

Sustainability review 2013/2014





This review of B&Q's One Planet Home programme was undertaken by BioRegional.

The aim of this report is to review the progress B&Q has made towards its One Planet

Home commitments, highlighting both achievements and areas where progress has been more challenging.

B&Q's One Planet Home® programme is an award winning environmental scheme that has been designed in partnership with BioRegional to help B&Q's customers to make greener choices for their homes and to ensure that the business operates sustainably and responsibly.

This programme forms part of BioRegional's global One Planet Living initiative which aims to inspire people to live happy, healthy lives within the natural limits of the planet.

We hope you enjoy the report.

# **CONTENTS**



# Message from Sue Riddlestone Chief Executive and co-founder of BioRegional

Back in 2008 when B&Q launched One Planet Home, it was because they were keen to 'do the right thing'. Today, the programme is underpinned by a strong business case. It has delivered significant cost savings, product innovation and customer engagement. B&Q has achieved all this by working to reduce the impacts of its own operations as well as by finding ways to help customers make their homes more sustainable.

B&Q still remains one of the few retailers with an operational carbon reduction goal that is in line with climate science. BioRegional is proud to work alongside a team which strives to work within planetary boundaries and achieve the stretching targets set out in this

B&Q still remains one of the few retailers with an operational carbon reduction commitment that is in line with climate science.

One Planet Home report. In recent years further carbon reduction has unfortunately plateaued due to significant cuts in investment while a new strategy for the B&Q estate is agreed. Nonetheless, further work to develop the business case for investment in LED lighting and renewables has been completed and has the potential to deliver significant carbon savings. Similarly B&Q has received support from WRAP to develop the business case for a tool hire scheme and we are confident that 2014 will see some of these initiatives come to fruition.

One of the highlights of this year has to be the launch of EasyGrow –a fantastic example of how greener products are better for the customer as well as the planet. B&Q's commitment to sustainable timber is also strong, with the launch of Good Woods in 2013 providing valuable support to neglected woodlands in the UK. B&Q should be proud of its achievements and confident that this plan will make B&Q a more resilient business. Indeed it just goes to show that the team at B&Q were right to 'do the right thing'.

Sue Riddlestone

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Summary of progress	5
B&Q's carbon footprint	6
Zero carbon	8
Zero waste	10
Sustainable transport	12
Sustainable materials	14
Sustainable packaging	<b>16</b>
Sustainable water	18
Natural habitats and wildlife	20
Culture and community	24
Equity and fair trade	<b>26</b>
Employee engagement	28
One Planet Home products	32

# The solution was EasyGrow, a remarkable innovation.



# Message from Matt Sexton Director of Corporate Social Responsibility at B&Q

One Planet Home remains as our sustainability programme, and will be our means of delivering leadership within Kingfisher on Net Positive. Overall this has been a year of steady development in which we have made progress and faced some challenges which are laid out in this report, so I will not dwell on them here. I would just like to

highlight the launch of a product that, I feel, represents everything we are trying to do with One Planet Home – reducing environmental impact, driving efficiency and giving our customers innovative, affordable 'eco' products that work.

At our inaugural growers summit we laid down the challenge that we wanted to be finally out of peat and polystyrene in bedding plants, following years of trialling different forms of packaging and tinkering with lower peat formulations. The solution was EasyGrow, a remarkable innovation. We have replaced peat with coir whilst making planting quicker and easier for customers by containing the plants in tea bags and moved away from polystyrene to recyclable trays. This step change in plant packaging and presentation required buy-in from our commercial, sustainability, packaging and marketing, teams to name but a few, along with tremendous support from our suppliers. This close cross functional collaborative way of working is something we hope to replicate elsewhere going forward and is another example of the positive impact bold One Planet Home objectives can deliver.

example of the positi

Matt Sexton



# **Awards**

- The Guardian Sustainable Business Awards: winner of the Carbon award
- Business in the Community (BITC) Big Tick Award: winner of the Customer Engagement on Sustainability award
- Awards for Excellence in Recycling and Waste Management: B&Q's waste manager Sharon Parsons was named Commercial Recycling Champion of the Year
- The 50+ Awards: Best Employer of those who are 50+
- ▶ BITC: Seiff award to support the next generation of business leadership won by B&Q's horticulture bedding buyer Ben Smith

# **SUMMARY OF PROGRESS**

# Highlights from the year include:



B&Q Energy Saving made 5,000 homes more energy efficient by installing boilers, controls and full heating systems (page 33)

†† 17,622

staff completed the revamped OPH e-learning module (page 29)



B&Q's exclusive iQE boiler became the first in the world to be awarded the BSI Kitemark for Energy Efficient Products



a recyclable packaging solution for bedding plants which uses a sustainable coir pith growing medium ( page 22)

£750,000 formated to nominated charities (page 25)



RANGE SUSTAINABILITY RATINGS COMPLETED

an internal mechanism to deliver product improvements and supply chain improvements on ethical and environmental issues (page 14)



# **B&Q'S CARBON FOOTPRINT**

B&Q aims to reduce its absolute greenhouse gas ( $CO_2e$ ) emissions by 90% by 2023. Since 2006 emissions have reduced by 31%, including:



reduction in emissions from property electricity use



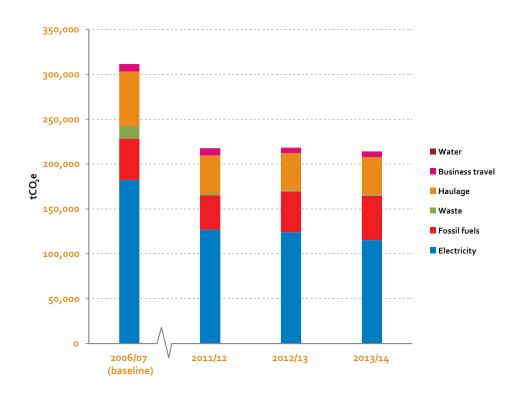
increase in emissions from property fossil fuels



reduction in emissions from haulage and business travel



reduction in emissions from waste to landfill



This greenhouse gas footprint has been calculated using Defra's environmental reporting guidelines 2013. For a full breakdown of Scope 1, 2 and 3 emissions please refer to the data appendix <u>here</u>.

# **OUR HOME**





This section talks about Our Home; B&Q's own operations and supply chain, covering 360 stores in the UK and Ireland. B&Q's One Planet Home Action Plan is underpinned by the ten One Planet Living principles.



Zero carbon



Zero waste



Sustainable transport



Sustainable materials



Sustainable packaging



Sustainable water



Natural habitats and wildlife



Culture and community



Equity and fair trade



Employee engagement



making buildings more energy efficient and delivering all energy with renewable technologies

#### PERFORMANCE AGAINST TARGETS



20% reduction in CO<sub>2</sub>e from heating fuels by 2016



All new stores zero carbon by 2016 (Updated target)



All stores zero carbon by 2023



### 28% REDUCTION

in emissions from property energy use since

**10% INCREASE** 

in emissions from property heating use since 2006 baseline



### Performance against targets

All targets are against the 2006/07 baseline unless otherwise stated. Target updates have been flagged throughout the report. See page 36 for the full list of targets and a summary of activities in 2013/14.

- not met or off track
- ✓ met or on track
- exceeded or on track to be met ahead of deadline

#### **STORE ESTATE**

This year LED lighting was installed in a further seven stores, bringing the total number of stores with LED lighting to 13. In the 2012/13 annual review we reported that B&Q would be converting the complete store estate to LED over the next eight years. Full rollout of LED is still anticipated; however installations were largely put on hold whilst the size of the store estate is under review.

Four new stores were opened in 2013 (Bedford, Burgess Hill, Consett and Sydenham). Other than the changes B&Q made previously to specifications, these stores have not delivered major advances in sustainability. To move this area of work forward, BioRegional produced a property sustainability strategy and manual. This strategy uses the ten One Planet Home principles and considers which actions should be taken for each build phase; design, construction, completion and maintenance. Although the document has not been officially launched yet, it is already proving to be a useful reference document internally. It is vital that investment in efficient technologies and renewables continues to enable B&Q to stay on track to meet its targets, and as part of its commitment to One Planet Home BioRegional would expect to see LED lighting delivered once the new business strategy is in place.

#### **HEATING**

The start of 2013 was particularly cold, resulting in a significant increase in store gas use compared to the previous year. According to the Met Office the UK mean temperature in March was 2.2 °C, which is 3.3 °C below the 1981-2010 average and it was the coldest March since 1962. However, the impact of this extended winter was softened by a much milder end to the year. As the electricity demand of the estate further reduces, emissions from store heating will become more significant. B&Q continues to investigate alternative heating systems and fuels.

#### **ENGAGEMENT**

Various store engagement activities took place in 2013 to drive a further reduction in gas and electricity consumption. League tables and energy saving tips were distributed, stores consuming high amounts of gas were contacted to ensure they switch their systems off when not required and a productivity champions programme was tested in a small number of stores. The idea behind this programme was to encourage staff to share their energy saving tips. Going forward, B&Q will continue to monitor and reduce energy use at all stores.

### **RENEWABLES**

Several landlords of leasehold stores have expressed an interest in installing onsite renewables such as solar photovoltaic (PV) panels. Plans for freehold stores are currently stalled as the new B&Q Board considers its strategy. B&Q commissioned an independent renewables expert to investigate opportunities for offsite renewables (see case study).

### INVESTIGATING RENEWABLES

**CASE STUDY** 

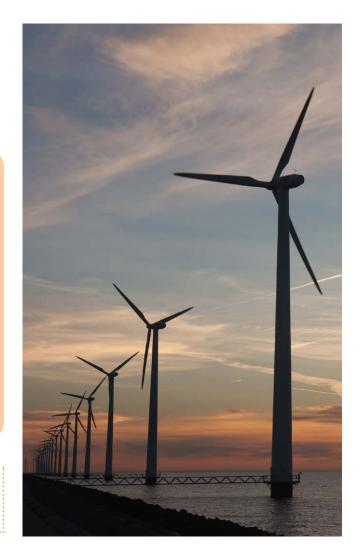
In 2013, B&Q completed a comprehensive investment study to analyse available options and costs for offsite renewable energy generation. This was supported by an independent renewables expert and BioRegional. BioRegional focussed on ethical and regulatory considerations. The study covered onshore and offshore wind, biomass, solar PV, waste to energy, anaerobic digestion (AD), hydropower and AD plus biogas to grid (BTG) to meet gas demand. It included a financial appraisal of the different technology options and incorporated detailed analysis of the risks around technology, financing and planning consent. In addition, issues such as local impacts and public perception, carbon reporting requirements, sector subsidies, and wider and incoming legislation were explored. B&Q will consider how best to use this information to address the Zero Carbon challenge in the long term. The CSR team is now developing a detailed business case based on the outputs from these reports.

PLANS FOR 2014



Install LED in a further four stores







# **ZERO WASTE**

reducing waste, reusing where possible, and ultimately sending zero waste to landfill





11% OF OPERATIONAL WASTE sent direct to landfill



#### PERFORMANCE AGAINST TARGETS





90% of construction waste (excluding hazardous waste) will be diverted from landfill from 2013 and 50% will be reused or recycled by 2016 (New target)

#### **OPERATIONAL WASTE**

An important project this year was the tendering of a new waste contract. As part of this work current waste routes were reviewed and key members of staff were consulted to identify where improvements could be made. As a result, new bailing machines have been acquired and staff will continue towork closely with the waste services provider to ensure opportunities to reduce waste and increase recycling are maximised.

B&Q's waste manager is starting to see the results of her engagement with internal stakeholders on the opportunity to eliminate waste. Whereas previously large quantities of waste generated through range review activities was sent to landfill, this is now recycled.

Treated timber from product transit packaging is still an issue as there currently is no recycling solution available but B&Q is working with suppliers to find alternative solutions. In 2013, an Italian kitchen supplier developed an innovative corrugated cardboard alternative which saves 250 tonnes per annum (see the sustainable packaging case study, page 17). All point of sale materials can now technically be recycled. However, more works needs to be done to ensure all stores consistently segregate these materials in the correct way to enable them to be recycled.

The roll out of dry mixed recycling for store offices has been postponed until 2014. Alongside this B&Q will be trialling a collection system for used teabags and coffee grounds for store offices and cafes so this can be turned into compost.

#### **CONSTRUCTION WASTE**

Nine construction projects were completed in 2013. Four new stores were opened, three stores received a major refit, one store was extended and in another a goods lift was replaced.

Although 'fit-out' waste data was reported, this did not include the construction waste for the new buildings, which is likely to be the largest quantity arising. These new leasehold properties are designed and built to B&Q's specifications and as such BioRegional recommends that the construction waste generated should be recorded and reported by B&Q.

#### STORE WASTE DONATION PROGRAMME

**CASE STUDIES** 

B&Q runs a waste donation programme. Excess, unsaleable and waste materials are donated to charities, community groups and schools for reuse; Castlepoint store donated materials for a raised flowerbed and paving area for Queens Park Academy; Alfreton store donated paint for a wall mural for Copthorne Community Infant School and Pentwyn store donated plants to Bishop Child's Primary School to establish a garden to help childeren learn about nature.

"The children have really benefitted, the plants have grown a lot bigger and a year later they are still enjoying the new garden" Sharon Terry (B&Q Pentwyn admin assistant)

#### RECYCLING TIMBER DECKING

B&Q uses every opportunity for reusing and recycling resources that would otherwise go to waste. When there is a store refurbishment or closure, it usually involves removal of racking. The racking and timber shelves are returned to a unit near Burton on Trent where they are sorted and stored for immediate reuse. Where timber dimensions are unsuitable for B&Q's

B&Q stores during 2013. With a cost saving of around 40% compared to new decking, this delivered a saving of over £25,000.

current requirements, the decking is manufactured into new B&Q shelves. Over 12,000 recycled decks were delivered back to

PLANS FOR



Engagement with store teams through regional meetings



Trial backhauling of electrical and electronic waste equipment (WEEE) from stores to distribution centres



# **SUSTAINABLE TRANSPORT**

encouraging low carbon modes of transport to reduce emissions, reducing the need to travel



#### PERFORMANCE AGAINST TARGETS



20% reduction in absolute business travel emissions by 2016 (Updated target)



35% reduction in absolute emissions from business travel and domestic haulage by 2016



50% reduction in absolute emissions from business travel and domestic haulage by 2023

#### **FLEET IMPROVEMENT**

The fleet of 50 dual fuel vehicles based in the Swindon distribution centre have now been successfully operating for over a year, covering 4.4 million miles. The vehicles are partly powered by a standard blend of 25% liquefied biomethane (LBM) and 75% liquefied natural gas (LNG). During the second half of 2013 a dedicated biomethane fuelling station was installed at the Swindon distribution centre and this has given additional stability in terms of fuel supply. Although the vehicles are delivering carbon reductions compared to diesel powered trucks, they are currently more expensive to run. B&Q is working closely with the manufacturers and fuel supplier to make improvements.

### **ROUTE OPTIMISATION**

In 2013 the transport team introduced a container reloading system. Previously containers would arrive at the distribution centres to be unloaded and go back to the ports empty. Now some are loaded back up with stock which is dropped off at regional consolidation centres (RCCs) before the container makes its way back to port. During the year this saved approximately 217,000 miles.

B&Q is also identifying opportunities to reduce one way trips from RCCs to stores. Store waste is already backhauled but if no waste collection is required there is an opportunity to collect products from vendors on the return journey. Successful trials are already underway from Doncaster to East Anglia and Radlett into Suffolk. Driver training and use of telematics continues with results being delivered in key areas. For example idling (leaving the engine running when a vehicle is parked or not in use) has been reduced by up to 50% in some areas, compared to 2012. Overall store delivery emissions have reduced by 38% compared to the 2006 baseline.

#### **HOME DELIVERIES**

Emissions from home deliveries have only reduced by 11% compared to the 2006 baseline and in fact increased 26% since last year. This is mainly due to an increase in online sales. 15 dual fuel tractor units were introduced this year, running on natural gas. B&Q and BioRegional will be reviewing the full transport network in 2014 to better understand how overall carbon reductions can be achieved going forward.

#### **BUSINESS TRAVEL**

Although emissions from business travel have increased compared to the previous year, B&Q is still exceeding its 2016 target. In 2013, B&Q hosted a product show for staff in Lille which resulted in increased air travel. No specific initiatives aimed at encouraging sustainable transport modes for business travel took place in 2013. In 2014, B&Q will be introducing a new booking tool which will provide a cost and CO<sub>2</sub> comparison for each journey at the booking stage and will enable more frequent data reporting.

The development of a sustainable business travel strategy would help ensure B&Q maintains the current 26% reduction in business travel emissions.

### **COMMUTING TO B&Q STORE SUPPORT OFFICE**

At the B&Q Store Support Office, there were a number of very successful sustainable transport initiatives in 2013/14. There are 75 car share groups, with 190 members in total (13% of Store Support Office staff). Sue Haywood, B&Q Energy & Water Analyst, has been taking it in turns with a colleague to drive the 10 mile stretch to work. She said "Now I fill up my tank every three weeks instead of every two. Apart from that, we also end up having great conversations, and as my car share is in another department, I get to find out about what's happening in other areas of the business".

B&Q gives employees a £1 incentive every day they cycle or walk to work and there is a free bike doctor surgery every month. B&Q has also pledged £20K to a local committee called Chandlers Ford Commuter Forum. This contribution will enable a bus route from local train stations to businesses in Chandlers Ford where B&Q's head office is located.



PLANS FOR



Map the full transport network from supplier to customer to better understand how overall carbon reductions can be achieved



Expand the container reloading programme



Launch new business travel booking tool



# SUSTAINABLE MATERIALS

using sustainable and healthy products, such as those with low embodied energy, sourced locally, made from renewable or waste resources





72 RANGE SUSTAINABILITY
Ratings completed



#### PERFORMANCE AGAINST TARGETS



Develop new closed loop supply chains with at least 1 supply chain with closed loop credentials by 2016

(New target)



Work with partners to reduce the chemical impact of products in the home



Achieve 100% compliance with chemicals policy by removing all chemicals of concern from products by 2020 (Updated target)

#### **CIRCULAR ECONOMY**

In recent years it has become more apparent that we need to rethink our current linear business models as resources become scarcer and pressure on natural resources is increasing. This year B&Q and Kingfisher focussed on assessing the current product range with the Kingfisher Closed Loop Calculator which was developed in conjunction with The Ellen MacArthur Foundation and BioRegional. This has given some valuable insights and next steps will be to continue work on specific projects.

B&Q has been working with BioRegional and WRAP to further develop viable alternatives to conventional purchase such as rental services. These new business models aim to realise the maximum value from products by using them more intensively, extending their lifetimes or enabling them to be reused. This approach offers an

important route to delivering business growth within a more circular economy.

#### **IMPROVING PRODUCTS**

With over 40,000 products and 400 suppliers, there are continued opportunities to improve environmental and ethical practices in its supply chains. The Range Sustainability Rating (RSR) is used as an internal tool to assess product categories against a range of criteria including compliance with policy, vendor audit results and the range of eco products included as part of the category. In 2013, B&Q's CSR team completed 72 RSRs. Results were discussed with the range buyers. This has proved very effective for engaging buyers and driving change within the business. As a result of the RSRs B&Q started selling a range of flood protection products (see the One Planet Home products case study, page 35)

and several other projects are in the pipeline. Bedding plants are a key product for attracting customers to stores and are also known to have a relatively large carbon footprint. In order to better understand the impacts of the bedding plant industry, BioRegional researched the annual operational energy use and growing practices of a key B&Q bedding plant supplier and presented recommendations for reducing energy use and increasing use of renewable energy. Going forward, B&Q is establishing a formal programme called 'lean and green' which aims to reduce carbon emissions and waste throughout the value chain. This programme will focus initially on opportunities to reduce packaging impacts.

#### **CHEMICALS**

From paints to sealants, chemicals are a major constituent of many B&Q products. As a business B&Q is very aware

of its responsibility in this area and a lot of work has already been done to remove chemicals from major impact areas. Legislation is getting stricter and starting from mid 2014 several chemicals will be banned as part of the European REACH legislation. B&Q will continue to work with suppliers to ensure compliance.

### **VOCS**

One of B&Q's longstanding commitments is reducing the VOC content of paint and coating products to improve indoor air quality. However, other than the introduction of Clean Spirit in 2012, there has been little progress in product development aimed at reducing solvents. Average VOC levels went up due to increased sales of high VOC products such as paints and white spirit.

#### **CASE STUDY**

#### **TAKE BACK SCHEMES**

In the summer B&Q piloted a gardening hand tool take back scheme in six Bristol stores. Donated tools were refurbished and donated to local community groups and schools. Customers received a £10 off garden hand tools voucher to spend in store.

B&Q also partnered up with British Heart Foundation and ran a textile take back scheme in October. Customers who brought back curtains and cushions received a 15% discount voucher to spend on any Colours branded product. B&Q was able to highlight its textile product offer, and British Heart Foundation was able to publicise its need for donated textiles.

In November customers could exchange old Christmas lights for a voucher, to encourage customers to replace them with more energy efficient LED lights. B&Q recycled the collected lights.

Over 90% of participating stores said they would be happy to participate in another take back scheme. These were useful learning projects for B&Q and informed the internal dialogue on how best B&Q can support customer take back.





PLANS FOR



Continue to systematically improve product sustainability via Range Sustainability Ratings



Start the lean and green supply chain programme



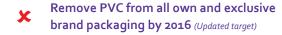
Capture details on chemical product ingredients to ensure compliance with REACH legislation

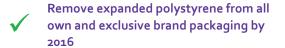


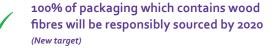
# SUSTAINABLE PACKAGING

ensuring packaging is fit for purpose, made from renewable or waste resources and making it easy for packaging to be reused or recycled

#### PERFORMANCE AGAINST TARGETS







100% of packaging will be fully recyclable by 2020 (Updated target)



#### RECYCLABLE PACKAGING

It is exciting to be able to report that during 2013 B&Q developed a new packaging solution for bedding plants (see case study on page 22), thereby replacing the difficult to recycle expanded polystyrene (EPS) trays from most bedding plant packaging. Work continues to eliminate EPS and from remaining product lines, such as large and/or fragile items.

B&Q, WRAP and local authorities from across the UK were involved in a project with the Metal Packaging Manufacturers Association to obtain 'On-Pack Recycling Label' recognition for metal paint cans. The cans can now officially carry the 'Widely Recycled at Local Council Recycling Centres' label. Selected B&Q stores highlighted local recycling points and paint disposal methods. For more information search for metal paint can recycling on **YouTube**. Work is underway to develop solutions for home delivery transit packaging which are easily recyclable at end of life.

#### DATA COLLECTION

Historically B&Q has experienced difficulties in collecting robust packaging data. However, a new packaging data collection partner is now in place and initial vendor response rates of around 30% have been achieved. B&Q will continue its data collection programme in 2014.

#### **OPTIMISATION**

A packaging optimisation programme will be launched in 2014. The first products to go through the programme will be indoor and outdoor lighting, door furniture, shower fittings and bathroom accessories. Packaging optimisation will reduce B&Q's environmental impacts by delivering transport savings and a reduction in packaging material use. As part of the programme B&Q will also consolidate the number of packaging suppliers and move towards an approved vendor base to increase supply chain visibility.

#### **CASE STUDY**

#### TACKLING TIMBER IN TRANSIT PACKAGING

Some of B&Q's fitted kitchen components, such as the curved kitchen door, were supplied in rigid packaging made of chipboard. Once the products had been unpacked for distribution to customers after import, cost prohibited return of the chipboard to the supplier in Italy for reuse. B&Q would send the chipboard to an energy recovery plant and was therefore seeking an alternative recyclable packaging solution. The suppliers developed innovative corrugated cardboard packaging in partnership with B&Q's logistics

partner. After use, the cardboard is baled, sent to a paper mill, and recycled. The packaging is now used at distribution centres and stores.

Approximately 250 tonnes of waste chipboard per year has been eliminated from the supply chain and savings from eliminated chipboard, associated handling costs and revenue from recyclate are expected to come to almost £50,000 per year.





**PLANS FOR** 



Optimise packaging on five main product ranges



Focus on develop a process to verify certification claims of packaging containing wood fibres



# **SUSTAINABLE WATER**

using water more efficiently in buildings and in the products we buy, tackling local flooding and water course pollution



### **PERFORMANCE AGAINST TARGETS**



10% reduction in water use per m² by 2014 (against 2007 baseline) (Updated target)

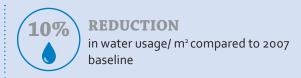
#### REDUCING CONSUMPTION

The main focus this year has been on the installation of water meters. Tracking consumption in more detail allows B&Q to respond quickly to usage spikes. Any abnormalities get reported to external partner Waterscan, who will visit the store in question and resolve any issues. This year two major leaks were detected and fixed. In addition, store employees play an important role. Training and advice on watering techniques is provided through a variety of channels.

#### **RAINWATER HARVESTING**

A 700-litre rainwater tank was retrofitted in the Belvedere store. Although using rainwater is a great way to reduce potable water use, B&Q finds that the tanks are not usually large enough to store sufficient rainwater to last through dry periods. As an alternative B&Q will be looking into the possibility of harvesting rainwater captured in car park attenuation tanks. These tanks are designed to capture surface water runoff.





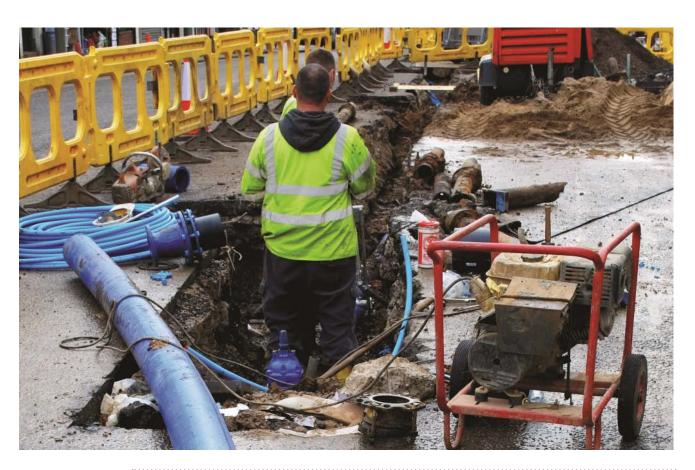


**1,324 m**<sup>3</sup> rainwater harvested at B&Q head office (EQUAL TO 331,000 TOILET FLUSHES)

### **CASE STUDY**

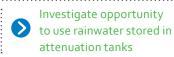
# WATER CONSUMPTION MONITORING PAYS OFF AT CANTERBURY STORE

As part of B&Q's programme with Waterscan on monitoring water use and identifying consumption hotspots, a high water usage was noted at the Canterbury store. The onsite inspection proved that the store itself was operating efficiently but the main underground supply from the revenue meter was leaking and needed to be repaired. This pipework is B&Q's responsibility so a repair crew attended quickly. On breaking ground it was clear that the whole supply was in poor condition so 130 meters of pipework was relaid to secure the supply for the foreseeable future. The leak had wasted over 9,000m³ of water over a 16 month period. The repairs undertaken returned the store to normal operating levels of just over 1m³ per day.



PLANS FOR 2014









# **NATURAL HABITATS & WILDLIFE**

protecting and restoring existing biodiversity and natural habitats through appropriate land use and integration into the built environment

#### PERFORMANCE AGAINST TARGETS

#### **FORESTRY**



All timber and paper bought for sale and use in our operations, publications and products will be compliant with the B&Q timber policy by 2020 (Updated target)



Ensure that none of our products are sourced from materials that are linked to deforestation by 2020 (New target)

#### PEAT

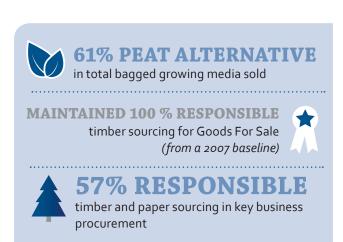


Eliminate peat bought for sale and use in our operations ahead of the government 2020 deadline (New target)

#### LOCAL BIODIVERSITY



Enhance biodiversity on all new-build projects, major refurbishments and existing stores by 2020 (New target)



out of B&Q's 40,000 products contain wood



### **PEAT SUBSTITUTION**

Peat is mainly used in growing media. Extraction of peat has environmental consequences as peatlands are important for carbon storage, biodiversity and flood risk management. B&Q sold 707 million m³ of growing media in 2013 and has been working on substitution of peat since 1991. Overall peat alternative content has improved from 57% in 2009 to 62% in 2012/13. In 2013/14 however, the dilution rate went back down to 61%. A major factor was a decline in sales of Verve peat-free compost due to the product not performing as well as B&Q had hoped. B&Q decided to withdraw the product and work on a new formulation. Soil scientists are now carrying out in-house growing trials. The new Verve peat free product was launched in March 2014. As well as working on specific products, B&Q works with all growing media suppliers to agree individual peat dilution targets. Work on substituting peat contained in soil sold with plants continues and the launch of EasyGrow<sup>TM</sup>(see case study) is a major step in the right direction.



FOREST FRIENDLY

B&Q continues to ensure that all timber in products for sale is sourced responsibly. In addition, the company is working to ensure 100% responsible paper sourcing. Forest Stewardship Council (FSC) certified decorating sandpaper was launched by B&Q in December 2013. This is a real achievement for B&Q as it has been working with suppliers to achieve certification since 2010. Responsibly sourced sandpaper for power tools and paper used in plasterboard is now under development.

The future provision of responsibly sourced timber is an important issue for B&Q. Shifting global markets is likely to make it harder to source timber and in response B&Q and Kingfisher will be developing a strategic sourcing strategy. Closer to home, UK woodlands are a part of this puzzle. B&Q, BioReginoal and the Sylva Foundation started the Good Woods project to promote the benefits of woodland management (see case study). This year B&Q's responsibly sourced timber target has been extended to also include Goods Not For Resale. Paper used in brochures accounts for the largest volume of timber used and is all PEFC certified. However, BioRegional would recommend that the relevant certification logo is displayed on all publications. Other areas where timber is used include store displays (see case study), stationary and store construction. B&Q will continue work on these areas.

**DEFORESTATION** 

In addition to timber, B&Q is starting to look into other products with potential deforestation issues. In 2013, the focus was on establishing countries of origin for products containing leather. Six products are sourced from a country with potential deforestation issues and and these will be investigated in more detail.

Another area B&Q will be looking into is palm oil which is contained in products such as greases and oils.

BioRegional also recommends that mined metals are explored from both an environmental impact and ethical standpoint as they are a key component of many products.

# **PLANS FOR**

2014

- Peat-free growing trials and launch of new
- Carry out timber spot checks and testing to verify species and claims
- Continue work on other deforestation issues such as palm oil and cotton



# **NATURAL HABITATS & WILDLIFE**

**CASE STUDIES** 







#### FASVGROW

- 95% peat-free compost
- Tray 25% less material and made from 100% recycled material
- Tray full recyclable

B&Q developed an innovative new bedding plant product, Easygrow, following a grower's summit on sustainability. It uses a compostable coir pith growing medium, which is a by-product of coconut-based food and fibre production. This is currently underutilised and would otherwise be a waste product. Unlike palm oil, there is no evidence that the area under coconut cultivation is expanding so there are no land-use change issues.

Coir is transported from Sri Lanka to the UK by sea which is a relatively carbon efficient transportation method per tonne kilometre. The impact is further reduced by compressing the coir before dispatch. The blocks of coir pith are encased in PLA (polylactide), a fully compostable fabric derived from corn starch. Substitution of the traditional expanded polystyrene (EPS) tray was driven by targets set at the beginning of the One Planet Home programme to eventually remove EPS from all packaging. Before Easygrow, B&Q mainly sold bedding plants grown in peat-based composts. When peat is extracted carbon is released into the atmosphere. Peat bogs store about five times as much carbon per unit area as a tropical rainforest, and provide a valuable ecosystem. The substitution with coir pith in 90% of the bedding plant ranges represents a major step towards becoming peat-free. To find out more go to diy.com/easygrowfilm

### **B&Q BEE FRIENDLY CAMPAIGN**

Research has shown a 30% drop in bee colonies in Europe due to a number of potential causes including pollution, habitat loss and use of certain pesticides. B&Q was the first retailer in the UK to remove pesticides containing imidacloprid from its shelves, a move that prompted others in the market and across the Kingfisher Group to follow suit. It also worked with its supply chain to understand where neonicitinoids were used and where this could be stopped. In the Spring, B&Q launched the B&Q Bee Friendly Campaign. It also signed up to Friends of the Earth's 'Bee Cause' campaign, supporting the call for a National Bee Action Plan. B&Q has a range of bee friendly plants, easily identifiable by customers thanks to their RHS Perfect for Pollinators label.

#### **GOOD WOODS**

Good Woods is a groundbreaking joint initiative between B&Q, BioRegional and forestry charity The Sylva Foundation. Working with 28 individuals and organisations including Wildlife Trusts, the Good Woods team supported owners, managers and community groups in improving the condition of their woodlands across the South East and East of England. As a result:

- 10,900 hectares of unmanaged woodland now has a sustainable management vision
- > 300 woodland owners have received a Woodland Star Rating, assessing the ecosystem service benefits of woodlands to wider society
- 20 community groups have received training in woodland management
- > 1,000 woodland owners have received a Woodlands producer pack to help them assess their woodland for the full range of forestry products







# **CULTURE AND COMMUNITY**

nurturing a culture of sustainability, community and sense of place

#### PERFORMANCE AGAINST TARGETS



Support community projects that support Better Homes Better Lives (New target)



Support our nominated charities generating total charitable donations of £1 million per annum by 2016



37,000

children attended Kids Can Do It classes

Cash donated to nominated charities:

£750,000



### **DIY SKILLS**

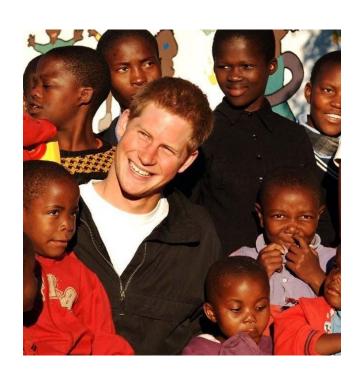
B&Q's business model is built around customers doing home improvement and many projects can have strong sustainability benefits. Doing it yourself requires skills and B&Q believe that it is important to support people to learn practical skills. Over 37,000 children attended B&Q's Kids Can Do It classes in 2013 and together with a qualified instructor they made butterfly houses, wheelbarrow planters, nest boxes and many more items. There are currently 54 stores offering the classes. B&Q also offers free classes to local schools and scout groups. Scouts can earn a DIY badge by learning different skills such as wiring plugs and repairing leaking taps.

#### **EMPOWERING COMMUNITIES**

With 360 stores nationwide, B&Q is a part of many communities and the company is committed to making a positive contribution. Streetclub.co.uk was launched by B&Q back in 2010 to help communities reconnect. It is a website where people can set up a group and invite neighbours to join. Many groups use the platform to organise gatherings and projects, share and swop items and news. The website now has over 3,500 members.



In addition to Streetclub, every B&Q store is connected to at least one community project, mainly Scout groups and local schools. Stores provide support by donating products and reusable waste items such as timber and paint (see also the zero waste case study on page 11) as well as donating staff time. For example, team members from B&Q Slough attended a meeting of their local Scout group and helped Cubs make 25 hedgehog houses.



**CASE STUDY** 

#### SUPPORTING COMMUNITIES IN THE UK AND ABROAD

#### Sentebale

B&Q partnered with Sentebale, a charity set up by Prince
Harry and Prince Seeiso of Lesotho in memory of their
mothers. They created a garden for the 2013 Chelsea Flower
Show – the "B&Q Sentebale Forget-Me-Not Garden".

Sentebale provides healthcare and education to children in
Lesotho. As well as funding the garden, B&Q helped raise
money for Sentebale by creating a limited edition plant
range, with 20% of sales going directly to the charity.

#### Scouts

Scout Community Week is the Scouts biggest fundraising and awareness event of the year. Groups around the UK sign up to do good deeds as part of the 'Do1Thing' initiative. The week has been sponsored by B&Q for several years. B&Q's support enables groups to benefit from resources and support from their local store. The Ashton Under Lyne store, for example, decided to help Scouts brighten up a local nursing home. Two Scout groups and B&Q staff fundraised in store, created the hanging baskets and delivered them to the nursing home.

### **CHARITABLE DONATIONS**

B&Q's main charity partners are BBC Children in Need and the Ellen MacArtur Foundation. In 2013/14 B&Q donated a total of £750,000 to its main partners and other causes, such as the Sentebale Trust. In addition, funds are also raised through store and head office fundraising as well as payroll giving for a number of other national and international charities.





Support BBC Children in Need by raising £1 million



Support the Royal British Legion's WWI Centenary campaign by raising £50 000



# **EQUITY AND FAIR TRADE**

creating economies that support fair employment, inclusive communities and international fair trade







### PERFORMANCE AGAINST TARGETS

- Improve supply chain transparency by ensuring all tier 1 and tier 2 suppliers have provided environmental and ethical data to B&Q by 2016 (Updated target)
- X All domestic suppliers to have participated in One Planet Home training by 2016 (Updated target)
- Ensure all direct suppliers, across our buying categories (Goods for Sale) and own operations (Goods Not For Resale) exceed our minimum standards for ethical and environmental standards by 2020

### LABOUR STANDARDS

B&Q continues to use the Sedex (Supplier Ethical Data Exchange) platform to collect and review supplier data on labour standards, health and safety and the environment. Multiple retailers use this data sharing platform aimed at reducing reporting demands on suppliers. B&Q requires new suppliers to sign up to Sedex and provide details on their supply chain as part of the vendor approval process. B&Q continues work with existing suppliers to increase supply chain transparency. B&Q also uses audits to better understand the standards of working conditions in its supply chain. These audits are carried out by accredited third parties. In 2014, this audit programme will be expanded to ensure all direct suppliers are audited at least once every three years. In addition to the audits, corrective action plans will be developed which are important in helping to resolve any issues. For the last few years, there

### **OWN AND EXCLUSIVE BRAND TIER 1 SUPPLIERS**

79%

inked to B&O on Sedex

**47%** 

received an onsite or desktop assessment in the past three years

**31%** 

exceeded minimum standard

has been a strong emphasis on improving supply chain transparency. However, there is insufficient evidence that the data submitted by suppliers regarding working conditions is scrutinised or referenced as part of the purchasing process. BioRegional would like to see clearer, more stringent efforts to drive improvements in working conditions as part of the buying process to ensure that poor practices are addressed quickly. Suppliers should be given a clear signal that B&Q will not commit to purchasing until action is taken to address any malpractice.

#### **BUYER AND SUPPLIER ENGAGEMENT**

The 72 Range Sustainability Ratings (RSR) have given B&Q's ethical trade manager a great opportunity to give one-on-one buyer training on ethical trade issues. In each RSR all category vendors have been listed alongside their assessment scores and Sedex status. Due to the relationships that exist between buyers and suppliers, ensuring that they are involved in the conversation around supply chain standards will be another key step towards driving improvements. No webinars were provided in 2013 and B&Q is currently considering how best to deliver the supplier training programme going forwards. It is important that B&Q establishes an engagement

programme to ensure that commercial practices are not linked to poor working conditions.

# MINING AND QUARRYING

Two product categories with high risk supply chains are mining (minerals and metals) and stone. B&Q is a member of the TFT Responsible Store Program, which works with quarry owners to improve ethical and environmental standards. B&Q's main stone suppliers are members of the programme and new suppliers are encouraged to sign up.

In addition to the stone quarrying programme, it is also recommended that B&Q also investigates the metal and mineral supply chains in more detail to ensure no controversial practices occur.

PLANS FOR



Expand the direct supplier audit programme



Continue to increase supply chain transparency through the Sedex platform

#### CASE STUDY

# EASYGROW™ ETHICAL CONSIDERATIONS

Alongside the EasyGrow product development B&Q also made sure the supply chain of both product and packaging are fully compliant with B&Q's standards.

George Padelopoulos, B&Q ethical trading manager said: "The introduction of EasyGrow, incorporating a coir-based growing medium, was preceded by a series of actions including a third party audit of the coir supplier in Sri Lanka. We also audited sites upstream and will continue to do so. Stringent site audits are particularly important when new suppliers and products are introduced".

EasyGrow has also generated some positive social benefits for local Sri Lankan communities near the coir production facilities. The B&Q coir supplier confirmed 750 new local jobs had been created and that both they and B&Q are working with the community to develop local schools and infrastructure. Further details on page 22 and diy.com/easygrowfilm



# **EMPLOYEE ENGAGEMENT**

ensuring everyone is involved in business decisions, have opportunities to develop and promoting good health and wellbeing

3.96

overall
employee
engagement
score
(3.80 previous year)



**80%** of employees participated in engagement survey

staff completed revamped OPH e-learning module

#### PERFORMANCE AGAINST TARGETS



Maintain/ improve participation in employee engagement survey and in engagement levels (minimum target of 4.15 and 80% participation)



Integrate sustainability into the performance management systems of all relevant employees by 2020 (New target)



Achieve a 20% reduction in employee lost time accident rate by 2020 (over three days lost time from a 2010/11 baseline) (New target)

### **EMPLOYEE ENGAGEMENT**

This year there has been a focus on employee engagement and consequently the survey results have improved compared to last year. Going forward BioRegional is hoping to see further progress in this area.

#### ONE PLANET HOME®

B&Q employs over 29,000 members of staff and engaging them in the One Planet Home programme is a vital part of making the programme successful. In previous years the company has trialled various engagement methods such as the One Planet Home Times internal newsletter, competitions and eco champions. In 2014, completing the 72 Range Sustainability Ratings proved a great way

to involve buyers in the programme. In addition, several One Planet Home screensavers were developed for use on store computers.

# SUSTAINABILITY IN PERFORMANCE MANAGEMENT SYSTEMS

Implementation of sustainability requirements is taking place in a number of ways. The One Planet Home leaders group, for example, is a collection of staff who each have responsibility for delivering a core principle of the sustainability plan. These stream leads all have sustainability objectives and the group meets regularly to review progress against core metrics. Store managers also play in important role in managing energy and waste

disposal costs. Specific targets on energy and waste are included in their profit and loss and therefore are integrated in the store managers' performance reviews. B&Q's buyers are all required to buy products according to the signed off sustainable buying standards. The social responsibility team is dedicated to delivery of the overall plan and in addition, there is a Board member with assigned responsibility for sustainability.



### **TRAINING**

B&Q no longer offers the external learning that was delivered as part of the Apprenticeship programme and the number of hours spent delivering formal learning has therefore decreased from 160,000 hours in 2012/13 to 95,000 hours in 2013/14. Instead of formal training B&Q is now moving towards a more informal and interactive learning programme. Bite-size e-learning modules, workbooks and information sheets are part of the programme. This enables employees to easily access information and learn whilst at work.

#### ONE PLANET HOME E-LEARNING MODULE

**CASE STUDIES** 

60% of staff completed the revamped e-learning module in 2013. Matt Sexton, Director of Corporate Social Responsibility at B&Q gives an introduction and guides staff through the module. The first module contains an introduction to the One Planet Home programme and B&Q's highlights since the programme started. Module two, Our Home, talks about targets and achievements under each of the ten One Planet Home principles. The last module, Your Home, talks about B&Q's work behind the scenes on packaging and ensuring product suppliers have high ethical and environmental standards and gives examples of the products B&Q sells to help customers create sustainable homes.

### RETAIL MANAGEMENT GRADUATE PROGRAMME

Adam Butler is one of three graduates who joined the Retail Management Graduate Programme in 2013. The two year programme will fast-track him to a store management role. Adam has worked in retail since he was 16, continuing to work during university. Adam said the best thing about his experience so far has been the fast pace of progression enabled by the programme. He has had exposure at the top levels of the business, first spending a few months at head office and then being placed in a store manager role at the Sheffield B&Q store. Adam said "B&Q didn't put us in cotton wool – I've been challenged right from the beginning and had to learn from my mistakes".

PLANS FOR







# **YOUR HOME**

This section talks about Your Home – how B&Q's products and services are helping customers to create their own One Planet Homes. BioRegional accredits all the products and services in the One Planet Home range. The accreditation process makes sure every One Planet Home product is in line with the six principles and made by suppliers who are working to reduce their own impact.





A lot of chemicals, like volatile organic compounds (VOCs) are found in paint and cleaning products. B&Q is working to reduce the chemicals in its products to help customers create healthy homes.

# **SAVING WATER**

With changing climates, rainfall is becoming more irregular. B&Q is developing products that help customers cut the water they use and save what falls on their roofs and gardens.

### **GROW YOUR OWN**

Home-grown food goes from plant to plate without any waste from packaging or carbon emissions from food miles. By helping customers to grow their own food, they also have control over what chemicals go into their food.

### **REUSE AND RECYCLE**

A One Planet Home uses resources wisely. B&Q is developing reusable, recyclable and recycled products to help customers create less waste and send less to landfill.



# **ONE PLANET HOME® PRODUCTS**

B&Q's 4,000 One Planet Home products are amongst the most sustainable and innovative products available on the market. In addition, B&Q sells around 19,000 products with one or more eco credential such as sustainable timber or minimal VOC paint.



A blend of meadow grasses and native, annual wildflowers



Loft stilts enable customers to fit boards over insulation so they can still use their lofts for storage



Decking made from recycled materials, will never need to be treated



The Nest learning thermostat learns the customer's schedule to programme itself and automatically turns down the heat when they are out



Paint with minimal volatile organic compounds (VOC)



Flood barriers, part of the new flood prevention and control range



Reduce your energy bills with Diall LED bulbs, a Which? Best Buy



Clean spirit works just as well as white spirit but is a lot less toxic

#### PERFORMANCE AGAINST TARGETS



To be at the forefront of sustainable product innovation, with 10% of sales from the most innovative eco products and services by 2020 ( $New \ target$ )



To bring eco products into the mainstream by achieving 50% of sales from products and services with eco credentials by 2020 (New target)



Introduce new products to the range that help customers to reduce their ecological footprint by 10% by 2023



Phase out halogen light bulbs by 2016



All relevant own and vendor branded kitchen and bathroom products to carry the water label by 2016



of sales from One Planet Home products and services



27%

of sales from products with eco credentials

### **SAVE ENERGY**

B&Q Energy Saving helps customers deal with rising energy bills and has installed boilers, controls and full heating systems in 5,000 homes. All the latest incentives are available to customers, whether that's the new Green Deal Home Improvement Fund, the Feed in Tariff or the Renewable Heat Incentive. Energy efficient boilers are now featured in the Plumbing & Heating section of over 200 B&Q stores. In 2014 B&Q will join up the infrastructure for kitchens, bedrooms and bathroom installations with B&Q Energy Saving to give customers a better and more joined up service. B&Q is also working with a number of leading consumer brands on a project called 'The Energy Control Partnership', championed by Sir Ian Cheshire. This project, due to be launched in the autumn of 2014, is about big businesses working together to tell the nation about everything they can do to help reduce customers energy consumption and bills.

B&Q has been a sponsor of the Observer Ethical Awards for four years. Together they have launched the Great Energy Race category 'to show the nation just how easy, rewarding (and fun!) it is to save some cash, reduce your footprint and do your bit for the planet'. Nine homeowners from across the UK have been asked to take part in a 1-month challenge to show the judges and the nation their most ingenious, crafty and thrifty ways to save energy in their homes. The winning house gets a renewable energy measure worth up to £10,000. Find out more at: www.energysaving.com/the-greatenergy-race

The LED light bulb range has been expanded over the last year. Work is now also underway to ensure all in-store lighting displays use LED bulbs only. This will help

# **ONE PLANET HOME® PRODUCTS**

further reduce store electricity consumption and has already been successfully trialled in three new stores. The next step will be to tackle bulbs sold with lamps as these are currently still mainly halogen.

#### WATER USING PRODUCTS

Water consumption takes place through a range of indoor and outdoor activities such as toilet flushing, bathing and showering, washing clothes and dishes and watering of plants and gardens. According to Waterwise, toilets use the largest amount of water at around 30% of total household consumption. B&Q stocks a number of products that can help customers reduce water use in the home such as low flush toilets, low flow taps and shower heads, dual flush retrofit kits and other retrofit devices such as aerators and flow regulators, water efficient white goods, drought resistant plants, mulches and rainwater harvesting kits. B&Q was the first major retailer to start using the water label. It helps customers compare the water efficiency of bathroom products. The label is now displayed alongside toilets and baths on the website and in brochures and there are plans to start introducing the label on packaging of ownbrand products. The Bathroom Manufacturers Association will be rolling the currently voluntary scheme out during the next years.

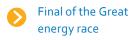
#### **OTHER INITIATIVES**

B&Q continued its partnership with Start. Initiated by the Prince of Wales, the aim of the project is to encourage everyone to enjoy a happy, fulfilling, sustainable lifestyle. In May 2013 B&Q took part in the Be the Start campaign and encouraged customers to create a bee café to provide a habitat and food for bees. Start and B&Q also teamed up to promote B&Q's Streetclub.

PLANS FOR 2014









Duetto toilet and basin: this bathroom set uses water from the basin to flush the toilet

**CASE STUDIES** 



#### GEMSTONE WORKTOP

The innovative 'gemstone' worktop was launched in Autumn 2013 and is composed of an 85% recycled surface, made of recycled glass from bottles, jars, televisions and mirrors bound up in a solvent free resin. This is set around a chipboard core. The worktop was sourced by B&Q to provide customers with an environmental yet hardwearing alternative to the high end granite worktops.

#### KITCHEN CABINET CLICK SYSTEM



The kitchen cabinet click system was introduced as an alternative to the traditional rigid pre-assembled cabinets usually preferred by trade customers for convenience in installation. The new system is flat-packed which reduces the volume to be transported. The system was specially designed for speedy assembly at the customer's home and the process does not require any glues or mechanical fixings.

#### FLOOD PROTECTION PRODUCTS AND PRODUCT GIVEAWAY



During the year, BioRegional completed One Planet Visions, a report which explored the products and services that homes of the future could need. It included a section on climate change. Following the launch of the report, B&Q pledged to help people affected by extreme weather events, providing free advice as well as ensuring flood prevention products were available. The new flood protection range includes self-inflating sacks which create a barrier against surges, door panels, air brick covers, pumps for draining flooded homes and toilet seals which prevent water rising through downstairs toilets.

B&Q stores have also played their part in directly helping people affected. For example the Reading store — once it reopened after itself suffering flooding - handed out 1,500 free sand bags to anyone in the local area that needed them.

# **PERFORMANCE SUMMARY**

TARGETS against 2006/07 baseline unless stated otherwise	PERFORMANCE	SUMMARY
OVERARCHING: TOTAL GHG FOOTPRINT		
2023 target: 90% reduction in absolute CO <sub>2</sub> e emissions	✓	31% reduction in absolute CO <sub>2</sub> e emissions. See below for further details.
ZERO CARBON		
2016 milestone: 20% reduction in emissions from heating fuels	×	10% increase in emissions from heating fuels. In the process of investigating options for onsite biomass heating.
2016 milestone: All new stores to be zero carbon (Updated target date)	×	Four new stores opened this year. Some sustainability features included but not yet zero carbon.
2023 target: All stores to be zero carbon	✓	Investment study into options for offsite renewable energy generation completed. Renewed focus on staff engagement.
ZERO WASTE		
2014 milestone: 90% of operational waste to be reused, composted or recycled	×	72% of waste recycled or composted. Treated timber is still a barrier to the target being achieved but will be a focus in 2014.
2023 target: No more than 2% of 2006 tonnage sent direct to landfill	✓	11% of waste sent direct to landfill, compared to 2006 baseline. Dry mixed recycling was trialled in 2013 and will be rolled out to all store offices, coupled with an engagement programme.
<b>2013/ 2016 target:</b> 90% of construction waste (excluding hazardous waste) will be diverted from landfill by 2013 and 50% will be reused or recycled by 2016 (New target)	*	B&Q Property has been working on improving data collection in cooperation with contractors.
SUSTAINABLE TRANSPORT		
2016 milestone: 20% reduction in absolute business travel emissions (Updated target date)	$\checkmark\checkmark$	26% reduction in business travel emissions. No specific initiatives to report in 2013. Introducing new booking tool in 2014.
2016 milestone: 35% reduction in absolute emissions from business travel and domestic haulage (New target)	✓	30% reduction in overall transport emissions to date. Swindon biomethane fuelling station opened. Container reloading introduced, truck reloading expanded.
2023 target: 50% reduction in absolute emissions from business travel and domestic haulage	✓	Volume optimisation is recognised as a key mechamisn for ahcieving this target. Plans were developed i 2013 with commercial and packaging teams to make improvements which will optimise cube.
SUSTAINABLE MATERIALS		
<b>2016 target:</b> Develop new closed loop supply chains with at least 1 supply chain with closed loop credentials ( <i>New target</i> )	✓	Current product range assessed and work on specific projects, such as ProjectBox was commenced.
2016 target: Work with partners to reduce the chemical impact of products in the home	✓	78.9 gram/litre average VOC in own-brand paint and coating products.
2020 target: Achieve 100% compliance with chemicals policy by removing all chemicals of concern from products (Updated target)	✓	B&Q is focussing on capturing full chemical product make-up data to ensure compliance with REACH legislation.
SUSTAINABLE PACKAGING		
2016 target: Remove PVC from all own and exclusive brand packaging (Updated target)	×	No specific initiatives to remove PVC took place in 2013.
2016 target: Remove expanded polystyrene all own and exclusive brand packaging (Updated target)		Easygrow™ launched, replacing expanded polystyrene packaging with a recyclable tray.

2020 target: 100% of packaging which contains wood fibres will be responsibly sourced (New target)	$\checkmark$	Work underway to collect more accurate packaging data and verify origin of wood fibres.
2020 target: All packaging will be fully recyclable	✓	B&Q was involved in a Metal Packaging Manufacturers Association project resulting in a 'Widely Recycled at Local Council Recycling Centres' label for metal paint cans.
SUSTAINABLE WATER		
<b>2014 target:</b> 10% reduction in water consumption per m² (against 2007 baseline) ( <i>Updated target</i> )	✓	10% reduction in water consumption. Installation of water metres continued. Consumption monitored so usage spikes can be dealt with quickly. Investigating a low cost rainwater harvesting storage capacity
NATURAL HABITATS AND WILDLIFE		
<b>2020 forests target:</b> All timber and paper bought for sale and use in our operations, publications and products will be compliant with the B&Q timber policy ( <i>Updated target</i> )	✓	Maintained 100% responsible goods for sale timber sourcing. Work continues on power tool sandpaper and plasterboard backing paper and goods not for resale.
2020 forests target: Ensure that none of our products are sourced from materials that are linked to deforestation (New target)	✓	Countries of origin identified for leather products , six products to be investigated in more detail in 2014.  Palm oil and cotton will be investigated in 2014.
2020 peat target: Eliminate peat bought for sales and use in our operations ahead of the government 2020 deadline (New target)	✓	61% peat alternative in bagged growing media. Peat replaced with coir in 90% of bedding plants. New Verve peat free product launched in 2014.
2020 local biodiversity target: Enhance biodiversity on all new-build projects, major refurbishments and existing stores (New target)	*	A biodiversity action plan was completed for the Methyr Tydfill store which is due to be opened in 2014 However, not all recommended actions will be completed due to cost implications.
CULTURE AND COMMUNITY		
2020 target: Support community projects that support Better Homes Better Lives (New target)	✓	81 projects this year, 119 in total since 2012. Supporting Scouts, schools and other local groups. Target number of projects by 2020 to be confirmed.
2016 target: Support our nominated charities generating total charitable donations of $\pounds$ 1 million per annum by 2016	$\checkmark$	Over £750,000 donated to nominated charities.
2020 target: Give practical skills to 2 million young people (from a 2012 baseline) (New target)	✓	Over 37,000 children attended Kids Can Do It classes and learning valuable practical skills. In addition B&Q facilitated 1,900 projects during Scout Week.
EQUITY AND FAIR TRADE		
2016 target: Improve supply chain transparency by ensuring all tier 1 and tier 2 suppliers have provided environmental and ethical data to B&Q by 2016 (Updated target)	✓	79% of own-brand and exclusive brand suppliers linked to B&Q on the Sedex platform.
<b>2016 target:</b> All domestic suppliers to have participated in One Planet Home training ( <i>Updated target</i> )	×	No training took place this year and B&Q is considering how best to deliver this programme going forward.
2020 target: Ensure all direct suppliers, across our buying categories (Goods for Sale) and own operations (Goods Not For Resale) exceed our minimum standards for ethical and environmental standards	×	31% own and exclusive brand suppliers exceeded minimum standard, however a more comprehensive programme of supplier enagement is planned for 2014/15 which should put this target back on track.
EMPLOYEE ENGAGEMENT		
Ongoing target: Maintain/improve participation in employee engagement survey and in engagement levels (minimum target of 4.15 and 80% participation)	×	80% of employees participated in the survey. Overall score 3.96. B&Q is no longer tracking employee's perceptions of whether B&Q is working to reduce its impact on the environment.
2020 target: Integrate sustainability into the performance management systems of all relevant employees (New target)	✓	Store managers and buyers have sustainability measurements included in their performance management systems. This will be improved and expanded over the coming years.

2020 target: Achieve a 20% reduction in employee lost time accident rate (over three days lost time from a 2010/11 baseline)	√√	58% reduction in employee lost time accident rate for major and over three-day lost time.
ONE PLANET HOME® PRODUCTS		
2020 target: To be at the forefront of sustainable product innovation, with 10% of sales from the most innovative eco products and services (New target)	✓	6% of sales from One Planet Home products and services. Gemstone worktops and Easygrow™ amongst products added to the range.
2020 target: To bring eco products into the mainstream by achieving 50% of sales from products and services with eco credentials (New target)	✓	27% of sales from products with eco credentials with detailed plan developed for how the target could be achieved.
2023 target: Introduce new products to the range that help customers to reduce their ecological footprint by 10%	✓	Several new products introduced. 72 range sustainability ratings completed, suggesting new products that will help customers reduce their footprint.
2016 target: Phase out halogen light bulbs (New target)	<b>√</b>	LED range expanded. Work underway to convert all in-store lighting displays to LED.

# **ABOUT THIS REPORT**

#### REPORTING PERIOD

This report covers B&Q's financial year which ran from 1 February 2013 to 31 January 2014.

#### REPORTING GUIDELINES

This report has been written in accordance with Defra's environmental reporting guidelines. Greenhouse gas emissions have been calculated in line with the 'UK Government conversion factors for company reporting' 2013.

#### **DATA REPORTING**

BioRegional reviewed B&Q's reporting boundaries and concluded that offices and installation centres (ICs) should also be included as these facilities are directly controlled by B&Q. From this annual review onwards offices and ICs will be included in the main targets. B&Q's sustainability data has been verified by BioRegional. In addition, some data has been audited by B&Q's internal audit team. As part of the Kingfisher Net Positive annual review some data has also been assured by a third party auditor. Please read the Net Positive report for more details. Please see the data appendix for the full data set and further information.

#### **TARGETS**

All targets and performance are against a 2006/07 baseline, unless stated otherwise. A target review took place this year and B&Q's One Planet Home programme adopted some of Kignfisher's Net Positive targets. Most interim targets or milestones were aligned with Kingfisher's interim target date of 2016.

#### **GOVERNANCE**

The One Planet Home programme is governed up to B&Q Board level where there is a representative for corporate social responsibility. Progress on a number of key environmental performance indicators is reported to the Board on a monthly basis. In addition, B&Q's CEO has an annual personal objective linked to the One Planet Home programme and this is linked to bonus payments. B&Q's sustainable business team drives the programme forward, drawing on support and expertise from across the business. Ten One Planet Home principle leads in the Store Support Office assist in implementing the programme. The sustainability team and principle leads meet on a six-weekly basis to discuss progress and develop strategies further.



### **ABOUT B&Q**

B&Q is the largest home improvement and garden centre retailer in the UK with 360 stores employing around 30,000 people nationwide, more than a quarter of whom are over 50 years of age.

B&Q has a long heritage of social responsibility and environmental awareness. Its environmental achievements include developing a timber policy in 1991, being a founding FSC member in 1993 and developing a policy to reduce and eliminate the use of peat. B&Q was also the first retailer to introduce a VOC labelling system on all paint in 1995, now an industry standard, and the first to offer affordable, renewable energy micro generation systems to the domestic market in 2006.

B&Q is part of Kingfisher plc, the world's third largest home improvement retailer with 1,120 stores in nine countries in Europe and Asia.

In 2014 Kingfisher and its operating companies joined the United Nations Global Compact.

For more information about B&Q's One Planet Home programme please go to www.diy.com/eco

For more information about Kingfisher's Net Positive programme, please see www.kingfisher.com/netpositive



#### ABOUT BIOREGIONAL

BioRegional champions a better, more

sustainable way to live. We work with partners to create better places for people to live, work and do business. Perhaps best known for being the charity behind the UK's first eco-village, BedZED in south London, we now work with pioneering businesses around the world, from B&Q in the UK to US property developers Asani and China Merchants Property Development in China.

Our ambition is simple. We want our practical projects to inspire people to live happy, healthy lives within the natural limits of the planet, leaving space for wildlife and wilderness. We call this One Planet Living.

BioRegional developed the One Planet Living sustainability framework underpinned by ten principles covering areas such as health and happiness, carbon and transport, to deliver One Planet Living. Globally, we're consuming natural resources and generating waste and pollution at far too high a rate for our one planet to cope with. If everyone lived like the average European we'd need three planets to support us; if we all lived like the average North American we would need five planets! Yet, worldwide, more than a billion people are getting far less than a fair share of the planet's resources and their basic needs are not being met. This is why we need One Planet Living.

For more information about BioRegional please go to www.bioregional.com



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BedZED Centre, 24 Helios Road, Wallington, Surrey SM6 7BZ. Registered charity no. 1041486 www.bioregional.com