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Our Reporting

Every year, since 2001, we have publicly reported our Sustainability performance. In 2015, for the first time, we combined our Annual Report and Sustainability Report into one document.

For the first time we have also published a separate Human Rights report.

'Our responsibilities' pages provide further information on our approach to Sustainability and a more detailed review of our performance to the year ended 30 January 2016, unless otherwise stated. Here we focus on our activities, progress and highlights at sites under our operational control unless stated otherwise. Sites operated by stores under licence and franchisees (both overseas and Welcome Break franchises) are excluded from this scope.

Independent Assurance

We engaged KPMG LLP to undertake an independent limited assurance engagement, reporting to the Partnership, over selected information included in 'Our responsibilities' pages for the year ended 30 January 2016 marked with the symbol [*] and the presentation of our description of our materiality process on page 5 and the 'Internal Audit Process' below. KPMG used the assurance standard ISAE

3000 and, for greenhouse gas information, ISAE 3410. Their full statement is available below. They have provided an unqualified opinion on the selected information and process descriptions.

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

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

Internal Audit

The Partnership's Internal Audit team worked with the Partnership CSR team to identify assertions that have been made in the 'Our responsibilities' section of the website ('these pages'). We classify an assertion as either a claim that we make in narrative form or where we present a piece of data. From the resulting list of assertions, the assertions which have been included in the scope of the external assurance are removed. For the remaining assertions, the Partnership's Internal Audit team then uses its judgement to determine which of these assertions have an increased risk of error due to inherent factors associated with the assertion or where an error, if present, could have an increased effect on the Partnerships reputation. The Partnership Internal Audit team then undertakes testing procedures over a selection of these assertions, focussing on, but not limited to, those assertions where they judge there to be an increased risk of error or increased effect on reputation. The testing performed includes a range of evidence gathering procedures. For some assertions this might be limited to making enquiries of other Partners whilst for other assertions it may include corroborating the assertion by agreeing information to third party documentation.

Where the Partnership Internal Audit team is unable to obtain what they deem to be appropriate corroborating evidence or statements from fellow Partners, then this is reported back to the Partnership CSR team and the associated assertion is removed from these pages prior to the pages being published.

Should the Partnership Internal Audit team identify that corroborating information contradicts the assertion being made, then the Partnership Internal Audit team will investigate further and agree with the Partnership CSR team whether the assertion should be updated. Where it is agreed that an update to an assertion should be made, this is undertaken prior to these pages being published.

For the year ended 30 January 2016, the Partnership Internal Audit team have performed testing over approximately 50% of the identified assertions which were not already included in the scope of the external assurance.



Our Responsibilities

The John Lewis Partnership will be 100 years old in the year 2028. While that is still over a decade away, we have been focussing on how best to prepare our business now for the challenges and opportunities that lie ahead. These include issues such as the proliferation of technology, resource scarcity, climate change, and health and wealth inequality. We have been considering their impact on society, our workplace and the retail environment.

Taking a long-term perspective helps us to have a clear view of what we need to do to stay successful in the coming years. These pages set out our thoughts and strategies in response to these trends.

Our founder, John Spedan Lewis, was committed to establishing a 'better form of business'.

Through the Constitution – first written in 1928 – he left clear guidelines for his successors. He wanted to ensure the values that had motivated him to create the Partnership would not be eroded with the passage of time.

Our Constitution includes seven Principles which are the foundation of our business. They are accompanied by a set of rules, rights and responsibilities - to each other and to those outside our business. Our approach to responsible business today is centred on five of these key Principles and Rules:



Principle 1: 'The Partnership's ultimate purpose is the happiness of all its members, through their worthwhile and satisfying employment in a successful business.'

Find out more about our Partner Strategy in the [John Lewis Partnership Annual Report and Accounts 2016](#) (PDF size: 10.6MB).



Principle 5: 'The Partnership aims to deal honestly with its customers and secure their loyalty and trust by providing outstanding choice, value and service.'



Principle 7: The Partnership aims to obey the spirit as well as the letter of the law and to contribute to the wellbeing of the communities where it operates.'



Rule 96: 'The Partnership's relationships with its suppliers must be based on honesty, fairness, courtesy...'



Rule 109: 'The Partnership must take all reasonable steps to minimise any detrimental effect its operations may have on the environment...'



We have been listed in Business in the Community's 2016 Corporate Responsibility Index with a score of 92% or 3 stars.

Materiality

As a retail business we supply goods and deliver services to millions of customers. We source products from all over the world, operate in hundreds of different communities across the UK, and provide direct employment to 91,500 people. This reach means that a wide range of social and environmental impacts - also known as material issues - are relevant to our business.

What Are Material Issues?

Material issues are those factors that could impact the business in the short, medium or long-term and which are of importance to our stakeholders.

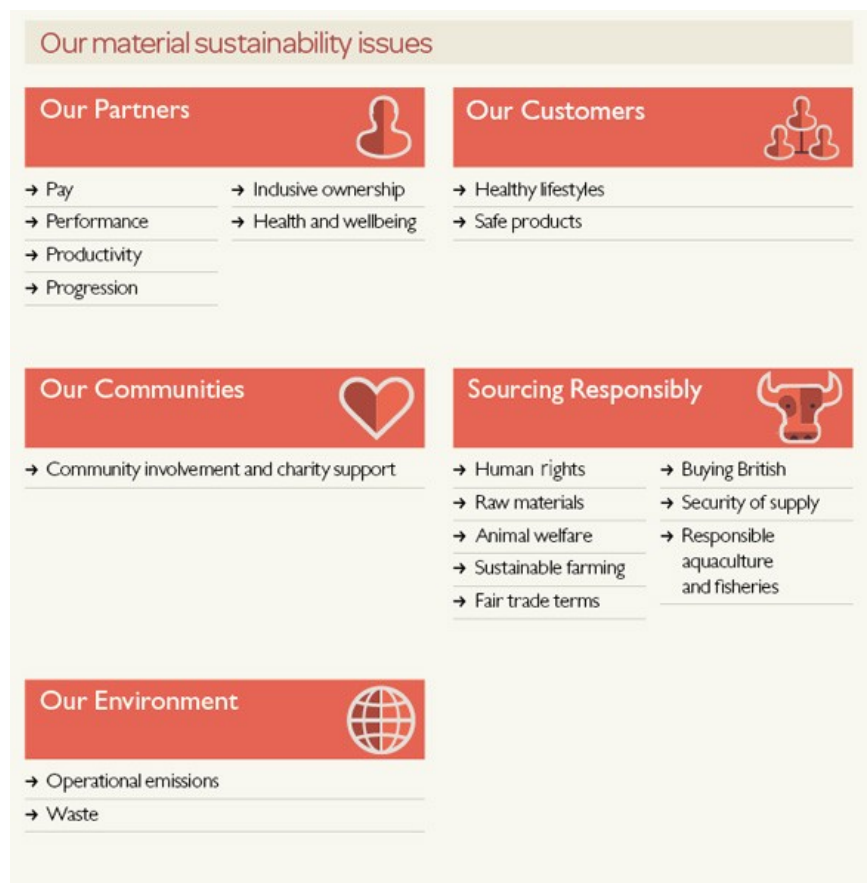
How Did We Identify Our Material Issues?

Our materiality process, which began in 2014, has enabled us to prioritise the issues that are most important to our business and to plan and invest accordingly. We worked with consultants EY to design a process that would allow us from the outset to engage Partners across the business in capturing issues of concern and to apply a structured method to quantify the relative importance of the issues.

The process involved an analysis of our operating environment and our business model combined with interviews with senior managers across the business. This was followed by a consolidation exercise into cross-cutting key issues. The outcome of this was a long list of issues which were scored in divisional workshops using four lenses:

- **Customers:** Relevance of issue to purchasing patterns of our customers
- **Stakeholders:** Interest amongst other stakeholders and Partners in issue and impact of issue on our reputation
- **Commercial:** Impact of management of issue on our operational or commercial performance
- **Future Impact:** 'Horizon scanning' to identify whether issues are likely to increase in or decrease in importance and assessment of their likely impact.

The output was then validated through stakeholder interviews (representing suppliers, NGOs, Community organisations, Government, Industry and Trade Associations and Partners) in order to obtain feedback on their current understanding of material issues.



Governance

When John Spedan Lewis set up the Partnership, he created a governance system – set out in a Constitution – that would be both competitive and democratic. The terms of our Constitution clearly define how the business, and individual Partners, are expected to behave towards customers, suppliers, the environment, the wider community and each other.

Our New Governance Arrangements

The growth of our business has required us to adapt our organisational structure and ways of working to be more productive and efficient. So we have refreshed our governance arrangements to ensure they provide strategic direction and a sound system of internal control.

In 2015/16 the governance of Corporate Responsibility was transferred from the Chairman's Committee to a newly created Corporate Responsibility Committee. This is chaired by an independent Non-Executive Director, an additional Non-Executive Director, two Elected Directors, and the Partners' Counsellor. In 2016, Dame Fiona Reynolds joined the Committee, bringing with her a wealth of corporate responsibility experience and further bolstering its independence. Of her appointment, Dame Fiona says: 'I am delighted to have been selected to join the Committee and I look forward to working with the Partnership on these vitally important issues.'

The Role of the Corporate Responsibility Committee

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

In 2015/16, the Committee held two meetings and was engaged in the following activities:

- Adopted the Terms of Reference of the Committee
- Reviewed the CR Governance framework
- Approved our approach to annual reporting.

Download:

- [The Corporate Responsibility Committee Terms of Reference](#) (PDF 20KB)
- [The Committee Report 2015 in the John Lewis Partnership Annual Report and Accounts 2016](#) (PDF size: 10.6MB).

Managing Sustainability

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

Corporate responsibility governance bodies and structure



Corporate Responsibility Committee





Our Customers

The 21st century has seen an unprecedented shift in consumer behaviour – driven by technology and rising disposable incomes. While outstanding value, choice and service continue to be at the heart of our customer offer, we know that in a competitive marketplace, loyalty will depend on a number of increasingly complex factors.

In practice this means that our technical teams maintain rigorous product safety processes and food standards, while Waitrose's dedicated nutrition team works with suppliers to improve the nutritional value of the food we sell and to encourage and enable customers to adopt a healthier lifestyle.



'By hosting the Ultimate Cholesterol Lowering Plan© shopping tour on both the Waitrose and HEART UK websites we were able to reach far more people than either of us could do alone, with some great simple heart healthy advice. We relished working with Waitrose and Alpro to develop this great resource for shoppers.'

Jules Payne, Chief Executive, HEART UK

In this section:

- [Healthy Lifestyles](#)
- [Safe Products](#)

The profile of our customers and their experience of our business is likely to change. Find out more in our Annual Report and Accounts.

Highlights 2015/16

- Focused on lowering sugar content of soft drinks
- Trialled slimming club for customers and Partners
- Introduced guided shopping experiences to support special diets
- Improved children's fancy dress clothing safety standards for the industry with the British Retail Consortium

- Invested in research to combat the Campylobacter bacteria.

Priorities

- Developing our health product strategy
- Reformulating breakfast cereals, yoghurts and bakery to lower sugar content
- Promoting continuous improvement to safety standards through our quality and technical working groups

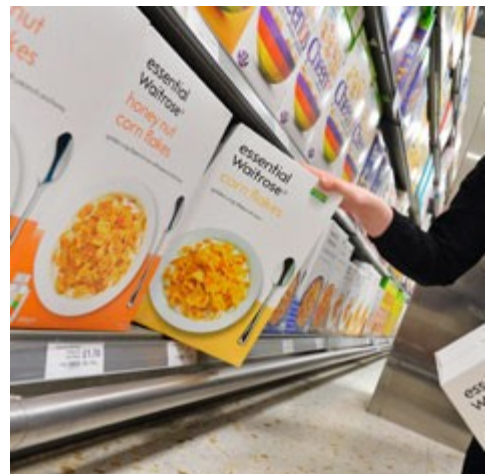
Healthy Lifestyles

An ageing population, and lifestyle factors such as rising obesity, will place greater strain on our social and health care systems over the coming decade. At Waitrose, we actively develop food and drink products that help consumers meet diet and health requirements as part of an overall balanced intake. We also provide customers with the information they need to make improvements to their diet.

In 2015 we focused on developing a robust health product strategy to help us meet our customers' diet and health requirements within the context of an overall balanced intake. At the same time we aim to ensure that we are communicating the benefits more clearly to customers through our publications, on line and on products.

Driving Nutritional Improvements

Our nutrition strategy continues to focus on reformulation and while we remain focused on calories and saturated fat our emphasis in 2015 has been on sugar reduction. Categories such as carbonated drinks and cordials followed our work on chilled juices and efforts are now being directed at breakfast cereals, yogurts and bakery. For example in 2016 we aim to reduce sugar in own brand cereal including cornflakes, honey nut cornflakes and choco pops.



Living Well Slimming Club

Responding to customer demand for dietary advice, in 2015 our qualified nutritionists ran an eight week slimming club trial at our local store in Bracknell. This was open to both Partners and customers. Of the 20 people recruited 17 completed the course with a total weight loss of 55kg (122lbs). The trial has been fully evaluated and we plan to test an online version in 2017 to reach more customers in a flexible way that suits their needs.



Making Shopping Easier

Online and in store, we provide practical help and advice and run campaigns throughout the year to promote healthy choices. Dietary advice for customers with particular needs remains central to our nutrition advice service.

Being diagnosed with a condition such as coeliac disease or diabetes can lead to confusion about which products are suitable to eat. We invite groups of customers with specific health needs along with healthcare professionals to use our

stores for interactive advice sessions. Guided shopping to support special diets is particularly popular we have created an accompanying resource pack for coeliac disease, diabetes and heart health. These include easy-to-use shopping lists for these conditions.

During HEART UK National Cholesterol month in October, we created a short video in collaboration with Alpro and HEART UK. This offered practical help and advice about lowering cholesterol and maintaining a healthy heart.

Find out more and watch the video at www.waitrose.com/cholesterol.



Safe Products

We are committed to ensuring that every product we sell is safe. Technologists in our buying offices provide expert guidance on consumer legislation. They are responsible for ensuring we maintain rigorous supplier approval and product safety processes.

Our experienced technical teams focus on preventing issues occurring by specifying inherently safe products that are sourced from a reliable supply base. We have clear and robust product approval protocols. Product Technologists assess each product for the level of risk it presents, ensuring it undergoes suitable testing and inspections. Twice a year, John Lewis completes random product checks. Product

Technologists and Buyers also visit a proportion of our supply base to monitor production site processes.

In 2015 John Lewis formed the Product Safety Working Group. One of the roles of the group is to review our product safety procedures to ensure they remain fit for purpose, and to identify areas for improvement.

At Waitrose we have a risk assessed testing programme to check the microbiological, chemical, nutritional and compositional integrity of our products. Independent third party audits are carried out on our own-brand manufacturing sites. These are tested against recognised Global Product Safety Standards such as the BRC Global Food Safety Standard. In addition, we contract auditors to visit our supply base to monitor factory processes and compliance with our policies.

Taking Action on Safety

If product issues do occur our Product Technologists investigate the matter. We have a robust process in place if we need to withdraw or recall a product. We then take steps to prevent this happening again. In 2015/16 at John Lewis we withdrew 16 products, nine of which were own-brand products and recalled 12, two of which were own-brand products for safety reasons. At Waitrose during 2015 we withdrew 74 and recalled six own-brand products.

Following concerns around the flammability of fancy dress outfits, John Lewis worked with the British Retail Consortium to introduce additional labelling and testing requirements for these items. We also worked with RoSPA (The Royal Society for the Prevention of Accidents) to develop a customer safety guide for Halloween.

For further detail on food safety and hygiene, please see www.waitrose.com.

Tackling Campylobacter - 'Farm to Fork'

Moy Park has been a supplier of Waitrose's chicken for over three decades. We have dedicated areas within its estate that have been built according to our own chicken welfare specifications. For a number of years we have been conducting research with Moy Park to reduce the presence of Campylobacter – the UK's leading cause of food poisoning – on whole fresh chickens. This year, we released trial results which show significant reductions in the presence of Campylobacter and positive progress towards achieving the Food Standards Agency's targets for 2015 – find out more at www.waitrose.com.





Our Communities

Contributing to the wellbeing of our communities was written into our Constitution by our founder. It remains a priority for us today. We believe that the most meaningful way we can do this is by understanding communities' needs and drawing on our strengths to make a lasting difference.

We encourage decision making at a local level – supporting Partners to invest their time, skills, resources and expertise to communities where they live and work. At the same time we run centralised programmes that support our brand activity and motivate Partners and others to get involved. Our community investment programmes are designed around three themes – Empowerment and Livelihoods; Health and Wellness and Environment.



'I got so much more out of it than I ever thought I would. I grew in confidence and my efforts were recognised.'

Emma Blaikie, Winner of the Scottish Business in the Community Employee Volunteer of the Year 2015

In this section:

- Empowerment and Livelihoods
- Health and Wellness
- Environment

Highlights 2015/16

- Invested £12,225,309* in our communities, equivalent to 4%* of pre-tax profits
- The Waitrose Foundation launched a first-of-its kind partnership with the Fairtrade Foundation
- Over 3,000 schools, nurseries and children's groups registered with John Lewis's flagship educational programme – Bringing Skills to Life
- Waitrose continued in its efforts to drive down isolation at Christmas

Our Priority

- Identifying social return on investment so that we can build on where we make a real difference

Giving category	£*
Total cash	10,126,820
Value of time	688,089
Value of in-kind contributions	760,087
Value of management costs	650,314
Total	12,225,309

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

Empowerment and Livelihoods

We operate in a number of communities – both nationally and globally. What many of these communities have in common is that they can struggle with limited access to education, a skills gap and high levels of unemployment. They are also home to our Partners, customers, and suppliers.

We run numerous projects and initiatives to help empower and enhance the wellbeing of the people in these communities. Projects involve education, supporting enterprise and employability, and promoting sustainable livelihoods. Further information on how we are working to enhance community livelihoods in our supply chain can be found in our [Human Rights report \(PDF 3.6MB\)](#).

John Lewis Foundation

The John Lewis Foundation was launched in 2010. It funds projects based in our supplier communities overseas with a particular focus on India as a key sourcing country. Following a pilot in 2013 with Geosansar, the Foundation has committed to investing in further financial literacy training and access to bank savings accounts for factory workers in Delhi. The aim of the project is to empower workers to plan and control their finances.

The Foundation also began a project in 2012 in conjunction with Care and Fair to build and establish a girl's school in the rug weaving area of Uttar Pradesh, one of the poorest areas in India. The first stage was completed in July 2014 opening with 80 girls. The school is aimed at providing education to the children from the families of weavers. The school now supports 160 girls with the second year starting in July 2015. In 2016 an impact assessment will be undertaken to measure the success of the Foundation's investment.





Waitrose Foundation

In 2015 we celebrated ten years of the Waitrose Foundation. This invests in our supply chain communities, positively impacting more than 100,000 people within our fresh produce supply chains.

The Foundation is a partnership between Waitrose and the suppliers and growers who produce, pick and pack fresh produce. This includes suppliers of citrus fruits, flowers and avocados in Ghana, Kenya and South Africa. When a farm's product is sold, each stage of the supply chain gives a percentage of its profit to the Foundation. This money is returned directly to the farming community that produced the product. They decide how money is spent to support

locally-led educational, social and healthcare projects. Through this model neighbourhoods play a direct role in their own social development and future success, creating stronger communities and more sustainable supply chains for all involved. Find out more about how the Waitrose Foundation is supporting workers in our [Human Rights report](#) (PDF 3.6MB).

At the same time, Waitrose and the Fairtrade Foundation announced a new partnership - the first of its kind between a retail business and the Fairtrade Foundation. Together, we aim to go beyond certification to achieve greater social impact for growers in Waitrose's supply chains. Fairtrade and Waitrose are sharing best practice in community development, bringing more Waitrose Foundation and Fairtrade products to the market. Our joint programme aims to address some of the systemic issues facing communities around the world.

The Fairtrade Foundation will also evaluate and validate the work of the Waitrose Foundation. This is the first time the organisation will verify a third-party scheme. Find out more on www.waitrose.com.



Providing Emergency Relief Through the British Red Cross

Over the past fifteen years, we have donated almost a million pounds to the British Red Cross. Our money helps to support emergency relief efforts, including its response to the recent UK floods. In 2016 we became a member of the organisation's Disaster Relief Alliance, broadening our support to help fund preparedness work.

Supporting Young Carers and Care Leavers With Barnardo's

Barnardo's and John Lewis united this year to support young carers and care leavers. We ran a number of fundraising activities in-branch as well as special merchandise sales. In 2015, we raised more than £50,000 which will help fund the charity's ongoing work – including staffing costs, extra support for young carers outside care duties and employment advice.



Bringing Skills to Life

John Lewis' flagship education programme 'Bringing Skills to Life' is now in its third year. The number of schools, nurseries and children's groups registered in the programme has doubled since we launched to over 3,000. We aim to equip and inspire children with the mind-sets and skills needed for creative thought and action. We provide curriculum resources as well as Partner time. Find out more at www.bringingskillstolife.co.uk.

Flagship Volunteering Programme

The Golden Jubilee Trust is our flagship volunteering programme. We give Partners the opportunity to volunteer full or part time with a UK registered charity for up to six months, on full pay. Since it launched in 2000, Partners have dedicated 297,000* hours to over 700 charities. These span causes such as youth education, care for people in need, environmental protection and the arts.

In 2015 we began to measure the impacts of the scheme on developing secondees' skills back in the workplace as well as the impact on the charities involved.

Emma Blaikie, Selling Assistant at John Lewis Edinburgh won the Scottish Business in the Community Employee Volunteer of the Year 2015 for her successful secondment to Bloodwise. As well as raising money through her planning and execution of its Winter Walk, raising £9,000 for the charity, she devoted her time to highlighting its work. 'I got so much more out of it than I ever thought I would' says Emma. 'I grew in confidence and my efforts were recognised'. She has since become an ambassador for the charity.



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

Health and Wellness

A growing number of health concerns in our society threaten the wellbeing of our communities. As a grocery retailer, we have a role to play in helping to tackle growing problems associated with poor diet and lifestyle, such as obesity and diabetes. At the same time social issues such as an ageing population impact Partners, customers and local communities.

We invest in a number of educational initiatives and awareness raising campaigns to support the health and wellness of our communities.



Inspiring Children to 'Grow and Sell'

Our 'Grow and Sell' scheme for primary schools is now in its third year. This programme aims to educate and inspire children about food and where it comes from.

The scheme was developed in conjunction with the Waitrose's Leckford Estate and the Seed Pantry. Waitrose stores team up with local primary schools and provide 'Grow and Sell' kits, containing seeds, equipment and growing instructions – everything needed to get school allotments and vegetable patches up and running. Schools can also download a special Grow and Sell app which contains a wealth of information for children, parents and teachers about how crops are farmed and the importance of the environment and

seasonality.

So far we have reached almost 250,000 school children and delivered 8,000 kits.

Tackling Isolation

In 2015, Waitrose continued its efforts to combat isolation within the community. Crisis at Christmas, which welcomed more than 4,000 guests at its homeless centres in 2015 benefitted from a £20,000 donation from Waitrose which covered the cost of vehicle hire to and from its shelters.

To celebrate the popularity of the John Lewis 'Man on the Moon' Christmas advert, Partners were involved in a number of fundraising and volunteering events for Age UK. In addition, in collaboration with Waitrose as part of its isolation campaign branches supported Christmas events, such as Christmas lunches at their local Age UK. Age UK representatives were also invited in to branches during the countdown to Christmas to offer advice to customers wishing to support the charity.



Supporting Foodbanks

Waitrose supports the Trussell Trust, which runs the UK's largest network of foodbanks. Since 2014, more than 190 Waitrose stores have been hosting permanent collection points, which have provided vital food supplies to over 150 Trussell Trust foodbanks. Between February and December 2015, donations amounted to the equivalent of over 900,000 meals for individuals and families struggling to make ends meet. In addition, Waitrose regularly holds in store, locally arranged, volunteer-run collections.

Environment

From sourcing products, to operating our estate and supporting the health and wellbeing of our local communities, The Partnership recognises the importance of protecting the natural environment.

John Spedan Lewis Trust for the Advancement of Natural Sciences

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

In 1972, several small areas of Leckford farm were adopted as Nature Reserves. Over the years, visiting experts have monitored and recorded the many plant, insect and animal species that live there. The Trust also supports volunteers during conservation projects on its reserves and runs a programme of annual lectures. The Trust has eight Trustees, who are appointed by the President of the Partnership Council. For enquiries, contact the Secretary at the following address: JSLTANS, The Secretary, c/o Estate Office, Leckford Estate, Stockbridge, Hampshire, SO20 6JF.



Waitrose Duchy Organic

Waitrose Duchy Organic products contribute to the Prince of Wales's charitable Foundation – The Prince's Countryside Fund. This promotes more sustainable production methods that improve soil health and protect the environment. It also gives grants to projects that support business and enterprise in developing a sustainable future for rural communities. This year the total donated to the Prince's Countryside fund was £75,000.



John Spedan Lewis Foundation

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

by emailing JSLF@johnlewis.co.uk or from the Foundation's Charity Commission web page (www.charity-commission.gov.uk).



Sourcing Responsibly

Population and economies are continuing to grow - global power is shifting to new emerging markets and the competition for resources is becoming more intense. Our approach is to secure long term sustainable supply chains based on fair and transparent trade conditions. This means we can continue to provide our customers with quality products they can trust.

Working with experts, we are gaining a more sophisticated understanding of our supply chains, the people who work in them and the raw materials and ingredients used in our products. At the same time, we continue to lead the industry in our approach to animal welfare and supplier relationships.



'We are delighted that Waitrose won Compassion's Best Retailer Award (EU) and retained its tier one position in the Business Benchmark on Farm Animal Welfare in 2015. This signifies that Waitrose places farm animal welfare at the heart of its business and is striving to make continuous progress whilst importantly maintaining a level of transparency and commitment beyond other retailers in the UK'

Tracey Jones, Director of Food Business at Compassion in World Farming.

In this section:

- [Human Rights](#)
- [Raw Materials](#)
- [Animal Welfare](#)
- [Sustainable Farming](#)
- [Responsible Aquaculture and Fisheries](#)

Highlights 2015/16

- Awarded MSC Best Fish Counter for the second year
- Awarded Compassion in World Farming Retailer of the Year Award for the fifth time
- Completed a detailed review of our approach to Human Rights in our supply chains and produced our inaugural human rights report
- Improved visibility of key raw materials.

Priorities

- Improve insight into labour standards issues and develop collaborative projects with strategic suppliers to tackle root causes
- Moving more raw materials over to sustainable sources.

Human Rights

Respecting human rights is relevant across every aspect of our operations. Behind every product we sell is a large number of workers. As a retailer we source over 400,000 products from over 50 countries, which means we have a wide-ranging impact. As we grow our business and predict and respond to external trends we must stay true to the commitments set out in our Constitution and strive to uphold the rights of these people.



Reviewing Our Impacts

In 2015, we completed a detailed review of our approach to human rights. We drew upon stakeholder insight, the United Nations Guiding Principles on Business and Human Rights (UNGPs) and a detailed analysis of our potential business impacts. A key part of this work has been the development of our strategic plan for the Ethical Trading Initiative. This focuses on human rights and labour standards in our product supply chains.

Framing Our Activity

We are committed to the UNGPs, which provide a framework to help us understand our impacts and focus our activity in the complex retail landscape. This year, we have provided a more detailed report based on the UNGP Reporting Framework. The report covers our responsibilities to our Partners, customers and supply chain. Given the complexity of retail supply chains and challenges this brings we have focused much of the report on this group of rights holders. A key part of the strategy is respecting the rights of vulnerable workers such as migrant and seasonal workers in our supply chain - we know that they are at particular risk of forced labour and human trafficking. Our Human Rights report outlines our work in this area for the John Lewis Partnership including our two trading divisions Waitrose and John Lewis.

Engaging Stakeholders

Suppliers

We have shared our strategies with a wide range of suppliers setting out our expectations and looking for collaborative opportunities. For example, at our Waitrose supplier conferences, Waitrose's Commercial Director emphasised the Company's responsible sourcing priorities. We have also provided advice to suppliers on how they can improve their ethical trading plans.

Rights Holders

Hearing from those people whose rights we are working to uphold is essential if our strategies and programmes are to be successful. We receive formal and informal feedback from Partners through our democratic structure, Registry function, in-house journalism and Partner survey. Our customers provide feedback regularly through our customer service function. We are committed to championing the principles of worker engagement through our supply chains, and worker feedback is an integral part of our supply chain programmes as set out in this Report.



Experts

In November 2015, we held a stakeholder breakfast to discuss our analysis and strategic priorities. Participants included Oxfam, Christian Aid, CAFOD, BT, Unilever and the Gangmasters Licensing Authority, among others. We used the feedback from these groups to refine our strategy and feed into our programme development. A key piece of insight was the link between worker engagement and vulnerable workers. It is important that any worker engagement mechanisms ensure that the most vulnerable workers are represented and do not reinforce any hierarchies that may exist in the workplace and community at large.

Collaboration

Through our work with organisations like the ETI, we contribute to collaborative projects which are driving improvements for workers across our supply chains.

Thought leadership

We have shared our strategy and reporting approach on public platforms, such as the annual ETI conference. We were also interviewed as part of the recent ETI/Ashridge University research into modern slavery. The report can be downloaded from the [Ethical Trading website](#) (PDF 880KB).

Raw Materials

We depend on the world's natural resources for the 400,000 different product lines we source and sell each year. Our commitment is to gain assurance that raw materials are sourced in ways that protect and enhance local ecosystems and improve the livelihoods of the people in our supply chains.

In order to understand the impact of the key raw materials in our products, we are committed to tracing raw materials in our own-brand products back to source. Many of these contain key forest commodities such as leather, palm oil, soy, timber and paper. These can present operational, reputational and regulatory risks. As a consequence, we are continually working with our buyers and suppliers to ensure that we have traceable and well-managed supply chains, allowing us to source products in a way that does not harm forests and that respects human rights

John Lewis

Our focus for 2015/16 has been to gather much deeper insight about our timber, cotton, leather and feather and down supply chains. We have employed the expertise of external organisations to help us to do this. Streamlining our processes and systems to capture supplier information and continuing to train and develop suppliers and buying teams have been at the forefront of our activity.



Timber & Paper

We have focused on improving the transparency and risk assessment processes of our timber and paper supply chains. This year Rainforest Alliance provided recommendations for enhancing our timber [policy \(PDF 664KB\)](#) and worked with our sourcing office in Delhi alongside key suppliers to explore opportunities for improving their sourcing practices. We are also taking action to strengthen our due diligence systems and focused our efforts this year on completing a full supply chain mapping exercise. This has allowed us to understand our global and dynamic supply chain in much more detail. We aim for 100% of our own-brand timber and paper product to come from fully verified responsible and sustainable sources by year end 2020/21. Currently 100% of

our garden furniture is FSC-certified and we will continue to work proactively through our strategic supply chains to support successive stages from source to final product in order to target other categories. For example, we are working to establish where in our supply chains certified material is readily available and working with suppliers to replace conventional sources.

We are also strengthening and building relationships with our direct suppliers to empower them to affect change in their own supply base. Our supply base optimisation process is helping us to address this. Together with quality and commercial criteria, the ability to meet our Sustainability goals is central to evaluating our existing supply base. Consolidating our timber and paper products through fewer suppliers will enable us to concentrate on moving significant volumes from conventional sources to responsible and sustainable alternatives.

Target	Progress
100% of our own brand timber and paper products will be from responsible and sustainable sources by year end 2020/21.	By volume, 19% of our own brand products are certified sustainable and 4% are verified responsible which includes non-controversial sources and pre-and post-consumer waste – see our policy (PDF 664KB) for further detail.

Cotton

Cotton is one of the most significant raw materials we use. Recognising the social and environmental risks inherent in the sourcing of cotton, we have a target that by year end 2020/21 50% of cotton (by volume) in own-brand products will come from sustainable sources.



To do this, we are implementing a number of key changes to our sourcing strategy. This includes improving our data collection systems, working with key suppliers to update product specifications and aiming for a full phase-out of conventional cotton in key categories. We will support this by continuing to provide training to our suppliers and buying teams. As members of the Better Cotton Initiative, for example, we have developed a sourcing toolkit for Buyers to help them incorporate Better Cotton into their ranges.

We are also members of working groups on [Sustainable Clothing Action Plan \(SCAP\)](#). This will provide us with the tools to help us reduce the environmental footprint of our clothing.



Leather, Feather and Down

Leather has a considerable environmental footprint at every level of the supply chain, from animal farming to hide processing and manufacturing of the final product. For this reason, we first aim to improve the quality of data we have on our leather consumption, and to target increases in leather suppliers audited to the Leather Working Group standard.

We are on the WWF Leather Buyers Platform working group – we see this relationship as key to supporting us in our approach. Similarly, we recognise animal welfare concerns associated with feather and down. Our aim over the next year is to gather sourcing data and to set a strategy

for full accreditation of these supply chains.

Waitrose

At Waitrose, we have set ourselves targets for verified sustainable timber, paper and cotton and segregated certified sustainable palm oil in own-brand products. We are already close to meeting our targets on timber and paper and palm oil. We also achieved the highest score on WWF's timber [scorecard](#). We recognise however, that as new challenges emerge for continuing to secure sustainable sources of supply, our sourcing strategy will need to continually adapt to maintain these standards.

Target	Progress
100% of our own brand timber and paper products will be sustainably sourced by year end 2015/16.	Almost achieved: 95% of our own brand timber and paper products are sustainably sourced (FSC-certified; PEFC-certified, recycled or by-product as defined by the Waitrose timber policy)
100% of cotton used in our own brand products will be sourced responsibly deploying schemes such as the Better Cotton Initiative, Cotton Made in Africa and Fairtrade Cotton by year end 2020/21.	Our suppliers have purchased enough BCI Cotton to be equivalent to 50% of our total cotton footprint. This is the start of a phased approach to introduce responsibly sourced cotton across all our product ranges that contain cotton.
100% of palm oil and palm kernel oil based ingredients and derivatives used in own brand products to be RSPO physically certified.	Close to achieving: 79% is from physically certified supply chains; 17% from Mass Balance with the remaining covered by Book and Claim certificates ¹ .
100% of the soya used in feed utilised in the production of own-brand meat, milk, poultry, egg and farmed fish products will be procured through certified sustainable sources, including those operated by The Round Table on Responsible Soy	Currently all of the soya in feed utilised in the production of own-brand chicken, turkey and farmed fish is Pro-Terra certified

and the Pro-Terra Foundation.

¹Applies to calendar year 2014

Palm Oil

As at the end of 2014, 96% of the palm oil and palm kernel oil based ingredients and derivatives used by our manufacturers of own-brand products are already sourced from physical certified supply chain sources. The balance is currently covered through purchase of green palm credits.

One challenge our suppliers face is the sourcing of physically segregated certified sustainable palm oil in the household, health and beauty and personal care sectors. This is a key area of focus for us in 2016 for the small proportion of palm oil that is covered by book and claim certificates.

We support the Roundtable on Sustainable Palm Oil (RSPO), which develops standards and encourages global stakeholder engagement to make sustainable palm oil the norm. We are actively engaged in the Retailer Palm Oil group.

While palm oil is present in only a small proportion of our products, we are further reducing our reliance on palm oil as an ingredient. Over the past year we have decreased our total usage in our own-brand products.



Pioneering Alternative Animal Feed Options

We have long recognised that our ability to affect sustainable change at scale is in feed systems. Worldwide, millions of hectares of forest, grassland and savannah have been converted to agriculture for soy production – 80% of which is utilised in livestock feed. We have committed that by 2020 all soya used in the feed used by our farmers for own-brand meat, milk, poultry, egg and farmed fish products will be procured through certified sustainable sources, including those operated by The Round Table on Responsible Soy and the Pro-Terra Foundation. Currently all of the soya usage for chicken, turkey and farmed fish feed utilised in the production of our own-brand products is Pro-Terra certified.

At the same time, through extensive trial work by our farming partners, we have progressively reduced our reliance on soy for feed. We are also conducting research to establish more efficient alternatives that do not need to be imported. Find out more about our [soya sourcing](#).

We are members of Forum for the Future's Protein Challenge 2040. This is the first international innovation partnership to explore how to balance protein supply and demand for a growing population in a way that is affordable, healthy and sustainable. We are using our membership of this group to explore future constraints on protein production such as land use and energy. We are looking into the implications for long-term feed solutions, as well as the role of protein in changing diets.

It is likely that farmed fish will be key to meeting the protein requirements of a growing global population. The strain on fishmeal supply is becoming evident and we permit the use of non-marine ingredients in fish feed diets that meet certain criteria. We are working with our suppliers to explore sustainable cost effective alternatives to traditional marine based fishmeal, such as microbial and algal protein and insects. Find out more about our approach to Responsible Aquaculture and Fisheries on page 30.

Animal Welfare

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



Raising Standards

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

For example, we now assure a minimum standard for farmers that conventional dairy cows (producing non-organic milk) must spend at least 100 days outside grazing in fields.

Find out more about how our work with our dedicated chicken supplier is combating the biggest cause of food poisoning in the UK in Safe Products on page 11.

For the second year, Waitrose has attained tier 1 ranking in the annual Global Business Benchmark on Farm Animal Welfare (BBFAW). We aim to maintain this and will continue to work closely with CIWF and other partners to address specific industry-wide welfare issues.

Find out more about our specific policies for animal welfare, including species specific standards on www.waitrose.com.

Leading the Industry

We work closely with our farmers to ensure that all the livestock that provides us with meat, eggs, milk and other products are reared to the highest welfare standards – exceeding legislation. In recognition of this in 2015, we won The Compassion in World Farming Retailer of the Year Award for the fifth time.

With rising public concern for animal welfare, we are setting a benchmark for the industry in our approach to being open and transparent about our livestock supply chain, and encouraging suppliers to meet our standards. Our long term relationships with farmers enables us to be the customer of choice in a changing marketplace. It also helps us to take a long-term approach and invest in quality, provenance and higher welfare production systems. All of our own-brand fresh beef, pork, chicken, eggs and milk are from UK farms.

Sustainable Farming

Working with our farmers, growers and other suppliers, we work to ensure the best environmental standards are applied across our supply chain. This is supported by our inspections and farm assurance schemes, giving customers confidence in the food they buy.

Working Together

Our investment in farmers not only ensures we have a stable and continuing supply base, but also promotes innovation, research and development to increase productivity. The Waitrose Farming Partnership is made up of three groups of suppliers – The Agronomy Group, The Livestock Steering Group and The Fish Forum. Their objective is to future proof farming businesses. Each group is tasked with implementing programmes that contribute to a more sustainable future for UK farms and elsewhere.

Safeguarding the Future of Food and Farming

The Waitrose Farm Risk Assessment was developed in 2011, following the [Future of Food and Farming Report](#). This recognised the threat of increasing pressures on the global food system. Through the Agronomy Group, the assessment is a collaboration of a diverse range of suppliers, growers of fresh produce and a range of research providers. Our aim was to understand the fundamental challenges our growers face and how to tackle key issues of food safety, Sustainability and quality.

The aim is that each grower has a comprehensive environmental management plan in place drawing on research covering five pillars - soil, water, biodiversity, inputs and waste. As at January 2016, 92% of participants in the assessment had comprehensive environmental management plans in place. We are pleased in particular to have made considerable progress in the areas of soil preservation and biodiversity plans and water optimisation. Going forward we will place greater emphasis on waste and energy management to reduce reliance on fossil fuels. For further detail please see our dedicated [Waitrose Farm Assessment](#) site.



Our Livestock Steering Group this year developed and began trialling a similar model for meat, dairy and eggs – the Responsible Efficient Production Index. 2016 will see us bringing more farms into the trial and developing our methodology further.



Fair Trade Terms

Our suppliers' ability to meet our high expectations relies on our principles of honesty, fairness, courtesy and promptness. These principles along with our short supply chain model provide us with the foundations to lead the way in championing sustainable farming practices.

For many farmers, falling prices paid for their products, are leading to an uncertain future for their businesses. In a tough trading environment, Waitrose has continued to support a vibrant food and farming sector through our strong and transparent relationships with dedicated farmers. The past year has seen heightened scrutiny over the price dairy farmers receive for their milk. Waitrose has continued to

source its milk from a closed producer group of 73 farmers, and pays one of the highest prices per pint in the market. This price has been set taking into account the cost of production and investing in the future of their farms.

As a Partnership we are a founding signatory of the Prompt Payment Code. In 2016 Waitrose will focus its efforts on how to simplify how we do business with small suppliers. In addition, Waitrose is a 'Designated Retailer' of the Grocery Supplier Code of Practice. The Grocery Code Adjudicator's annual supplier survey 2015 ranked Waitrose second out of ten supermarkets for assessment of compliance to the GSCOP terms.

Buying British

According to figures estimated by the National Farmers' Union, UK food self-sufficiency is now just 62%, down from 75% in 1991. We want to create a stronger brand for British food and drink. To this end, Waitrose has a policy of sourcing British food when products are in season and at the peak of freshness and flavour.

While the availability of fresh produce is highly weather dependent, we work closely with regional farmers and growers to achieve the best in seasonal fruit and vegetables. In 2015/16 approximately 70% (by weight) of fresh vegetables were sourced from within the UK. Waitrose fresh chicken, beef, pork (including sausages) bacon, duck and goose are from the UK all year round. All our turkeys come from the UK or Ireland and we sell the best of British seasonal lamb and venison when in season.



By supporting British food and suppliers, we are creating jobs and boosting the economy and importantly our farmers, who are stewards of the countryside.

Responsible Aquaculture and Fisheries

Seafood is the world's single most traded food commodity – at ten times the volume of coffee¹. Unsustainable fishing practices are a major global challenge. We recognise that we have a part to play - through responsible purchasing practices and collaborating across the industry in ensuring fisheries are managed carefully so that stocks can replenish, and marine ecosystems remain healthy.

Our Policy

Our responsible sourcing policy for own brand fish and shellfish requires all fish – both wild and farmed – to be fully traceable and independently certified to a recognised third party standard. Failing that, it should be working towards achieving certification before 2017.

For wild fish, responsible fishing methods must be used to minimise by-catch of vulnerable and non-targeted species. Fishing practices that minimise discards and that avoid capture of immature or undersized fish should be encouraged.



Farmed fish must be fully traceable to known and audited Waitrose approved farm sites. Audit protocols must include assessment of fish welfare, veterinary care, husbandry, protection of the marine environment and sources of marine based feed ingredients.

All aquaculture activities must be conducted in a manner that is socially responsible and within national rules and regulations. They must adhere to the International Labour Organisation's convention on labour rights, not jeopardising the livelihood of aquaculture workers and local communities.

We enable Buyers and suppliers to work in cooperation to select the best available source of fish – wild or farmed - in line with our policy. We are close to meeting our ambitious aim for independent certification for all of our own brand seafood and we will continue to uphold this standard against the backdrop of dynamic changes in the world's oceans and aquaculture operations. This year we won the Marine Stewardship Council (MSC) best fish counter award for the second year running.

Target	Progress
100% of our own-brand fish and shellfish will be from third party verified responsible sources by year end 2016/17.	82% of our own-brand fish and shellfish (farmed and wild) is from third party verified responsible sources.

Working with Experts

We have a team of technical experts, comprising marine biologists, fishery and aquaculture experts and Waitrose CSR and Technical departments. They are tasked with evaluating the latest scientific data to inform our policy. This year we engaged MSC directly to provide recommendations for strengthening it further.

Our annual fish conference brings together conservation groups, NGOs, suppliers, fishermen and farmers to support us in moving our strategy forward. This year's theme was 'Responsible Retailing; Responsible Fish'. It explored issues such as fish feed, more productive farming methods as well as how to protect the welfare and safety of those working in the fishing sector.



We are also investigating ways to increase the proportion of marine-based ingredients in farmed fish diets that come from the International Fish Meal and Fish Oil Responsible Sourcing Certification Programme. Find out about the work we are doing to improve aquaculture feed in Raw Materials on page 23.



Supporting a Responsible Seafood Industry

We are involved in a number of initiatives in partnership with the fishing and aquaculture industries. These focus on protection of the marine environment and overcoming common industry challenges:

- We are working with WWF to improve the standards in the hand line tuna fisheries in the Philippines in order to secure MSC certification.
- We are members of the Seafish Seafood Ethics Common Language Group. This brings together all sectors of the

seafood supply chain to provide a collective response to growing concerns regarding unethical practices within the global seafood market. We are also members of its Discard Action Group.

- We have joined the Responsible Fishing Scheme. This works with vessels to raise standards in the catching sector, enabling those in the supply chain to demonstrate their commitment to the responsible sourcing of seafood.
- We are represented on the Soil Association Aquaculture Standards Committee – which is tasked with developing and keeping under review organic aquaculture standards.
- We have been working with Compassion in World Farming to improve company reporting on fish welfare indicators – such as stocking densities – as part of the Business Benchmark for Animal Welfare.
- We are supporting Project Isarra - a multi-stakeholder initiative to reduce trafficking in the Thai seafood supply-chain. We have commissioned independent research into the industry highlighting issues of most concern at lower tiers of the supply chain especially for workers in the fishmeal industry. Download our Human Rights report for further detail on this important work.

[MSC Annual Report 2014/15 \(PDF 7.7MB\)](#)



Our Environment

In a resource-constrained world, with challenging and changing legislative landscapes and the visible threat of climate change, our aim is to develop the Partnership in the most efficient and considerate way.

Over the course of 2015/16, our physical estate has grown. We have opened 15 new shops, a new dotcom fulfilment centre and a national distribution centre and have continued to adapt our distribution network as we respond to ever-changing customer needs.

In 2015 we updated our Responsible Development Framework to reflect emerging trends and further embed it within our design and construction processes. From now on, projects – including new construction, refurbishment and minor capital works – will be subjected to new and improved processes as part of our revision to the Framework. The Framework also includes new targets on health and wellbeing and climate change adaptation. Find out more at our dedicated [Responsible Development Framework](#) site.



'We have been delighted to continue our close collaboration with the John Lewis and Waitrose Freight Team this year. The aerodynamics research has progressed in leaps and bounds. Their road tests verified the predicted 7% reduction of CO₂e emissions, which is a great result.'

David Cebon, Professor of Mechanical Engineering, Cambridge University

In this section:

- Operational Emissions
- Waste
- Environmental Performance

Highlights 2015/16

- All electricity contracts within our contractual control are now from renewable sources
- Commended at the Lux Awards 2015 for implementation of energy-efficient LED lighting in our shops
- Reduced Waitrose's total food waste generated by 11%*
- Reduced carbon emissions per £m sales by 50.7%*
- Achieved our target to divert 98% of our operational waste from landfill.

Priorities

- Appraising and investing in the most appropriate technology to make our buildings as efficient as possible
- Encouraging Partners to play their part in driving down energy consumption and waste production

Operational Emissions

We remain committed to increasing the energy efficiency of our buildings, procuring low carbon energy and finding more efficient ways to distribute our goods, as well as encouraging innovation.

Our Carbon Strategy

Our overarching aim is to achieve a 65% reduction in carbon intensity (tonnes per £m sales) by 2020/21 against a 2010 baseline. We have also developed a number of targets which focus on improving energy performance, refrigeration management and transport operations. This is in order to demonstrate our continuing commitment to resource reduction alongside low carbon procurement.

Our Carbon Target in a Nutshell

The change to the Global Greenhouse Gas Protocol means that companies must report their electricity in two ways, using two different emissions factors: firstly one that reflects the emissions from the type of electricity that the company has chosen to purchase (market-based methodology), and secondly the UK-grid average (location-based methodology). We decided to base our carbon target on the new market-based methodology. This is so our performance was not sensitive to yearly National Grid emissions intensity changes, which is outside of the Partnership's direct control, and to ensure that renewable electricity procurement remains a critical component of our strategy. Although the Partnership has purchased renewable electricity since 2011, in 2015 we moved to a new supplier that was able to provide certificates that proved compliance to the new carbon methodology. This enabled us to apply a zero carbon emissions factor to all sites within our contractual control.

Our Targets and Performance

Target	Performance
By year end 2020/21 we will achieve a 65% reduction in carbon intensity (tonnes per £m) against a 2010 baseline.	We have reduced our emissions by 57.3%* per £m sales since 2010. Over the next five years we recognise the need to continue to invest in initiatives that drive efficiency in order to maintain this performance.
By year end 2020/21 we will reduce energy consumption (kWh per ft ²) by 20% against a 2010 baseline.	We have reduced energy consumption by 16.8%* per ft ² since 2010.
We will ensure refrigerant emissions leakage is no more than 10% entrained volume by year end 2015/16.	We have reduced our refrigerant leakage to 6.9%* of entrained volume and we have a target to ensure that this remains at no more than 7% by year end 2020/21.
By year end 2020/21 we will achieve a 5% reduction in carbon intensity from distribution (tonnes per £m) against a 2010 baseline.	We have reduced our emissions by 2.8%* per £m sales since 2010. However, we recognise as we develop our distribution operations to deliver to customers in new ways, this trend is likely to be challenged.

Global Greenhouse Gas emissions data (tonnes carbon dioxide equivalent)

Scope	2014/15	2015 ²
Scope 1 Combustion of fuel and operation of facilities, Refrigeration	218,030 ³	204,492*
Scope 2 Electricity purchased for own use		
Location-based	316,343	294,927*
Market-based	343,577	43,594*
Scope 3 Water, business travel, waste to landfill and transmission and distribution losses from purchased electricity	62,294	61,438*
Intensity measurement		
Location-based	54.5	50.9*
Market-based	57.0	28.1*

²2015 data is reported on an approximate calendar year basis which comprises the period from 21st December 2014 to 26th December 2015. Going forward, the annual results will be prepared on an approximate calendar year basis. ³A change in refrigeration emission factors has required restating emissions data for prior years.

Our Buildings and Site Emissions



Investing in our buildings

John Lewis Birmingham, which opened in September 2015, is designed to be our most energy-efficient full-line department store. It utilises best-in-class Phillips CrispWhite LED lighting, heating from a local energy-efficient heat pump system and air de-stratification fans throughout to utilise waste heat. It also uses a close-controlled water-cooler and HFC air conditioning. It has air displacement ventilation – a requirement for all of our new John Lewis buildings. In addition, a Combined Cooling, Heating and Power (CCHP)

connection provides temperature control and power from the same energy source.

We will use best practice set out in our Responsible Development Framework to ensure new shops reflect the same high standards as our Birmingham branch. For existing shops and offices, we have identified cost-effective energy-saving measures by carrying out audits of our buildings as part of the new Energy Savings Opportunities Scheme.

We were delighted to be commended at the Lux Awards 2015 for the LED lighting scheme in John Lewis Oxford Street's refurbishment.

Establishing Low-Carbon Solutions at Our Farm

We have installed a 186kWp photovoltaic system at our 4,000-acre Leckford Estate farm. The panels use daylight to generate energy for lighting and to power the milking machines for our herd of 600 dairy cows. It is estimated that the panels will save approximately 70 tonnes of CO₂e every year. This project was shortlisted for 'Best use of solar in a CSR project' at this year's Solar Power Portal Awards.



In addition, through trial work at the farm, we are supporting Innovate UK as a partner on its 'Agritech' initiative. This will investigate the feasibility of producing ammonia using renewable energy where hydrogen is produced by the electrolysis of water and nitrogen captured from the air. The project is also aiming to demonstrate that by producing fertiliser at a smaller scale, near to the point of use, it will be possible to negate energy use to dry product for transport, reduce carbon emissions associated with fertiliser production and transport and to improve UK food security.



Refrigeration

In 2015 we ran an extensive programme to reduce the CO₂e associated with our refrigerant units. This included 38 containment projects of which 18 received lower Global Warming Potential (GWP) refrigerants. We also trialed a new low GWP refrigerant and this has shown positive results in operational performance and improved energy efficiency. We replaced HFC refrigeration systems with natural refrigerant solutions in four branches.

To date, we have reduced our refrigerant leakage to 6.9%* of entrained volume exceeding our target of no more than 10% by year end 2015/16. We have a target to ensure that this remains at no more than 7% by year end 2020/21.

As well as utilising water-cooled refrigeration and use of refrigerant with a low GWP, our newly built Waitrose in Bagshot uses a heat recovery system as part of its refrigeration strategy. This system captures the waste heat generated during the refrigeration process and uses it to provide comfort heating to the branch and to pre-heat the hot water cylinder.

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

Our transport emissions

Growing Our Network

We have invested significantly in our distribution capability over the past year. As we take our brands to more customers and invest in offering our customers new ways to shop for grocery and non-food products - whether it is in the comfort of their home, on the go with mobile technology, or in new branches - we need an increasingly agile distribution network. Over the past five years our proportion of online sales has doubled in John Lewis.



Trialling Alternatives

We are focusing on where we can make the biggest emissions savings in our fleet. Our tractor units make up 15-20% of our fleet, but approximately 70% of our commercial vehicle distribution emissions and so we are trialling alternative fuels and models. Two are dedicated gas, and 44 are dual fuel, running on diesel and compressed natural gas. We have a dedicated dual fuel filling station at our Leyland distribution centre which is covered by green gas certificates from a food waste plant.

Our work with Cambridge University on trailer aerodynamics has been successful – six trial trailers have been designed with reduced drag and now form part of our standard specification. We are now working on the underside of the trailer to make the design even more efficient. We are also rolling out new refrigeration technology whereby refrigeration units are powered by the vehicle itself rather than a separate generator unit.

Managing Mileage

We are also implementing new ways to avoid unnecessary journeys through smarter scheduling. Our e-commerce vans for example can carry more goods than standard vehicles. They also contain a frozen compartment meaning that food can be out on the road for longer without the need for return journeys to restock.

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

Waste

Our vision is that by 2020 we will eliminate all of our operational waste going to landfill, and reduce the amount of food waste we generate. We are also continuing to explore innovative solutions to reuse our own reprocessed cardboard, glass and plastic waste in our operations, supporting a more circular business model.

Achieving our Operational Waste Target

We are pleased to have achieved our aim to divert 98% of our operational waste from landfill by year end 2015/16. In 2015/16 98.1%* of waste was diverted from landfill. 66.4%* was recycled - with the majority of the remainder going to energy recovery facilities, including anaerobic digestion.

We aim to increase recycling to 75% by year end 2020/21. We are improving the efficiency of our processes to achieve this. For example, a greater proportion of cardboard and plastic packaging components are now being captured for recycling within our National Distribution Centres before being sent to our shops, rather than being sent on to our shops and subsequently backhauled. More product now travels from distribution centre to shop floor in reusable plastic tote bins or trays, reducing manual handling, unpacking time, waste management resources and road miles. In addition we have improved our processes to ensure all recycle generated is handled carefully to maintain quality.

Our Targets and Performance

Target	Progress
Partnership	
Divert 98% of our operational waste from landfill by year end 2015/16	Achieved: 98.1%* of our waste was diverted from landfill. Our new target is to divert 100% of waste from landfill by end 2020/21
75% operational waste to be recycled by year end 2020/21	In 2015/16 66.4%* of waste was recycled up from 65% in 2014/15
100% closed-loop recycling of cardboard, plastic & glass by year end 2020/21	We continue to look for opportunities to increase the use of recycled materials in our buildings and operations, and, where possible, to make this a closed-loop solution. For example, our cardboard is reprocessed in the UK and used in the production of 'Click and Collect' customer boxes.
Waitrose	
15% reduction in food waste (vs 2014/15 baseline) by 2020/21	In the past year we have reduced our absolute food waste generated by 11.2%* (at 9,180 tonnes*).

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

Reducing the Impact of Grocery Packaging

At Waitrose we are continuing our work with suppliers to develop innovative lean packaging alternatives. For example, this year we replaced our trifle lids with film, saving around 2 tonnes of plastic annually. Following the successful weight reductions through our 'flow-wrap' solution for fresh meat, we are trialling vacuum-packaging as a method of reducing volume and weight even further.

Our new five year strategy has been developed in conjunction with the Waitrose Supplier Producer Group. This consists of our strategic suppliers and packaging partners. We have set objectives for new forms of own-brand packaging, increased



recycled and recyclable content and light weighting.

We want to develop first-to-market solutions for new, more sustainable packaging materials that can be shared with the industry. We aim to increase the number of products we sell using bio-based packaging year-on-year. As such we are engaging with a consortium of stakeholders representing manufacturers, product suppliers, raw material manufacturers, converters and land owners to develop more sustainable alternatives. Our recently introduced Duchy organic egg boxes are made up of a mixture of rye grass and paper. The production process uses 60% less water than a standard alternative and has a 10% smaller carbon footprint.

Reducing Food Waste

Our policy is that none of Waitrose's food waste goes to landfill. Our aim is for all food to be consumed, either by our customers, our Partners or the local community in which we trade. Our ambition is that only food not fit for consumption is sent to generate energy through anaerobic digestion.

We also recognise the importance of preventing food waste at the farm level. We want to buy as much of our farmers' crop as possible so during the year we launched a new range of class two vegetables named 'a little less than perfect' where price per kilo is cheaper than our lowest essential Waitrose range. Find out more about how we are working with growers to reduce farm waste through more efficient production practices at our Waitrose Farm Assessment site.



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

Reduce

In the past year we have reduced the volume of waste organic matter produced by Waitrose by 11.2%* to 9,180 tonnes*. This waste includes some non edible waste, such as horticultural waste and spent coffee grindings, in addition to food waste. This represents significant progress towards our target of a 15% absolute reduction by year end 2020/21 against a 2014 baseline. Our methods include better stock management, price reductions, sale to Partners and improved data and waste management practices.

Donation

We want all our shops and depots to have an arrangement in place with a local organisations where they exist, such as a charity or social enterprise, to donate food before it goes past its use-by date. Our preference is first to donate for human consumption first and then for animal consumption. From September 1st to January 31st we donated over £330,000-worth of food. Find out how you can get involved at www.waitrose.com.

Dispose

Our policy is that any unsold food which is not donated generates energy through anaerobic digestion.



Company Shop – Tackling Poverty & Food Waste

Community Shop is the UK's first social supermarket, located in areas of complex deprivation. It is open to individuals who are in receipt of government income support and motivated to improve their lives. The supermarket provides members with access to low-cost food, and also matches every individual with a mentor, who works with them through a success plan, designed to support and develop self-confidence and life skills.

In 2015 Company Shop began working directly with the team at the Waitrose Regional Distribution Centre in Leyland, Lancashire, to collect surpluses that arise from Waitrose suppliers. In just six months this successful scheme has redistributed the equivalent of approximately 80,000 meals.

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

Environmental Performance

We are committed to increasing the energy efficiency of our buildings, procuring low carbon energy and finding more efficient ways to distribute our goods, as well as encouraging innovation. Our overarching aim is to achieve a 65% reduction in carbon intensity (tonnes per £m sales) by 2020/21 against a 2010 baseline and by 2020 we want to eliminate all of our operational waste going to landfill.

Our Targets and Performance – Operational Emissions

Target	Performance
By year end 2020/21 we will achieve a 65% reduction in carbon intensity (tonnes per £m) against a 2010 baseline.	We have reduced our emissions by 57.3%* per £m sales since 2010. Over the next five years we recognise the need to continue to invest in initiatives that drive efficiency in order to maintain this performance.
By year end 2020/21 we will reduce energy consumption (kWh per ft ²) by 20% against a 2010 baseline.	We have reduced energy consumption by 16.8%* per ft ² since 2010.
We will ensure refrigerant emissions leakage is no more than 10% entrained volume by year end 2015/16.	We have reduced our refrigerant leakage to 6.9%* of entrained volume and we have a target to ensure that this remains at no more than 7% by year end 2020/21.
By year end 2020/21 we will achieve a 5% reduction in carbon intensity from distribution (tonnes per £m) against a 2010 baseline.	We have reduced our emissions by 2.8%* per £m sales since 2010. However, we recognise as we develop our distribution operations to deliver to customers in new ways, this trend is likely to be challenged.

Global Greenhouse Gas emissions data (tonnes carbon dioxide equivalent)

Scope	2014/15	2015 ²
Scope 1 Combustion of fuel and operation of facilities, Refrigeration	218,030 ³	204,492*
Scope 2 Electricity purchased for own use		
Location-based	316,343	294,927*
Market-based	343,577	43,594*
Scope 3 Water, business travel, waste to landfill and transmission and distribution losses from purchased electricity	62,294	61,438*
Intensity measurement		
Location-based	54.5	50.9*
Market-based	57.0	28.1*

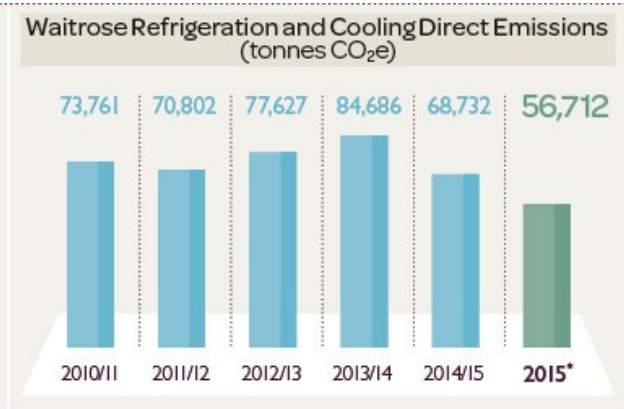
²2015 data is reported on an approximate calendar year basis which comprises the period from 21st December 2014 to 26th December 2015. Going forward, the annual results will be prepared on an approximate calendar year basis.

³A change in refrigeration emission factors has required restating emissions data for prior years.

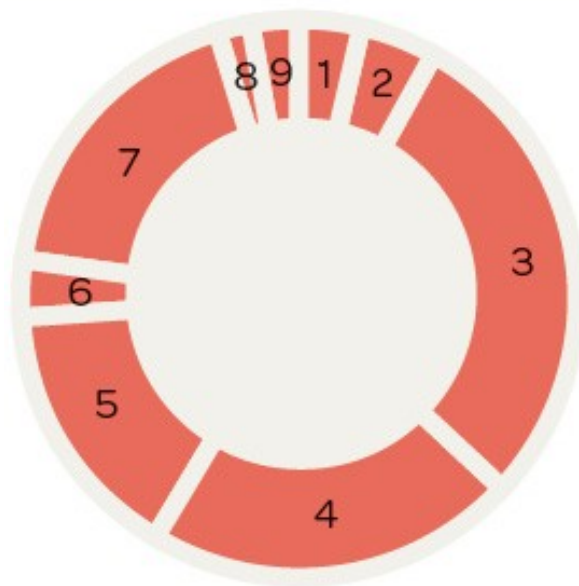
Our Targets and Performance – Waste

Target	Progress
Partnership	
Divert 98% of our operational waste from landfill by year end 2015/16	Achieved: 98.1%* of our waste was diverted from landfill. Our new target is to divert 100% of waste from landfill by end 2020/21
75% operational waste to be recycled by year end 2020/21	In 2015/16 66.4%* of waste was recycled up from 65% in 2014/15
100% closed-loop recycling of cardboard, plastic & glass by year end 2020/21	We continue to look for opportunities to increase the use of recycled materials in our buildings and operations, and, where possible, to make this a closed-loop solution. For example, our cardboard is reprocessed in the UK and used in the production of 'Click and Collect' customer boxes.
Waitrose	
15% reduction in food waste (vs 2014/15 baseline) by 2020/21	In the past year we have reduced our absolute food waste generated by 11.2%* (at 9,180 tonnes*).

Prior years' data is reported in line with our financial reporting period. 2015 data is reported on an approximate calendar year basis which comprises the period from 21 December 2014 to 26 December 2015. Going forward, the annual results will be prepared on an approximate calendar year basis.



Total Partnership GHG Emissions (tonnes CO₂e)



1 Agricultural	7,481
2 Business Travel	11,459
3 Commercial Vehicles	94,222
4 Electricity	74,151
5 Gas	52,929
6 Other Fuels	4,991
7 Refrigerants	61,766
8 Waste	210
9 Water	2,315



Packaging produced (tonnes)

	2010	2011	2012	2013	2014	2015
John Lewis						
Weight of primary packaging supplied to end user	15,957	17,639	17,817	19,537	20,224	20,764
Weight of secondary and tertiary (transit) packaging obligated	1,237	1,529	1,996	2,045	1,791	1,099
Waitrose						
Weight of primary packaging supplied to end user	111,570	118,860	120,029	129,276	136,105	141,449
Weight of secondary packaging obligated						2,417
Weight of tertiary (transit) packaging obligated	2,259	2,519	2,543	2,742	2,724	1,293

Independent Limited Assurance Report to John Lewis Partnership plc

KPMG LLP ('KPMG' or 'we') were engaged by John Lewis Partnership plc ('John Lewis Partnership') to provide limited assurance over the Selected Information described below for the year ended 30 January 2016.

Our conclusion

Based on the work we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information marked with the symbol * has not been properly prepared, or the Selected Information identified as the description of the **Materiality Process** and the **Internal Audit Process** has not been properly prepared, in all material respects, in accordance with the Reporting Criteria.

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

Selected Information

The scope of our work includes only the information included within the Our Responsibilities section ('the Report') of the John Lewis Partnership website, <http://www.johnlewispartnership.co.uk/csr.html> for the year ended 30 January 2016 marked with the symbol * and the presentation of the description of the **Materiality Process** and the **Internal Audit Process** ('the Selected Information').

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

Reporting Criteria

The Reporting Criteria we used to form our judgements are:

- John Lewis Partnership's Reporting Guidelines 2016 as set out at <http://www.johnlewispartnership.co.uk/csr.html> for the Selected Information marked with the symbol *;
- the Global Reporting Initiative ('GRI') G4 reporting principles for defining report quality as set out at <https://www.globalreporting.org> for the Selected Information included in the presentation of the description of the **Materiality Process** and the **Internal Audit Process**.

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

Inherent limitations

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

Directors' responsibilities

The Directors of John Lewis Partnership are responsible for:

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

Our responsibilities

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

Assurance standards applied

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

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

Independence, professional standards and quality control

We comply with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and we apply the International Standard on Quality Control (UK and Ireland) 1, 'Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements'. Accordingly, we

maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements and professional standards (including independence, and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour) as well as applicable legal and regulatory requirements.

Summary of work performed

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

- assessing the appropriateness of the Reporting Criteria for the Selected Information;
- conducting interviews with John Lewis Partnership management to consider the key processes, systems and controls in place over the preparation of the Selected Information;
- agreeing a selection of the Selected Information to the corresponding source documentation;
- reperforming a selection of the carbon conversion factor calculations, other unit conversion factor calculations and manual calculations performed over the Selected Information;
- agreeing the relevant prior period and baseline data to previously reported data and reading the related assurance statement where relevant where these were used in the calculation of the Selected Information, including re-performing the calculation;
- considering the queries raised following management review of the Selected Information, which were discussed and closed out by John Lewis Partnership head office management
- performing analytical review procedures over the aggregated Selected Information, including a comparison to the prior period's amounts having due regard to changes in business volume and the business portfolio;
- consideration of a selection of the John Lewis Partnership processes for Materiality including the identification, prioritisation and validation of relevant material issues, including inspecting the output of selected stakeholder workshops;
- agreeing a selection of processes from the John Lewis Partnership Materiality Processes Description to corresponding supporting documentation;
- consideration of a selection of John Lewis Partnership processes for which work was carried out and reported on by Internal Audit;
- agreeing a selection of processes from the John Lewis Partnership Internal Audit Processes Description to corresponding supporting documentation; and
- reading the Report and narrative accompanying the Selected Information with regard to the Reporting Criteria, and for consistency with our findings.

In respect of the sales, profit before tax and square footage data used in the calculation of the Selected Information, our assurance procedures were limited to agreeing the sales, profit before tax and square footage data used in the calculation to the John Lewis Partnership data to test if it has been extracted accurately from the John Lewis Partnership Annual Report and Accounts for the year ended 30 January 2016.

This report's intended use

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

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

Paul Holland



for and on behalf of KPMG LLP

Chartered Accountants

London

21 April 2016

John Lewis Partnership

BASIS OF REPORTING FOR EXTERNALLY ASSURED SUSTAINABILITY DATA

Data periods

Our financial (trading) year always finishes on the last Saturday of January. This means our year on year data period may sometimes vary by one week.

The 2015/16 financial year ran from 1st February 2015 to 30th January 2016. Community data is reported in line with the financial year and environmental data is reported in line with an approximate calendar year for 2015 (21st December 2014 to 26th December 2015), and financial year for all prior years. Going forward, the annual results for environmental data will be prepared on an approximate calendar year basis.

Reporting frequency

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

Assurance

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

COMMUNITY

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

We use the London Benchmarking Group model for reporting.

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

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

Partner hour contributions	Records of volunteer activity inputted electronically by branch personnel into a centralised database.	<ul style="list-style-type: none"> - Hours spent hosting school visits/workplace placements - Time spent administering school visits and workplace placements - Partner talks to charities/community groups - Man-hours involved in community roles (e.g. School Governors, Justices of the Peace etc) where these Partners are released on leave - Partner time volunteered on any charitable or community project, event or activity. 	Hours
% Pre tax profit spent on community investment	Total value of cash, in-kind, management costs and Partner Hours divided by Pre tax, pre bonus, pre exceptional item profit, multiplied by 100.	-	%
Golden Jubilee Trust cumulative volunteer hours	<p>Records of volunteer activity are inputted electronically by Golden Jubilee Trust personnel into a centralised database.</p> <p>The hours recorded relate to awards granted at trustee meetings during the financial year.</p>	Total number of hours volunteered for all Partners seconded to charitable organisations through the Golden Jubilee Trust scheme.	Hours

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

All Waitrose stores included. Some John Lewis shops including Bluewater and Peterborough have centre managed waste arrangements; an estimate is included to account for this waste.

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

JL service buildings/Combined Service Buildings: all included

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

Own distribution sites: All

Not included:

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

Holiday centres

Sir Bernard Miller Conference centre

Manufacturing sites (Herbert Parkinson or Leckford)

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

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

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

ENVIRONMENT: GREENHOUSE GAS EMISSIONS			
Description	Methodology	Scope/exclusions	Unit of reporting
Absolute Location-Based Partnership GHG emissions	See below for the methodology for individual emissions sources. <u>Conversion factors:</u> 2015 data has been calculated using Defra-DECC 2015 emissions factors.	Our carbon footprint includes emissions resulting from UK-owned and operated parts of the business. It also includes significant emissions from third party operated distribution sites that are solely operated for Waitrose. See below for individual emissions sources.	Tonnes CO ₂ e

	<p>Emissions figures for 2010, 2011 and 2012 have been updated to reflect the changes in Government guidance in 2013.</p> <p>2015 has seen a change in refrigerant emission factor, which we have used to re-baseline our historic data for comparable analysis.</p> <p><u>Data periods:</u> In 2013/14 carbon emissions, energy and water consumption data from previous years was adjusted to accurately reflect our trading years rather than twelve calendar months.</p>		
Absolute Market-Based Partnership GHG emissions	<p>As above.</p> <p>Some of our electricity suppliers have provided auditable renewable energy guarantees of origin (REGO) certificates showing our purchases are 100% renewable. Under latest GHG scope 2 guidance, this allows us to apply a zero emissions factor to their supply. Where we have not received this assurance, the Defra-DECC 2015 emissions factors have been used to calculate our emissions. Emissions figures for 2010 to 2014 have been updated to reflect these changes in the market based emissions table.</p>	As above.	
Partnership Gross emissions (tonnes CO2e) per £m sales	Total of all – scope 1, 2 (market based) and 3 – emissions divided by gross Partnership annual sales.	As per absolute emissions above.	Tonnes CO2e per £m sales
<u>Scope 1</u> Fuel combustion	Fuel consumption all calculated from actual usage: bills based on meter readings (natural gas) and	Emissions sources included: - Company owned vehicles – commercial fleet and	Tonnes CO2e

	<p>delivery invoices (other fuels). Natural gas estimates as per energy section above. No estimates made in other fuels.</p> <p>Distribution emissions are calculated from fuel invoices.</p> <p>Agricultural amounts based on farming records of fertiliser application and animal stocks.</p>	<p>company cars.</p> <ul style="list-style-type: none"> - Stationary combustion of natural gas, gas oil, kerosene, LPG/ propane, diesel, petrol, wood pellets - Emissions from agriculture: fertilisers, animals 	
<p>Scope 1 Refrigeration and cooling direct emissions (tonnes CO2e) and by division</p>	<p>All refrigerant gases based on records actual top-ups by maintenance teams. No estimates made.</p> <p>A change in refrigeration emission factors has required rebaselining emissions data back to 2010/11.</p>	<p>Refrigerants include those from both vehicles collated from vehicle maintenance records and buildings including air conditioning, which are recorded through contractor reports of refrigerant replacements.</p> <p>For Waitrose, refrigeration and cooling direct emissions for Leckford have been included.</p>	Tonnes CO2e
<p>Refrigerant leakage as a percentage of entrained volume</p>	<p>As above as a percentage entrained volume.</p>	<p>As above.</p>	% entrained volume
<p>Scope 2 Purchased electricity (market and location based)</p>	<p>See ENERGY for data collection methodology and absolute emissions above for conversion factors.</p>	<p>Scope as per absolute emissions above.</p> <p>Also includes district heating network purchases.</p>	Tonnes CO2e
<p>Scope 3 Employee business travel</p>	<p>Business mileage: All car owners or hired by the John Lewis Partnership for employees will come with a fuel card. Employees who are part of the Partnership Car Scheme, driving more than 5,000 per annum in own cars, will also be given one. Partners with fuel cards record business mileage</p>	<p>This data does not include mileage for employees who sit outside of the Partnership Car Scheme (who drive less than 5000 per annum) and claim business trip expenses in own cars.</p> <p>Air and rail travel by John Lewis Partnership</p>	Tonnes CO2e

	<p>each month.</p> <p>Air and rail travel: Travel distance data collected through employee travel bookings via centralised travel agency system (HRG). Estimation: air travel distance uplifted by an assumed figure to account for air travel outside the travel agency system, based on an annual sample. 2014/15 figure is: 63% capture through agency. Converted into emissions using Defra factors.</p>	employees included	
Scope 3 Waste disposal to landfill	See WASTE. 2015 data has been calculated using Defra-DECC 2015 emissions factors.	See WASTE.	Tonnes CO2e
Scope 3 Associated with third parties	Distribution emissions including outsourced distribution are calculated from fuel invoices.	Electricity, gas, water, waste, LPG consumption, refrigerant leakage, from third party operated distribution centres.	Tonnes CO2e
Scope 3 Water consumption	Consumption data is calculated through billing, 12 month rolling averages and estimates based on reference sites where no data is available.	Water associated with shops, offices, clubs and owned and operated distribution centres has been included and abstracted water at Leckford farm has been included for Waitrose. Water at outsourced distribution centres has not been included in the reported consumption, but is included within the Carbon Footprint. 2014/15 water data for John Lewis now includes Bluewater which was excluded in 2013/14.	Tonnes CO2e
Partnership transport-related CO2e (tonnes) per £m sales	The CO2e is calculated by multiplying the quantity of all CV road fuel and road gasoil used by the John Lewis Partnership, by the appropriate DEFRA conversion factor, and divided by the published John Lewis Partnership turnover.	Commercial (distribution) vehicles only.	Tonnes CO2e per £m sales

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