholders.

NEVER WASTEFUL

We are committed to significantly reducing our environmental impact, including reducing food waste, removing unnecessary packaging and reducing carbon emissions from our operations.



In 2019/20 we focused on:

- Diverting as much waste from landfill as possible including food, packaging, and operational waste.
- Providing customers with creative and innovative solutions for product reuse or a way to dispose of their products responsibly.
- Decarbonising our operations through significant investment in new greener technologies to run our operations.

HIGHLIGHTS

69.7%

of operational waste across the Partnership is now recyclable

86.5%

of Waitrose own-brand packaging is widely recyclable, reusable or home compostable

97.3%

of electricity procured by the Partnership is certified renewable

From 2020 onwards we will further our understanding of climate risks and opportunities within our business and expect to begin reporting this via the Task Force on Climate-related Financial Disclosures Framework (TCFD) from next year.

For our latest Streamlined Energy and Carbon Report please see our [2019/20 Annual Report and Accounts](#).

WASTE, REUSE AND REPURPOSE

WASTE

JOHN LEWIS

- Half of John Lewis's own-brand toy range is now free from plastic packaging. Cellophane wrap from greeting cards has also been removed, and those that need additional protection now use a compostable outer wrap.
- All John Lewis carrier bags are made from 70% recycled plastic and our delivery bags contain up to 60% recycled material and are fully recyclable.
- John Lewis Oxford became the blueprint store to test new initiatives in plastic waste reduction.

WAITROSE

- Waitrose reduced its product packaging by 0.5% in 2019 despite a rise in product sales. Key programmes included:
 - Introducing the world's first home compostable and recyclable ready-meal tray. Trialled for our own-brand Italian based ready meals, it saved 158 tonnes of black plastic.
 - A trial removing plastic wrap on multi-packs of canned vegetables aiming to save over 20 tonnes of plastic a year.
 - The Unpacked trial at Waitrose Botley Road, Oxford..
 - Removing over 99% of own-brand black plastic packaging.
- 69.7% of Waitrose own brand plastic packaging is widely recyclable, reusable or compostable.
- Waitrose topped [Greenpeace's supermarket plastics scorecard](#), reflecting our efforts to eliminate unnecessary packaging. Nevertheless we recognise there is still a long way to go.
- Waitrose own-brand wet wipes were the first of any UK supermarket to achieve 'fine to flush' certification.
- Waitrose removed 5p single use carrier bags from all stores in March 2019 and replaced loose fruit and vegetable plastic bags with home compostable alternatives. This will save up to 63 million plastic bags a year.
- With money raised from the 2015 to 2019 5p carrier bag levy Waitrose is funding 10 [Blue Charter Fellowships](#) to lead world-class research exploring innovative ways to tackle plastic litter in the ocean. This funding will also support research impact grants for 40 fellows providing them with training to communicate their research outcomes ensuring they have maximum impact.
- We ran [Plan Plastic: The Million Pound Challenge](#), awarding a further £1million to five organisations tackling plastic pollution.
- Waitrose launched its customer facing campaign, [Partners Against Waste](#), which communicates the progress that we are making on plastics, packaging and food waste, and encourages customers to get involved.

WAITROSE UNPACKED

- The 11 week Waitrose Unpacked test launched in June 2019 at Waitrose Botley Road, Oxford. The aim, to reduce unnecessary packaging and test how customers shop these products providing insight to inform future decision making. The test saw total packaging reduced by 41%, 130,000 pieces of single use plastic packaging removed, and single use plastic packaging reduced by 98%.

Target	2019/2020 performance	2018/2019 performance
100% of our operational waste across the Partnership will be diverted from landfill by the end of January 2021.	99.7%	99%
85% of all operational waste across the Partnership will be recyclable by 2028. ⁸	69.7%	68%
All own-brand product packaging across our two brands will be widely recyclable, reusable, or home compostable by 2023.	John Lewis: 67% Waitrose: 86.5%	John Lewis: not reported Waitrose: 85%
By 2030 Waitrose will reduce operational food waste by 50% against a 2018 baseline.	-7%	Baseline: 6,969 tonnes

⁸ Our operational waste target has been revised from a 75% target by the end of January 2021 to a target of 85% by 2028 starting from the 2019/20 financial year onwards.



EMBEDDING RECYCLING, REUSE AND REPURPOSE IN OUR MYJOHNLEWIS LOYALTY SCHEME

Last October John Lewis Oxford launched a trial promoting a 'reduce, reuse and return' culture among customers. The pilot tested:

- Removal of the 5p plastic carrier bags
- In-store removal of Click & Collect packaging
- Introduction of reusable Click & Collect packaging
- Encouraged Eco home deliveries⁹
- Recycling of unwanted hangers
- Beauty Cycle
- Eco alternative to bubble wrap
- Fashion BuyBack
- Optimised recycling.

By the end of the 2019/20 financial year we had saved 1.5 tonnes of plastic from leaving the branch as single use carrier bags. Eco home delivery bookings increased by 10%, saving 641kg of emissions and seeing 713 fewer miles on the road.

Fashion BuyBack rewarded MyJohnLewis customers for returning used items of clothing, and from October 2019 to January 2020 we collected over 150 garments to be reused or recycled.

We are working with Beyond Retro and I:CO (SOEX) to extend this trial and provide this service to more of our customers.

⁹ An Eco home delivery encourages customers to book delivery slots that indicate a John Lewis delivery vehicle is already in their area, therefore mitigating the mileage and carbon emissions of a second delivery van being on the road.

REUSE AND REPURPOSE

WAITROSE

- Surplus Food
 - In 2017, we formed a partnership with [FareShare](#), a charity dedicated to fighting food poverty and reducing food waste across the UK. In 2019 we donated surplus food equating to over 1.3 million meals to those in need. Since 2017 we have donated 850,000kg of surplus food, which equates to over 2 million meals donated.
 - Any other unsold good food is often sent to [Company Shop Group](#), the UK's largest redistributor of surplus food.

JOHN LEWIS

- In June 2019 John Lewis launched 'Beauty Cycle', an exclusive trial for [myJohnLewis](#) customers. In partnership with [TerraCycle](#), Beauty Cycle has enabled over 11,000 customers to bring in their empty beauty product containers to 36 John Lewis shops, saving over 56,000 beauty empties from landfill. These items are then recycled or repurposed into new products such as storage containers, plastic lumber and outdoor furniture through our partner TerraCycle.
- John Lewis Oxford trialled a fashion [BuyBack](#) scheme through which customers can return up to three items of pre-loved clothing purchased from John Lewis in return for a £3 gift voucher per item. These items will be reused or recycled, and never go to landfill. Based on the success of the trial, BuyBack was rolled out to a further six John Lewis shops and Waitrose Cheadle Hulme.
- John Lewis introduced a new label with a reuse message on its own-brand childrenswear: 'Wear it, love it, hand it down' to help encourage a reuse culture.
- Our customer mattress recycling service diverts mattresses from landfill. In 2019 our service provider received over 65,000 units from the John Lewis Partnership.
- Our sofa reuse scheme saw over 6,500 items collected from customers' homes, which were then reused or recycled by charities, and helped over 1,700 households.
- Together with our recycling partner we continue to collect and reprocess carpet offcuts generated by our own brand suppliers and fitters. These offcuts are used to create new underlay. In 2019 our recycling partner recycled approximately 160 tonnes of material, of which 121 tonnes was converted into underlay which we sell in our John Lewis shops.
- Through our appliance disposal service we collect customers Waste Electrical and Electronic Equipment (WEEE) which is reused or recycled where possible. In 2019, our WEEE service provider received 239,182 units from the John Lewis Partnership.
- Our Click & Collect boxes contain recycled content and are themselves 100% recyclable. We are continuously working to improve box sizes and filler packaging.

BUILDINGS AND TRANSPORT

BUILDINGS

- 2019 saw our largest ever investment in energy efficiency measures and technology across our building portfolio, reducing our environmental impact and delivering significant savings for the business. Major projects included:
 - An LED lighting upgrade programme across eight John Lewis shops and 40 Waitrose shops, predicted to save 9,000 MWh per year.
 - Shelf edge EcoBlade™ rollout across 273 Waitrose shops which has already improved overall refrigeration efficiency by reducing cold air spillage and is expected to save 11,000 MWh of electricity per year.
 - 12 Waitrose branches have Next Generation Refrigeration, a new generation of refrigerated casing for open display cabinets which is more energy efficient than a traditional case. It has improved associated energy consumption on average by 20%.
 - Building Energy Management Systems, sub metering and remote control capability installed into 40 John Lewis shops giving us greater ability to monitor and control our shops' energy use and could save up to 1,700 MWh a year.
- We are increasing our knowledge of climate risk to our operations and have undertaken flood risk appraisals at our most strategic and/or vulnerable locations. This enables us to better safeguard these sites now and in the future.
- We completed detailed internal and external air quality monitoring at two central London shops. These studies indicated that, despite London's air being of generally poor quality, the conditions within branches are well within appropriate values and are no cause for concern.

- The Responsible Development Framework continues to be applied to branch maintenance and refurbishment activities. For example, results from our Waitrose Cheltenham refurbishment include: a 99% diversion rate of construction waste from landfill; the use of reusable site hoarding; and the collection of old paint tins to enable unused paint to be recycled.
- The Partnership has pioneered a new concept called 'AirDoor' currently being trialled at our Waitrose Berkhamsted branch with further trials planned for 2020. This innovative device monitors, controls, and targets airflow at the entrance to the shop. By keeping cool air out of the branch in winter, and warm air out of the branch in summer, whilst still allowing entrance doors to remain open, it provides a number of energy saving advantages.

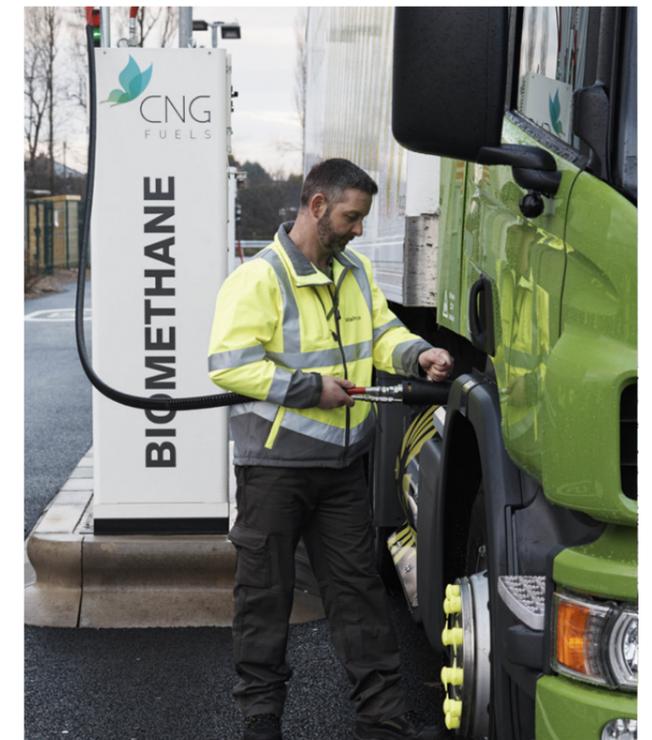
TRANSPORT

This year we have worked with manufacturers and data scientists to source the right vehicles to transition 1,300 of our delivery vans to electric. We have commissioned four revolutionary vehicles which will be manufactured and trialled in 2021. As well as being more sustainable and producing fewer pollutants, the vehicles also have greater carrying capacity than their diesel counterparts. In some cases, that means we could replace three diesel vans with two electric ones.

The Partnership is committed to increasing the number of electric vehicle charging points for customers and Partnership vans and light trucks to use in our shop car parks.



Target	2019/2020 performance	2018/2019 performance
Net zero carbon across our entire operations by 2050 with an interim aim of 34% absolute reduction by 2028 (from 2018 baseline).	-6.6%	Baseline: 395,381 tonnes
All electricity procured by the Partnership to be 100% renewable certified by 2028	97.3%	97.8%
All heavy trucks to be converted to biomethane fuel by 2028	14% biomethane	14% biomethane
All Waitrose core store refrigeration to be Hydro Fluoro Carbon (HFC) free by 2028	54% HFC Free	51% HFC Free
An absolute energy reduction within the Partnership's physical estate of 25% by 2028 from a 2018 baseline	-3.1%	Baseline: 935,059,425 (kWh)
Waitrose to keep under a 7% refrigerant gas leakage rate	5.5%	4.9%



THE POWER OF BIOMETHANE

The Partnership is on track against its ambition to stop using fossil fuels across its entire 4,800 transport fleet by 2030.

85 heavy goods vehicles¹⁰ in service are now powered by biomethane with a further 143 to be powered in the same way by the end of 2020 as the Partnership has signed contracts for a new gas filling station to be built at our Bracknell site. Each truck will reduce carbon emissions by over 80% and save over 100 tonnes of CO₂ every year, as well as decreasing noise pollution and creating cost savings for the Partnership. These biomethane trucks are an interim solution in our journey to become zero carbon, while the technology for electric heavy trucks is being developed.

The filling station will be operational by December 2020 and joins stations already in operation near Waitrose Leyland Regional Distribution Centre (RDC) and John Lewis Northampton RDC where all standard tractors in our Leyland and Northampton distribution centres are powered by biomethane.

85

HEAVY GOODS VEHICLES IN SERVICE NOW POWERED BY BIOMETHANE

143

ADDITIONAL HEAVY GOODS VEHICLES TO BE POWERED BY BIOMETHANE

¹⁰ JLP home delivery vehicles and vans are not included under the scope of heavy goods vehicles.

TRANSFORMING LIVES



We aim to create a diverse and inclusive culture while nurturing our wellbeing and the wellbeing of the communities around us. The future of our business depends on us, as Partners, reaching our full potential.

In 2019/20 we focused on:

- Our Partners and customers working together to deliver local, national and international programmes supporting those in need.
- Supporting the health and wellbeing of our Partners and customers by providing new initiatives and tools to ensure they are well supported and enabling them to make healthier food choices.
- Continued to further build our inclusivity movement through our employee engagement networks, democracy and diversity champions.

HIGHLIGHTS

20

The Golden Jubilee Trust celebrated its 20 year anniversary. Over 393,000 volunteering hours have been donated representing a value of over £25million

1/3

Over 1/3 of inspiring customer recipes across all Waitrose publications met our 'good health' criteria



Our first 'Be Yourself. Always' report launched, including transparent reporting on gender and ethnicity pay gaps, age, health and wellbeing

COMMUNITY AND VOLUNTEERING

- During Christmas 2019, John Lewis and Waitrose created their first joint national community campaign to deliver over 54 Community Festive Feasts, bringing together over 1,500 people in the run-up to Christmas.
- Our [John Lewis](#) and [Waitrose](#) Community Matters scheme, through which Partners nominate and customers vote for local charities they wish to support, donated over £4million in 2019 to good causes.
- The Partnership made a donation of £100,000 to the [Red Cross Disaster Relief Alliance](#) fund with additional donations of £29,000 to the British Red Cross for their special appeals following Cyclone Idai and the Christchurch incident.
- [FareShare Go](#) is now in 286 of our Waitrose branches giving charities and community groups access to free surplus food to turn into meals for those in need.
- Customers donated over 486 tonnes of food to the [Trussell Trust](#) food bank network via in-store collection points. The Partnership also supported a series of Trussell Trust roadshows in 2019, the aim of which was to better equip food banks to support people locally. Over 500 delegates attended the roadshows, a 124% increase on the previous year.
- John Lewis supported [Smartworks](#), an organisation which supports long term unemployed women to return to work.
- Since launch [Waitrose Duchy Organic](#) has generated more than £25 million for good causes. Founded by HRH The Prince of Wales as Duchy Originals, in 2009 Waitrose acquired the licence and it is now the UK's largest own-label organic food and drink brand.

GOLDEN JUBILEE TRUST

- The Golden Jubilee Trust (GJT) volunteering programme saw over 60 Partners take a full or part-time secondment with a UK charity of their choice in 2019, over 31,000 volunteering hours seconded were recorded.
- The programme celebrates its 20 year anniversary in 2020. Since the GJT's launch, over 980 Partners have participated, with 393,000 volunteering hours donated and representing a value of over £25 million¹¹.

THE JOHN LEWIS & PARTNERS FOUNDATION

- The [John Lewis & Partners Foundation](#) supported 22 charities this year with over £750,000 donated. Since its launch the Foundation has supported in excess of 50 charities in nine countries with more than £3.4 million in donations.
- This year, the Foundation embarked on a relationship with [Fine Cell Work](#). Open the Gates, the programme for which funding was given, offers training to ex-offenders in hand and machine sewing skills whilst also providing beneficiaries with other essential employability skills and mentoring support. In October 2019 John Lewis branch Peter Jones hosted the charity in a 'pop-up shop' for three weeks. During this time Fine Cell Work acquired new donors, new volunteers, and new customers, and raised over £18,000 in direct sales.
- The Foundation is working with the [British Asian Trust](#) to change labour practices and achieve a child-labour free Jaipur. This is a groundbreaking initiative and vital step towards stopping child trafficking in Rajasthan. As a result of this initiative and project, the British Asian Trust has secured the first two convictions for child trafficking.

¹¹ Calculated using Givx methodology of community value of hours volunteered.



THE PARTNERSHIP CHRISTMAS COMMUNITY FESTIVE FEASTS

More than 1,500 people across the country attended a Community Festive Feast hosted by John Lewis and Waitrose in conjunction with food distribution charity FareShare, as part of our campaign to bring people together at Christmas. Recipient charities were nominated by FareShare from their nationwide network of members. These charities, the people they support, and their volunteers, came together to enjoy a feast served by our Partners.

Over 200 Partners volunteered at the feasts. Denise Nunn, Community Liaison Coordinator at John Lewis Newcastle, volunteered with Waitrose Eldon Square to host a group of 46 guests from North Tyneside Disability Forum.



The event was a huge success. Everyone was so happy and continually said how grateful they were and couldn't believe that we were actually doing it for them! It really touched a lot of people, both from the charity and our ten Partners who volunteered."

Denise Nunn
Partner & Community Liaison Coordinator

DIVERSITY AND INCLUSION

- In January 2020 we released our first 'Be Yourself. Always' report. It is our most transparent report to date, and combines reporting on gender pay gap, age, ethnicity, health and wellbeing, and focuses on how to bring our vision and values to life.
- We have seven diversity networks run by dedicated Partner volunteers giving Partners a supportive platform to share stories, meet like-minded individuals and learn from each other.
- We are recognised as a Disability Confident Leader, the highest level of accreditation in this nationally recognised UK government scheme. The award highlights our commitment to inclusive employment and championing this approach to our local and business communities.
- Events run in the Partnership throughout the year included: Be Yourself Always week, Black History Month, Pride, and International Women's Day.
- All our job vacancies now have wording welcoming flexible working as standard, unless the hiring manager demonstrates this is not possible.

FLEXIBLE WORKING

A PANEL DISCUSSION WITH




ANNA WHITEHOUSE / MOTHERPUKKA
ALEXIS ROSE, Director of Business Operations, Accenture

HIGHLIGHTING FLEXIBLE WORKING

Our Working Parents and Gender Equality employee networks arranged a round table discussion on flexible working with popular blogger and campaigner Anna Whitehouse (aka 'Mother Pukka') and the Director of Business Operations at Accenture, Alexis Rose. This event highlighted the power of the networks and focused on tackling gender stereotypes and elevating the conversation on flexibility so it is treated as a norm in the modern workplace.



HEALTH AND WELLBEING

HEALTH

- Waitrose has been rated Orange in year 1 of their pledge to the Food Foundation's Veg Pledge to increase vegetables in our customers' baskets. An Orange rating means we are fully engaged with the initiative and are making good progress towards achieving our pledges.
- During 2019 over 400 Waitrose recipes (more than a third of the total) met our 'good health' criteria, inspiring our customers to cook and eat healthier meals.
- More than 2,000 Waitrose own-brand products carry the 'Good Health' logo helping customers make more healthy choices.
- 92% of our own label products meet the Government salt targets and we are focusing on saturated fat and calories too.
- This Christmas we lowered sugar in our all butter mince pies by 13% reducing the total sugar content of all packs sold by 13 tonnes.
- We had five case studies in the Public Health England 2019 Sugar Reduction Report and are making progress in the majority of categories including sugar reduction in breakfast cereals, morning goods, puddings, soft drinks, and sweet spreads and sauces.
- Waitrose has formed a long-term partnership with health and life insurer Vitality to give Vitality members discounts on our Good Health food ranges. It incentivises customers to make healthier lifestyle choices as the amount of discount available will directly correlate with the level of physical activity a member has done the previous month. The programme has been associated with an average 34% sustained increase in physical activity.
- We are exploring the role of 'nudging' customers towards healthy personal choices through a partnership with DnaNudge whose wristband and app could help customers discover food choices which are more suitable for their DNA profile. Trials are currently being run in selected branches.



HEALTHY EATING WEEK

In June 2019 we supported the British Nutrition Foundation's national event, Healthy Eating Week. Waitrose Healthy Eating Specialists and John Lewis Wellbeing Champions joined forces to become the largest participating workforce in this UK initiative. Over 100 shops ran events on the importance of healthy eating, including healthy breakfast tips, why hydration helps concentration, and general ways in which to improve Partner Wellbeing.



We were delighted with the engagement from Waitrose and John Lewis in BNF Healthy Eating Week 2019. This is a great example of a workplace showing their commitment to employee health and wellbeing. The support enabled us to provide printed materials for the Week, helping BNF to share key healthy lifestyle messages with an audience of around 3 million."

Claire Theobald
Education Services Manager,
British Nutrition Foundation (BNF)



WELLBEING

- The Partnership moved from 18th in 2018 to 15th place in 2019 in the 'Britain's Healthiest Workplace' survey in the large business category.
- 8,000 Partners have subscribed to our free mental health and wellbeing app 'Unmind' which provides learning programmes and tools developed by experts, and clinically backed by the latest psychological research.
- Over 800 Partners now volunteer as wellbeing champions across more than 160 locations.
- The Partnership, alongside six other retailers, funded a 'Wellbeing in Retail' online mental wellbeing guide with the help of Samaritans which launched in October 2019.

- 535 distribution Partners took place in The Liminal Space's Nightclub initiative to learn about sleep and how it affects night-shift Partners. 65% of Partners who took part in the trial said they will change what they do to improve their sleep.
- Over 1,000 people managers have participated in mental health awareness workshops.
- £1 million in financial assistance loans and grants were given to Partners.



WELLBEING IN RETAIL

In conjunction with the Samaritans and 6 other retailers we have launched an online tool called 'Wellbeing in Retail'. This online guide helps workers look after their own mental health, gives advice on how to support others who may be struggling and signposts where to go for extra help. It features practical information and suggestions, activities and resources that can be accessed whenever and however workers need it, and is accessible via desktop, phone, or tablet. Tools such

as breathing techniques, the Samaritans listening wheel, mood barometer, films from mental health experts, and case studies are available. Two Partners went on Golden Jubilee Trust secondments to the Samaritans and worked on developing the tool.

This resource is accessible all year round for all Partners via our internal Partner Development Website.

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INCORPORATED AND REGISTERED IN
ENGLAND AND WALES,
UNDER COMPANY NO. 233462

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JOHN LEWIS
& PARTNERS

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