

# One Planet Home<sup>®</sup> at B&Q Progress against targets in 2011

Forest Friendly  
is Home Friendly

Gorillas' survival is threatened due to deforestation which destroys their homes - partly to provide tropical hardwoods to furnish our homes

Should we destroy animals' homes to furnish ours?

**B&Q** start  
being Forest Friendly

When will sustainable timber to furnish our homes run out?



**BioRegional**

solutions for sustainability

## Performance against targets

This report gives an overview of headline targets, progress made in 2011 and indicates whether B&Q is on track to meet the targets and plans. Appendix 3 contains the full list of targets and ambitions and a summary of this annual review.

| <b>Key to performance against targets</b>   |   |
|---|---|
|    | Target exceeded or on track to be met ahead of deadline |
|    | Target met or on track                                  |
|  | Target not met or off track                             |

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“ Staff across B&Q continue to demonstrate their commitment to achieving the One Planet Home targets ”

Sue Riddlestone  
Executive Director of BioRegional

# Message from Sue Riddlestone

**Executive Director and co-founder of BioRegional**

Since establishing the One Planet Home programme in 2007, B&Q has been on a journey to become a world leader in sustainable home improvement. Staff across B&Q continue to demonstrate their commitment to achieving the One Planet Home targets whether that's through increasing the amount of waste diverted from landfill, achieving board level support and investment in a number of carbon saving initiatives or ensuring that all staff have an opportunity to engage in the programme.

One of B&Q's showcase projects this year is the EcoHouse, where an extensive retrofit resulted in the carbon emissions of the house being cut by 68%. B&Q has great potential to help customers reduce the impacts of their home through the services and products it offers. Through ongoing commitment to reducing the environmental impacts of products for example responsible timber sourcing, peat and VOC reduction, B&Q is presenting itself as a trusted brand in the marketplace and can reassure its consumers that increasingly, sustainability is a given, not a choice.

With over 400 direct suppliers, B&Q has the potential to drive improvements up the supply chain and we are pleased to see increasing engagement with suppliers as part of One Planet Home. Programmes are also underway to help commercial teams create the most sustainable product ranges.

Whilst at times the path to a sustainable future can seem never-ending, by showcasing the progress of One Planet Partners like B&Q, we hope others feel inspired to turn the risks of resource scarcity and environmental decline into an opportunity to create a sustainable future that's attractive and affordable for all.



**Sue Riddlestone**

Executive Director of BioRegional,  
Co-founder of the One Planet Living initiative

# B&Q's carbon footprint

B&Q's long term target is to reduce its absolute CO<sub>2</sub> emissions by 90% by 2023 (against 2006 emissions). Figure 1 illustrates the activities that make up B&Q's carbon footprint and how this has changed compared to the 2006 baseline. By the end of 2011, B&Q had achieved an absolute reduction of 29%.

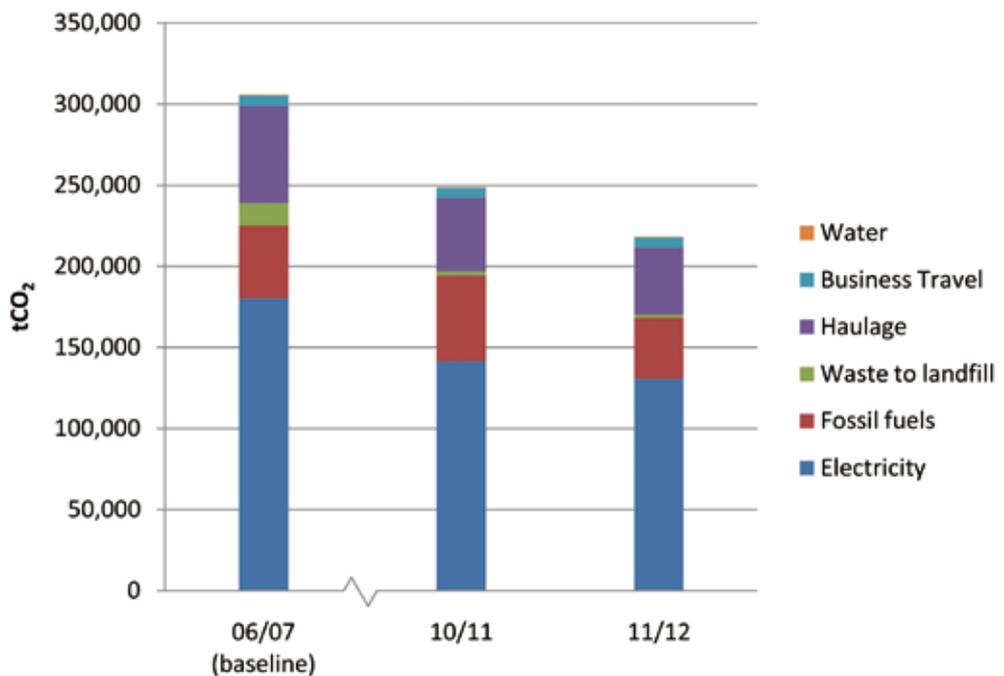


Figure 1: B&Q's carbon footprint

*Carbon dioxide footprint has been calculated using Defra's Guide To Company Reporting 2010. All figures are expressed in tCO<sub>2</sub> in line with previous reporting however conversion factor for water is tCO<sub>2</sub>eq. as CO<sub>2</sub> alone is not included in the DEFRA guidance.*

For a breakdown of Scope 1, 2 and 3 emissions and the carbon footprint reporting boundary please refer to Appendix 1, along with details of the impacts of offices and distribution centres in Appendix 2.

# Summary of progress

By reducing its total CO<sub>2</sub> emissions by 29% by the end of 2011, B&Q has exceeded its interim overall carbon reduction target of 20% by 2012. This has been achieved through the following:

- ▶ 25% reduction in CO<sub>2</sub> from store energy use
- ▶ 86% reduction in CO<sub>2</sub> from waste to landfill (and a 76% recycling rate)
- ▶ 28% reduction in CO<sub>2</sub> from haulage and business travel

Other successes include:

- ▶ VOC content of own-brand paint and coating products reduced from 85 grams per litre in 2008 to 68 grams per litre in 2011. B&Q introduced Clean Spirit, a non-toxic, water-based and solvent free alternative to white spirit.
- ▶ Reusable kitchen packaging saved a total of 2,344 tonnes of cardboard in 2011 and reusable packaging for solar panels and white goods is in development.
- ▶ There are now 27 possible waste streams available to stores, ensuring that B&Q can maximise recycling opportunities.
- ▶ Over 18,300 City & Guild qualifications have been obtained by employees since 2009 and 192 eco advisors have obtained a City & Guilds qualification in Eco Studies.

## Awards

This year B&Q's sustainability efforts were recognised by Retail Week as it was named Responsible Retailer of the Year in March 2012. B&Q was also placed 18th out of 60 companies in the Sunday Times Green List, released in May 2011 – the second highest retailer in the rankings.

## Focus stores

In 2011 B&Q acquired 31 Focus stores and 29 stores were re-opened for business in the same year with the first ones opening in September. The last two stores will be re-opened in 2012. These stores already benefit from B&Q's waste segregation systems and as part of the retrofit programme for the existing estate, B&Q is looking to improve the energy efficiency of the new stores over the next few years.

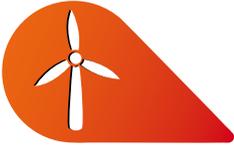


# Our home

This section talks about Our Home – B&Q’s own operations and supply chain. B&Q’s One Planet Home Action Plan is underpinned by the ten One Planet Living principles.

## *The ten One Planet Home® principles used by B&Q*

|                                      |   |
|--------------------------------------|---|
| <b>Zero carbon</b>                   | making buildings more energy efficient and delivering all energy with renewable technologies  |
| <b>Zero waste</b>                    | reducing waste, reusing where possible, and ultimately sending zero waste to landfill   |
| <b>Sustainable transport</b>         | encouraging low carbon modes of transport to reduce emissions, reducing the need to travel  |
| <b>Sustainable materials</b>         | using sustainable and healthy products, such as those with low embodied energy, sourced locally, made from renewable or waste resources     |
| <b>Sustainable packaging</b>         | ensuring packaging is fit for purpose, made from renewable or waste resources and making it easy for packaging to be reused or recycled     |
| <b>Sustainable water</b>             | using water more efficiently in buildings and in the products we buy, tackling local flooding and water course pollution                    |
| <b>Natural habitats and wildlife</b> | protecting and restoring existing biodiversity and natural habitats through appropriate land use and integration into the built environment |
| <b>Culture and community</b>         | nurturing a culture of sustainability, community and sense of place   |
| <b>Equity and fair trade</b>         | creating bioregional economies that support fair employment, inclusive communities and international fair trade                             |
| <b>Employee engagement</b>           | ensuring everyone is involved in business decisions, have opportunities to develop and promoting good health and wellbeing                  |



# Zero carbon

| <b>Performance against targets</b> |  |
|------------------------------------|--|
| ✓✓                                 | ZC1 Reduce energy use in line with CO <sub>2</sub> reduction target of 20% by 2012 |
| ✗                                  | ZC2 New stores zero carbon by 2012   |
| ✓                                  | ZC3 Zero carbon electricity across existing estate by 2023                         |

## Key activities and achievements in 2011

- ▶ Absolute reduction in store energy use of 25% compared to the 2006 baseline.
- ▶ Gas data loggers have been installed in 290 stores (81%) to enable monitoring and reduction of consumption levels.
- ▶ Biomass heating installed in the new store support office, using locally sourced wood.

## Review of progress and activities

### Progress towards zero carbon in existing stores

The impressive reduction in store energy use has been instrumental in meeting the interim overall carbon reduction target. In 2011 store electricity use accounted for 60% of overall emissions and fossil fuels used in stores for a further 17%, see Figure 2. The main solutions to decrease electricity use have been lowering the wattage of lighting and using more efficient fluorescent fittings. Lighting controls have also been improved and now incorporate movement sensors that turn the lights off overnight in aisles that are not being restocked. In addition to minimising store energy demand and exploring opportunities for onsite renewables such as PV, B&Q is researching opportunities for other renewable energy sources.

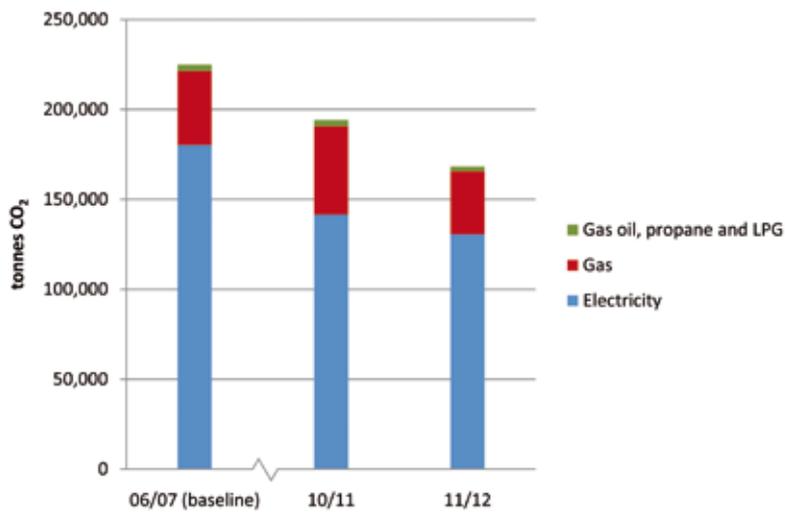


Figure 2: breakdown of store energy emissions

| Direct emissions from energy used in stores (tonnes CO <sub>2</sub> ) |         |                |          |
|---|---------|----------------|----------|
|   | 06/07   | 11/12          | % change |
| <b>Electricity</b>  | 180,284 | <b>130,563</b> | -28      |
| <b>Gas</b>  | 41,056  | <b>35,141</b>  | -14      |
| <b>Gas oil, propane, LPG</b>  | 3,692   | <b>2,603</b>   | -30      |

### Gas usage

During 2011 gas data loggers were installed in 290 stores in 2011 and B&Q is currently investigating opportunities for rolling this system out across the rest of the estate. Data on gas consumption is now being captured. Once sufficient historical data is available this will be used to identify and deal with unusually high levels of gas consumption and to develop monthly performance league tables to encourage regional managers to make improvements. This year gas consumption decreased by 29% compared to the previous year mainly because we did not see a repeat of the very harsh winter conditions of 2010.

### Zero carbon stores

In 2011 B&Q opened one new store. The Tamworth store has been awarded an "A" rated Energy Performance Certificate. Measures incorporated include rainwater collection to flush store toilets and irrigate the garden centre and solar thermal water heating. The store is also trialling the use of a lobby and roof sky lights that automatically open and close according to the ambient temperature, reducing the need for electric and fossil fuel heating and cooling. Even though BioRegional is encouraged by the improved design of this store, B&Q will need to provide evidence that demonstrates how any new stores opened from 2012 onwards will be zero carbon.

B&Q is working with parent company Kingfisher to develop the Kingfisher Sustainable Property Roadmap and Design Guides. The work is intended to be the initial phase of an initiative to embed sustainable performance into both new build and refurbishments of stores across the group.

### **B&Q House**

In September 2011 B&Q opened its new head office in Eastleigh, Hampshire (pictured below). B&Q House provides a base for the store support team and accommodates 1,400 people. The building design has been rated as BREEAM 'Excellent' and boasts a range of green features such as a biomass boiler, rainwater collection and FSC certified wood throughout. The planting outside supports local ecosystems and native flora and has been designed to minimise watering requirements.

### **Plans for 2012**

- ▶ Further investment in lighting upgrades in 50 stores where old fluorescent lighting schemes will be replaced using a budget of £1.5m.
- ▶ Continue investigating suitable offsite renewable energy sources to meet residual energy demand, in particular off-site wind, in partnership with parent company Kingfisher.

*B&Q House, the new head office in Eastleigh*





# Zero waste

| <b>Performance against targets</b> |  |
|------------------------------------|--|
| ✘                                  | ZW1 90% of waste by weight reused, composted or recycled by 2012 |
| ✔✔                                 | ZW2 50% reduction in waste to landfill <sup>1</sup> by 2012      |
| ✔                                  | ZW3 No more than 2% of 2006 tonnage sent to landfill by 2023     |

## Key activities and achievements in 2011

- ▶ Large waste skips removed from 99% of stores and replaced with segregated recycling bins and small general waste wheelie bins.
- ▶ Recycling streams for plastic plant pots and banding now available in all stores and over 165 stores now have skips for treated timber waste segregation.
- ▶ 250 stores have received a face-to-face visit from B&Q's Waste Manager this year to help increase understanding of different waste streams and how to dispose of items correctly.

## Review of progress and activities

### Progress towards zero waste

The total amount of waste generated by B&Q has dropped by 22,401 tonnes (23%) compared to the 2006 baseline year, see Figure 3. In addition, the amount of waste sent to landfill has been reduced by 60,546 tonnes (86%) over the past five years. However, recycling rates have dropped slightly, as B&Q sent more waste to energy from waste and incineration facilities. The waste materials sent to these facilities are predominantly treated wood which is used as a packaging material. As recycling options for this material are very limited, B&Q has identified energy from waste as currently the most appropriate alternative to landfill disposal.

1. Against 2007 figures – WRAP Home Improvement Sector Commitment

B&Q has many operational challenges around waste wood and plans are in place to reduce the amount of wood entering the waste stream. BioRegional would like to work with B&Q to develop alternative, recyclable packaging solutions to ensure that B&Q is able to achieve the 90% reuse and recycling target.

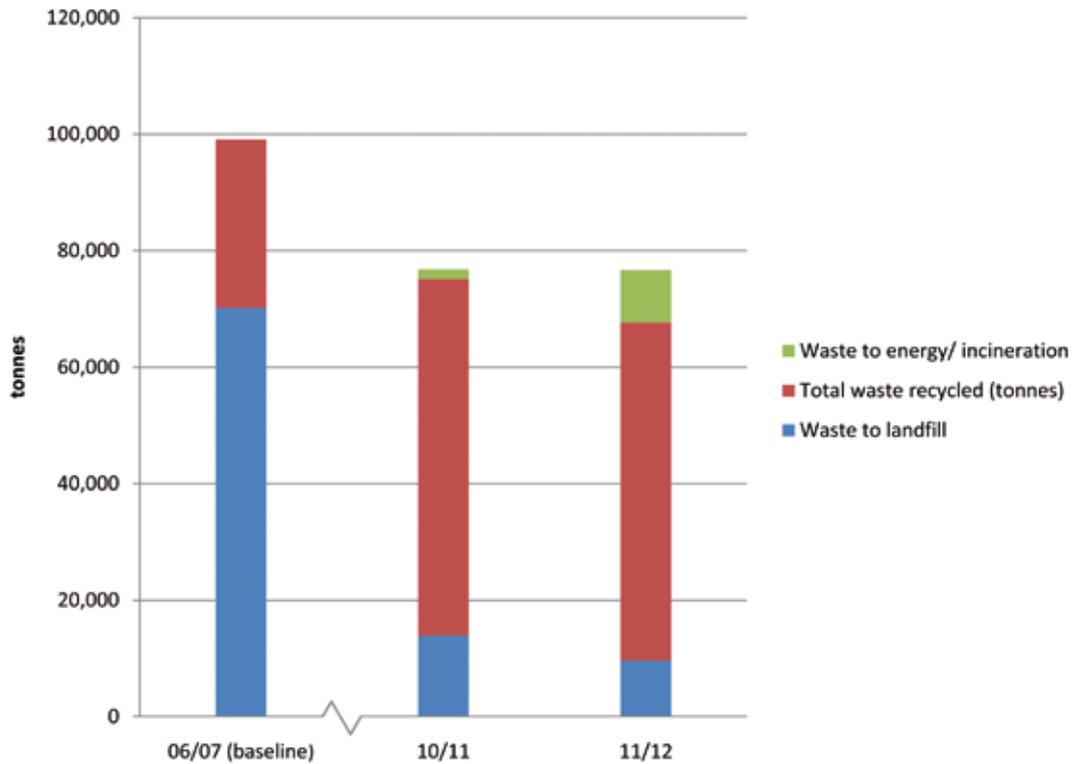


Figure 3: breakdown of waste generated in stores

| Breakdown of waste generated in stores (tonnes) |        |               |          |
|---|--------|---------------|----------|
|   | 06/07  | 11/12         | % change |
| <b>Recycled</b>                                 | 28,908 | <b>58,041</b> | 101      |
| <b>% of waste recycled</b>                      | 29%    | <b>76%</b>    | 47       |
| <b>Energy from waste/ incineration</b>          | 0      | <b>9,011</b>  | ↑        |
| <b>Landfill</b>                                 | 70,152 | <b>9,606</b>  | -86      |

### Hard plastics recycling and WEEE

With the introduction of recycling for plastic plant pots and banding there are now 27 possible waste streams available to stores, which maximises recycling opportunities. Collection data for the new waste streams should be available from next year. B&Q is exploring the opportunity and practicality of recycling all hard plastics in 2012.

In the coming year B&Q will further develop their WEEE waste recycling programme. WEEE waste mainly arises from customer returns and this waste is currently being recycled by a third party. B&Q is now looking into partnering with an organisation that will refurbish suitable items and offer them to charity shops. Trials have indicated that at least 30% of WEEE collected is suitable for refurbishment and with additional staff training this figure could rise to 50%.

### Doing the right thing

The involvement and education of employees is an important part of reaching B&Q's waste reduction targets. At B&Q's Commercial Roadshow in November 2011 the UK Waste Manager spoke to more than 160 stores about recycling practices. In addition, another 90 stores received a face-to-face visit this year. B&Q Northampton was recognised as the Eco Hero Store for Waste Efficiency by achieving a 90% recycling rate in 2011.

B&Q also donates products and materials in support of its community partnerships, which benefit organisations such as the Scouts Association.

### League tables

Management information on recycling percentages by store, region and division are communicated every quarter via the intranet. Stores are ranked according to their success and this provides good stimulus for conversation on how to do better. Compliance reporting also takes place to understand where stores may not be recycling so further guidance can be given.

### Plans for 2012

- ▶ Roll out WEEE waste recycling programme with partner who can refurbish items and offer them for resale to charity shops.
- ▶ Extend hard plastics recycling trial.
- ▶ Manage store recycling targets and challenge non-compliance to ensure 90% reuse and recycling target is met.



# Sustainable transport

| Performance against targets |  |
|-----------------------------|--|
| ✘                           | ST1 50% cut in number of flights within Great Britain by 2012                |
| ✔                           | ST2 50% CO <sub>2</sub> reduction across business travel and haulage by 2023 |

## Key activities and achievements in 2011

- ▶ 28% reduction in CO<sub>2</sub> from transport, compared to 2006 baseline.
- ▶ 78 store vans have been replaced with new, more fuel efficient vans.
- ▶ New southern distribution centre opened with significant projected CO<sub>2</sub> savings.

## Review of progress and activities

### Transport carbon footprint

This year the company has achieved a 31% reduction in haulage and a 7% reduction in business travel compared to the 2006/07 baseline, see Figure 4. The haulage figure has been driven by a number of initiatives to improve the efficiency of the product delivery fleet.

#### Breakdown of transport emissions (tonnes CO<sub>2</sub>)

|                              | 06/07  | 11/12  | % change |
|------------------------------|--------|--------|----------|
| <b>Retail network</b>        | 44,047 | 31,338 | -29      |
| <b>Home delivery network</b> | 15,656 | 10,090 | -36      |
| <b>Business travel</b>       | 6,628  | 6,134  | -7       |

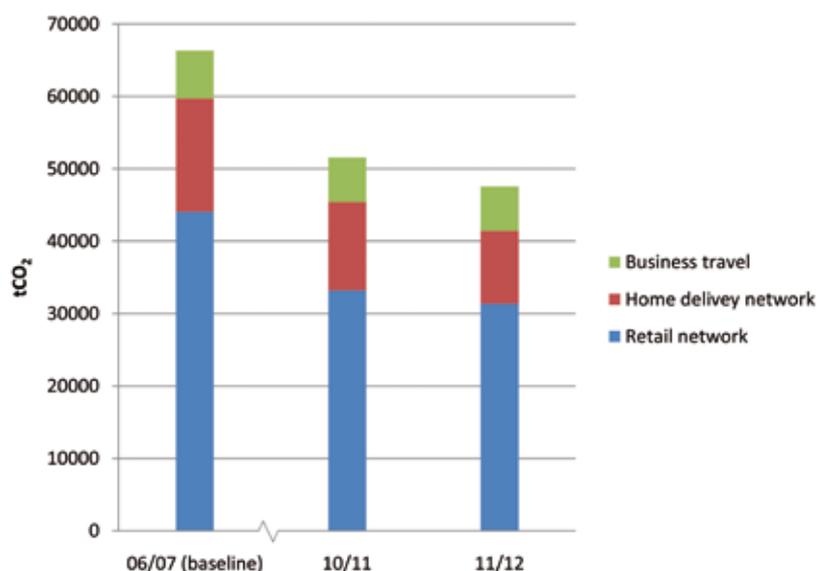


Figure 4: breakdown of transport emissions

### Fleet replacement programme

As part of the fleet replacement programme 78 store vans (7.5 tonne) have been replaced with new, more fuel efficient vans. They have been located more strategically and are now managed by a central planning model. Up to four stores will share small vans which helps reduce mileage and CO<sub>2</sub> emissions.

The retail fleet has 276 double decks in operation with a further 100 on order for delivery in 2012, taking the total to 376. In addition to introducing more efficient vehicles, all drivers have completed training sessions on economical driving.

### Distribution centre move

A new distribution centre (DC) opened in Swindon which allows dual stock holding. This means that the same product will now be held in the north and south of the UK which will reduce miles travelled to replenish Southern stores. Following a successful trial in 2011, B&Q is investing in 50 biomethane tractor units for the new distribution centre. A biomethane gas filling station will also be installed, supplying biogas produced from a local refuse tip. The full impact of CO<sub>2</sub> emissions reductions of the DC move will be better understood in 2012.

### Container transport

Whilst transport of imported containers is outside the scope of the direct footprint reported on by B&Q, it is making good progress in this area. Rail is now targeted to move 30% of the total 15,000 imported containers rather than using roads. Trials are taking place to backload import containers to make deliveries to consolidation centres/ stores on the return journey to the port, saving two extra vehicle movements per journey.

## Business travel

BioRegional is pleased to see that for the first time since 2006 B&Q has achieved a reduction in the number of domestic business flights. Domestic flights taken were reduced by 13%. Unfortunately the number of medium and long haul kilometres travelled has increased by 43%. One of the main reasons for this increase is that the company is sourcing more products directly from overseas supplies rather than through third parties. This has resulted in a need for B&Q staff to increase their long haul travel.

A rail ticketing machine has been on trial at B&Q's head office. So far this facility has received good feedback from the 140 travellers who have used it. B&Q has now installed this facility permanently on site at B&Q House. B&Q has also invested in a telepresence room in the new head office which will help reduce the need for business travel.

## Plans for 2012

- ▶ Work with other retailers, manufacturers and the government, through the Princes Trust, to create more investment in CO<sub>2</sub> efficient vehicles and infrastructure, including filling stations.
- ▶ Start using dual fuel vehicles running on biomethane and diesel and open a biomethane filling station at Swindon DC.

*A rail ticketing machine has been installed at B&Q House*





# Sustainable materials

| <b>Performance against targets</b> |   |
|------------------------------------|---|
| ✓                                  | SM1 Top 250 Goods Not For Resale suppliers to undergo supplier assessment by 2011 |
| ✓                                  | SM2 Work with partners to reduce the chemical impact of products in the home      |
| ✓                                  | SM4 Continue to explore and develop opportunities for closed loop recycling       |

## Key activities and achievements in 2011

- ▶ 20% reduction in average own-brand paint VOC levels compared to 2008.
- ▶ Further development of the internal range sustainability rating to encourage buyers to continually increase the sustainability of their ranges.

## Review of progress and activities

### Goods Not For Resale (GNFR)

The top GNFR suppliers (by spend) received an environmental and ethical assessment in 2010 and the first bi-annual reassessments will take place in 2012. BioRegional would like to see B&Q dedicate additional resource to further development of the assessment system as it is not yet as rigorous as the Goods For Sale assessment and there is limited evidence that any procurement decisions have been influenced in light of the GNFR assessments. BioRegional is engaging specifically with the property team, one of the largest areas of GNFR procurement to identify more sustainable material options for new build and refurbishment of stores.

### DIY detox

B&Q has been working to minimise the average concentration of volatile organic compounds (VOCs) being sold throughout the company's paint and decorative sundries range. In 2011 it reduced average own-brand paint and coating products VOC content to 68 grams per litre. This is an impressive 20% reduction compared to 2008 levels.

Reasons for this include a reduction in VOCs in solvent based gloss from maximum 400 grams per litre to a maximum of 300, an increase in the volume of own brand minimal VOC emulsion paint sold and a reduction in the sales volume of high VOC products. The average VOC content of all paint and coating products, including manufacturer branded products, is 52 grams per litre. B&Q's own-brand average VOC levels are higher as white spirit is B&Q branded and 100% VOC.

As well as minimising VOCs, B&Q continues to maximise their ranges of best practice paint and decorative sundry products. For example, B&Q introduced Clean Spirit, a non-toxic, water-based and solvent free alternative to white spirit.

### Circular economy

The circular economy is a term used by the Ellen MacArthur Foundation and others for an economic system that is restorative rather than wasteful. By rethinking the way we work we should at worst be neutral in our impact, but ideally beneficial. B&Q is rethinking parts of its business approach and looking into:

- ▶ Opportunities for closing the loop. B&Q is currently undertaking a feasibility study with Henkel (grout and adhesives supplier), local councils and recyclers, to recycle disused polypropylene paint pots and convert them back into containers for paint, grout, adhesives and similar products.
- ▶ Identifying what waste is generated by B&Q's business operations and where this could be turned into new materials or products.
- ▶ Customer recycling facilities for small electrical equipment (such as power tools), batteries and light bulbs, to be trialled in 2012.
- ▶ Opportunities for renting out equipment such as power tools.

### Range sustainability rating

In order to stimulate the commercial team to continuously improve the sustainability of product ranges, B&Q has further developed their internal range sustainability rating process this year. The internal rating will take into consideration various aspects such as supplier assessment ratings, number of eco products in the range and compliance with B&Q's buying standards and policies. Trials will begin in 2012.

#### Plans for 2012

- ▶ Trial customer recycling facilities for small electrical equipment, batteries and light bulbs.
- ▶ Trial the internal range sustainability rating on five ranges.
- ▶ Continue work to improve high carbon impact areas in B&Q's supply chain, as informed by the full scope 1, 2 and 3 carbon footprint analysis carried out in early 2011.



# Sustainable packaging

| <b>Performance against targets</b> |   |
|------------------------------------|---|
| <b>✗</b>                           | SP1 Reduce own-label packaging by 15% by the end of 2012 (from a 2007 baseline) |
| <b>✗</b>                           | SP2 Remove polystyrene from all indoor and outdoor lighting packaging by 2012   |
| <b>✓</b>                           | SP5 Make all own-label packaging recyclable by 2020                             |

## Key activities and achievements in 2011

- ▶ Reusable kitchen packaging saved a total of 2,344 tonnes of cardboard in 2011.
- ▶ Reusable packaging for solar panels and white goods in development.

## Review of progress and activities

### Recycling label and recyclable packaging

B&Q continued the roll-out of the retail industry on-pack recycling label for packaging. Most new products carry the logo unless the size of the product packaging does not permit this. As part of an ongoing process to maximise the use of the on pack recycling label, existing products are being re-labelled during range reviews and brand updates.

### Polystyrene and PVC elimination

B&Q has been working to reduce polystyrene and PVC in packaging as these materials are difficult to recycle. Polystyrene continues to be eliminated from lighting packaging and B&Q is reviewing other product areas where polystyrene is currently used including appliances and fire places. Since December 2010, PVC has not been permitted in the packaging of any new products and B&Q continues to work with individual suppliers and other retailers to eliminate the use of PVC in packaging of existing lines.

## Reusable packaging

In 2010 B&Q introduced a reusable transit pack for long kitchen items such as plinths and cornices which saves 611 tonnes of cardboard annually. In addition, the Carrierpac that has been in use since 2008 saves 1,733 tonnes of cardboard annually. The company is now developing reusable packaging for solar panels and white goods. A packaging prototype for solar panels is currently being tested by the supplier.

## Weight reduction

Reducing the weight of own-brand packaging remains a challenge for B&Q. For example, removing polystyrene from packaging often means replacing it with heavier, generally board based materials. In addition an increase in online sales means products might need more packaging compared to products sold in store to avoid damage during the journey to the customer's home.

B&Q plans to tackle this issue in phases by selecting product categories where the biggest differences can be made. In 2011, reduction programmes for bathroom accessories and kitchen taps packaging came to an end and programmes for light bulbs and mirrors have started. Generally these programmes can take one to three years to develop and complete.

### Plans for 2012

- ▶ Continue to deliver packaging reduction programmes and expand to secondary and tertiary packaging. Key areas for 2012 are light bulbs and mirrors.
- ▶ Develop and roll out reusable packaging for solar panels and white goods.
- ▶ Increase the amount of recycle within packaging of paint pots.

*Reusable kitchen packaging saved a total of 2,344 tonnes of cardboard in 2011*





# Sustainable water

| <b>Performance against targets</b> |   |
|------------------------------------|---|
| <b>✗</b>                           | SW2 Introduce smart metering in all stores where this is feasible               |
| <b>✗</b>                           | SW3 10% reduction in water usage/m <sup>2</sup> by 2012 (against 2007 baseline) |
| <b>✓</b>                           | SW4 All new stores to have rainwater harvesting                                 |

## Key activities and achievements in 2011

- ▶ Organised a successful water summit with key industry stakeholders, suppliers and B&Q buyers.
- ▶ Six stores and B&Q's head office use rainwater harvesting systems to flush toilets and water plants in garden centres.

## Review of progress and activities

### Store improvements

B&Q has not been able to meet its target of a 10% reduction in water usage per square metre. Whilst rainwater harvesting has been installed in six new stores to date and the new B&Q head office, measures that could help to improve B&Q's water management such as the roll out of automatic meter readings have not been progressed for now as there are concerns about the cost effectiveness of this measure.

As an alternative B&Q will be identifying and tackling issues in high consumption stores in 2012. BioRegional would still like B&Q to explore the possibility of setting store specific targets for water reduction. Research showed that good practice could reduce average water use to less than 200 litres water/m<sup>2</sup> compared to the current 277 litres/ m<sup>2</sup>.

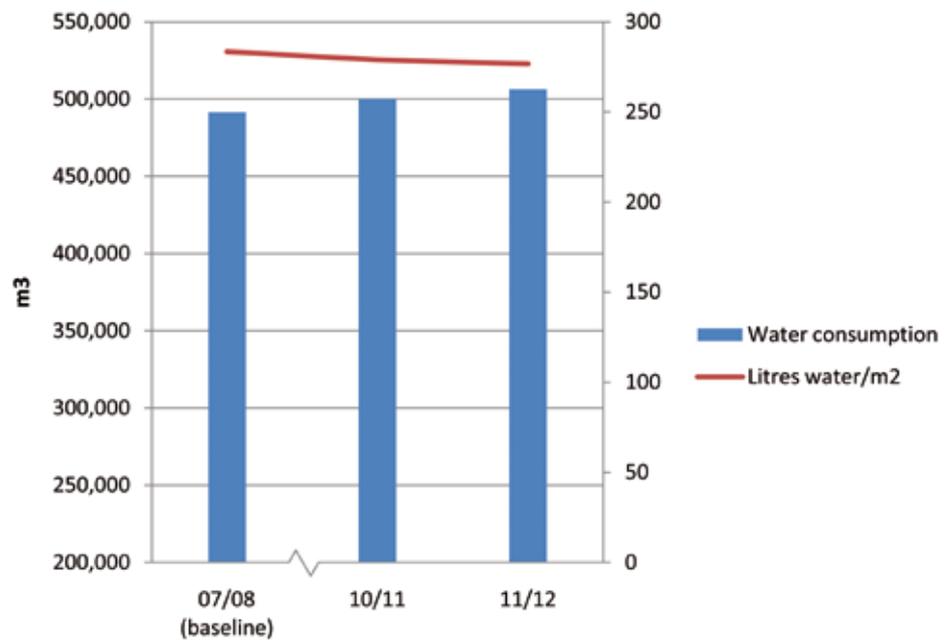


Figure 5: store water consumption

| Store water consumption       |         |                |          |
|-------------------------------|---------|----------------|----------|
|                               | 07/08   | 11/12          | % change |
| <b>Water consumption (m3)</b> | 491,492 | <b>506,410</b> | 3        |
| <b>Litres water/m2</b>        | 283     | <b>277</b>     | -2.4     |

### Product water footprinting

BioRegional and B&Q have worked on the development of an outline product manufacturing water footprinting strategy and are now pursuing more detailed data which will enable the identification of high risk, water use hotspots. The next step will then be for B&Q to identify key areas of production where it can work with suppliers to develop a water use reduction programme.

### Water using products

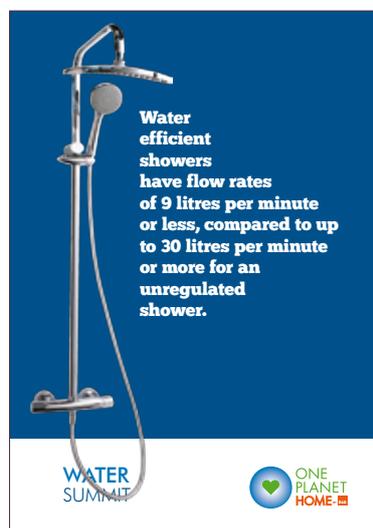
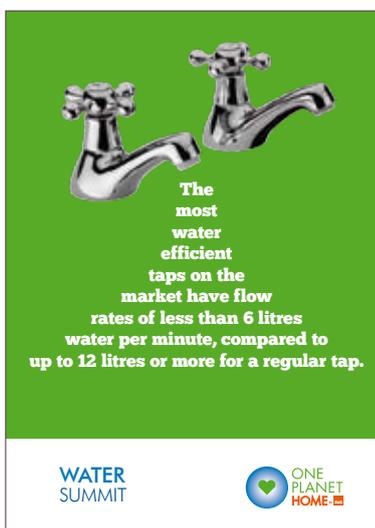
B&Q is well placed to help customers reduce their water use. This year saw a greater level of engagement with buyers and suppliers to improve understanding of the barriers and opportunities to improving the water efficiency of taps, showers and toilets. In 2011 key vendors, B&Q buyers, the Bathroom Manufacturers Association (BMA) and Southern Water attended a water summit organised by B&Q. In this half day session they explored how to bring water saving products to the customer and discussed challenges as well as opportunities for innovation.

To further improve the company's range of water using products B&Q is currently benchmarking all products to see how water efficient they are. This work will feed into the next update of the water product buying standards. In addition, in 2012 B&Q will be introducing the WEPLS label (Water Efficient Product Labelling Scheme), developed by the BMA on all electric showers. B&Q is also working with the BMA on a consumer study looking at effects of language and terminology used in the sector on customer behaviour and how this might be improved.

## Plans for 2012

- ▶ Further develop water footprinting strategy and identify key production areas to develop reduction programmes for.
- ▶ Identify and address issues in stores with high levels of water consumption.
- ▶ Introduce WEPLS label on all electric showers.

*Posters produced for the 2011 B&Q water summit*





# Natural habitats & wildlife

| <b>Performance against targets</b> |  |
|------------------------------------|--|
| ✓                                  | <b>NW1</b> Ensure that 100% of timber bought is compliant with stated policy – legal, sustainable with full chain custody by end of 2010 |
| ✓                                  | <b>NW3</b> Achieve 65% peat dilution in line with GMI membership requirements by 2013  |
| ✓                                  | <b>NW4</b> Promoting land and wildlife through customer engagement   |

## **Key activities and achievements in 2011**

- ▶ Maintained 100% responsible timber sourcing and continued Forest Friendly awareness campaign.
- ▶ Ran a 'Wildlife at Work' photo competition for employees.
- ▶ All staff received free membership to Kew Gardens for one year.

## **Review of progress and activities**

### **Forest Friendly**

In 2011, B&Q achieved its long-standing goal to ensure that all the timber products it sells are from responsible sources. B&Q's Forest Friendly campaign is aimed at increasing customer awareness of the importance of buying sustainably sourced timber products. The team visited four of the UK's largest agricultural shows and Kew Gardens, and raised awareness across more than 700,000 members of the public.

B&Q's commitment to sustainable timber sourcing was however recently challenged as the Daily Mail questioned the sustainability credentials of some of its hardwood plywood. The product's FSC certification was withdrawn following non-compliance to traceability standards by the manufacturer. Evidence gathered through a full investigation suggested the timber in question was sourced from legal forest concessions but the manufacturer had not adhered to the required chain of custody standards. Having withdrawn the product from sale pending the investigation B&Q consequently decided not to return the plywood to sale. The plywood was backhauled to the manufacturer who has found an alternative retail destination for the wood. None of the stock has gone to landfill.

## Peat free

B&Q's current level of peat dilution is 56% for bagged media. 2011 saw increased promotional activity around peat free versus peat based compost and sales of peat free compost started to rise.

Whilst B&Q has only one more year to meet its 65% dilution target in line with their GMI membership requirements, forecasts supported by comprehensive plans to increase dilution to at least 63% are in place. The dilution of all own label multipurpose composts has increased from 37% to 42% in time for the 2012 growing season and further promotions are planned for peat free compost. B&Q is also expanding its range of peat free soil improvers such as horse manure.

In spring 2012 B&Q launched a controversial topsoil containing 39% peat. The company is now looking to introduce a peat-free alternative by the summer of 2012.

## Customer and staff engagement

B&Q took part in the Chelsea flower show where it created a garden with lots of innovative ideas for sustainable growing. The garden won a gold medal, showcasing an insect hotel (made by two youth clubs), a vertical allotment and a vertical potting shed. The main structures of the garden were sent to Middlesbrough where they will be reused by a nature and wildlife visitor attraction.

The company held its first 'Wildlife at Work' photo competition for employees and all employees can visit Kew Gardens for free until the summer of 2012.

B&Q also continues to work on improving staff awareness through initiatives such as the Forest Friendly staff video.

### Plans for 2012

- ▶ Investigate how new technology could be used to further improve tracing of timber products back to source.
- ▶ Support UK woodlands through direct funding and supporting woodland products.
- ▶ Work towards achieving a peat dilution of 65% by 2013.

*Wildlife at Work competition winner: robin's nest in B&Q Swindon's garden centre*





# Culture and community

| <b>Performance against targets</b> |  |
|------------------------------------|--|
| ✓✓                                 | CC1 Recruit 500 schools to Job Done! in UK and 80 in ROI in 2011                               |
| ✓                                  | CC3 Begin to reduce the DIY skills gap by engaging with young people and other targeted groups |
| ✓                                  | CC4 Become a recognised and respected provider of DIY skills and training delivery             |

## Key activities and achievements in 2011

- ▶ Activities focussed on providing young people with the confidence and skills to complete their own DIY projects.
- ▶ In total 1,426 secondary and 2,074 primary schools have signed up to Job Done!
- ▶ Engaged with over 2,299 Cubs, Scouts and leaders through workshops and events.

## Review of progress and activities

### Job Done!

The Job Done! schools programme ([www.diyjobdone.com](http://www.diyjobdone.com)) continued to provide free resources for schools to teach children practical DIY and home improvement skills. In 2011, Job Done! was extended to reach primary schools, with 2,074 schools signing up, as well as an additional 799 secondary schools. The programme is now validated by the Children's University, a UK national charity with 125,000 members.

### Scouts

B&Q sponsors the Cubs and Scouts DIY badges. Since May 2011, the company has engaged with over 2,299 cubs, scouts and leaders through workshops at local and national levels. 1,080 cub group leaders accessed free online resources exclusively created by B&Q to support the DIY Badge.

## Youth groups

B&Q launched a three-year partnership with UK Youth and Youth Work Ireland in 2011. Each store has been twinned to a local youth group for support with fundraising and skills development. A 'Youth Can Do It' grant enabled youth groups to transform their facilities with expert advice and £250 worth of products. This gave them the opportunity to put the skills they were taught by B&Q experts into practice. B&Q employees also participated in fundraising activities including a company-wide 'bike it' sponsored event held during National Bike Week.

## Youth Board

B&Q formed a Youth Board in 2011 as part of its partnership with the Ellen MacArthur Foundation. The Youth Board is made up of nine young people aged 16 to 18 who are mentored by the B&Q Board and are being given an insight into big business, as well as providing them with a chance to feed into B&Q's future business direction. The young people have been set a project to explore a real issue facing the business and they will present their recommendations to the entire B&Q board and Ellen MacArthur in July 2012.

## Plans for 2012

- ▶ Continue expanding the youth programmes through schools, Scouts, UK Youth and Youth Work Ireland.
- ▶ Sole sponsor of Scout Community Week in 2012 which aims for 26,000 scout groups nationwide to 'Do One Thing' in their community. Suggested activities range from growing plants and clearing open spaces to renovating community spaces.

*B&Q sponsors the Cubs and Scouts DIY badges*





# Equity and fair trade

| <b>Performance against targets</b> |  |
|------------------------------------|--|
| ✓                                  | EF1 Hold regular webinar sessions to engage suppliers in B&Q's One Planet Home programme       |
| ✗                                  | EF2 By end of 2011 all tier 1 own-brand and co-branded product vendors to link to B&Q on Sedex |
| ✓                                  | EF3 All B&Q vendors to achieve minimum Grade C for supply chain transparency by 2023           |

## Key activities and achievements in 2011

- ▶ 173 tier 1 suppliers (38%) linked to B&Q on Sedex.
- ▶ 74 supplier companies participated in B&Q's sustainability webinars.
- ▶ BioRegional conducted a supplier survey on behalf of B&Q to establish where B&Q can improve its supplier engagement programme.

## Review of progress and activities

### Sedex

Sedex, the Supplier Ethical Data Exchange, is an online platform designed to drive improvements in responsible and ethical business practices in global supply chains. B&Q has continued to make improvements in its supply chain visibility and 173 tier 1 suppliers (38%) are now linked to B&Q on Sedex. Although the majority of own and joint-brand product suppliers have registered, the target of signing all own and joint-brand suppliers up to Sedex has not been met. Since October 2011 B&Q requires all its vendors to join Sedex and B&Q continues to support suppliers in this process. B&Q and suppliers are already starting to see the benefits of using the Sedex platform as it increases visibility of the supply chain and reduces the need to duplicate information reported.

## Supplier assessment

In 2011, 113 vendor/ factory assessments were carried out against B&Q's environmental and ethical requirements. These include 92 on-site assessments and 17 desktop assessments. B&Q also conducted a factory assessment questionnaire which was completed by 349 tier 1 suppliers (77%). This assessment is conducted every two to three years to gather up-to-date information on supplier sites, compliance with basic requirements such as critical failure points, having a code of conduct and having regular audits/ assessments. It also helps B&Q establish where suppliers use subcontractors and home workers in the supply chain.

B&Q is collaborating with parent company Kingfisher and suppliers to update the supplier assessment system that is currently used. This programme has been delayed but the development of the new assessment will continue in 2012.

## Supplier engagement

The main themes for the supplier webinar programme in 2011 were Sedex and One Planet Living. 74 supplier companies participated in a total of six webinars. In 2012 the seminar programme will cover topics such as the circular economy, supply chain management and carbon footprinting.

BioRegional conducted a survey in 2011 to gain a better understanding of how suppliers are engaging and may wish to engage further with B&Q's One Planet Home programme. Feedback from this research has been taken on board by B&Q and has already resulted for example in the addition of a webinar on buying standards in the 2012 seminar programme.

### Plans for 2012

- ▶ Support suppliers to join Sedex with the aim to have all tier 1 suppliers linked to B&Q on Sedex by 2014.
- ▶ Continue to be involved in the Quarry Working Group to inform industry ethical and environmental standards.
- ▶ Continue to explore opportunities for improving the environmental and ethical performance of suppliers to B&Q.



# Employee engagement

| <b>Performance against targets</b> |  |
|------------------------------------|--|
| ✘                                  | EE1 Maintain/improve participation in employee engagement survey and in engagement levels                      |
| ✔                                  | EE2 Invest in opportunities for training and upskilling for staff  |
| ✔                                  | EE3 Support and encourage employee wellbeing through improvements to working environment and employee benefits |

## Key activities and achievements in 2011

- ▶ Over 18,300 City & Guild qualifications achieved by employees since 2009.
- ▶ Launch of One Planet Home Times newsletter for B&Q employees.

## Review of progress and activities

### Understanding employee engagement

The 2011 employee engagement survey showed that scores and participation levels had dropped. The overall score for the 12 standard Gallup questions decreased from 4.30 to 3.99. Participation levels dropped from 97% of employees in 2010 to just 60% in 2011 due to changes in the process.

In response to the survey findings, B&Q has considered different ways to engage people that aim to result in a feeling of connection, involvement and trust, and a new approach was agreed. This approach will focus on engaging everyone meaningfully and helping employees to start to explore what that means to them in their role. This approach will be highly interactive and be led by local leaders across the entire organisation throughout 2012.

As part of the fresh approach to engaging employees, a new mechanism for connecting with employees across stores and store support offices was created. The Helpful Peoples Forum launched in 2012 and is a forum of employees from across the organisation. The employees on the forum are voted into their roles by their peers and will work with the Board team on key business issues and opportunities, giving insight and ideas to enable B&Q to maximise its success.

## Working environment

Staff working in the new head office now have access to brand new, well-designed facilities. B&Q is planning to improve facilities for store employees to a higher standard as part of their refurbishment programme.

## Training

The company's employees have achieved more than 18,300 City & Guilds qualifications since 2009, making it the largest user of these qualifications in the retail sector. B&Q also runs a 12-month apprenticeship programme which employees can complete on the job. It offers them the skills, knowledge and confidence to progress in their chosen field. In 2011/12, 40 employees have qualified as apprentices.

## One Planet Home®

One finding from the most recent Q12 findings was a decrease from 4.54 to 4.38 for the statement; 'I believe B&Q is committed to making a positive impact on the environment'. To help tackle this drop the internal communications team is partnering with B&Q's sustainability team to expand on the organisation wide engagement plan and ensure all employees feel connected to the activity underway within B&Q. In 2011, B&Q launched a quarterly newsletter called the One Planet Home Times and a One Planet Home competition to find the lead 'eco employee' and 'eco engaged store'.

### Plans for 2012

- ▶ Launch updated version of the One Planet Home e-learning module.
- ▶ Launch new interactive employee engagement approach and run the Helpful Peoples Forum.

*B&Q Galashiels won the competition to find the lead 'eco-engaged store'*





# 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.

## *The Your One Planet Home principles*

|                          |  |
|--------------------------|--|
| <b>Saving energy</b>     | Households are responsible for 27% of the UK's carbon emissions. One Planet Home® products and services can help customers cut their energy use, and create their own energy from renewable sources.   |
| <b>Reuse and recycle</b> | 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.  |
| <b>Grow your own</b>     | 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.   |
| <b>Saving water</b>      | 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.   |
| <b>Conserving nature</b> | Flora and fauna are in decline, here in the UK and abroad. B&Q provide products that are sourced and produced in a way that helps nature to thrive. B&Q also sells products that help customers conserve nature for example by growing plants and attracting wildlife. |
| <b>Healthy homes</b>     | 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 their products to help customers create healthy homes.  |



# One Planet Home<sup>®</sup> products

| <b>Performance against targets</b> |   |
|------------------------------------|---|
| ✓                                  | OPH <sub>2</sub> Introduce new products to the range that help customers to reduce their footprint by 10% by 2023                   |
| ✓                                  | OPH <sub>3</sub> Continue to run Eco Advisor programme  |
| ✓                                  | OPH <sub>4</sub> Continue to devise and deliver a strategy for Green Deal activation with local authorities and national government |

## Key activities and achievements in 2011

- ▶ 192 eco advisors have obtained a City & Guilds qualification in Eco Studies.
- ▶ EcoHouse retrofit completed with carbon emissions of the house cut by 68%, it is now being used to train B&Q staff as well as local SMEs.
- ▶ Active engagement with government to further influence Green Deal to ensure the market is open and fair.

## Review of progress and activities

### New products

In 2011, B&Q added more innovative products to their range, including 'Clean Spirit', a non-toxic, water-based and solvent-free alternative to white spirit. It is priced at the same level as standard white spirit so customers can choose to try it out without paying a premium. The light bulbs range was reviewed this year and as a result a comprehensive range of LED bulbs was introduced. Ranges of smart extension leads and other 'power down' and room control products were increased to make energy saving in the home easier. PV panels were sold in the Pay As You Save (PAYS) trial and B&Q has now developed a full range of Green Deal products ready for the scheme's launch.

As well as introducing new products, B&Q lowers the environmental impact of products stocked through range editing. It has worked over the years to slash solvent levels in paints and increase low impact materials in products such as composts.

When developing the criteria for One Planet Home products, BioRegional stipulated that in addition to the product's environmental benefits, the suppliers of those products should meet good environmental and ethical standards for their sites and supply chain, assessed through QUEST. Consequently, there are a number of products that B&Q is keen to promote as part of the One Planet Home range but are unable to do so due to the supplier not meeting the necessary OPH QUEST scores. BioRegional and B&Q are exploring how best to overcome this barrier, without reducing the importance of supplier performance in the accreditation of One Planet Home products.

### Point of sale

B&Q recognises that the visibility of One Planet Home products could be improved in stores. It has trialled the 'Eco Store within a Store' concept in three stores to date. Plans are being developed to incorporate the lessons learned into B&Q's offer for the launch of the Green Deal in 2012. B&Q has also been focussing on upskilling its employees so they are able to give customers relevant information about energy efficiency in their homes.

## Other One Planet Home® activities

### EcoHouse

In 2011 B&Q purchased an end of terrace house in a Southampton suburb and retrofitted it to be an EcoHouse fit for the next century. The aim of the project was to use sustainable materials to create a stylish and comfortable home which runs on as few resources as possible. Many of the improvements were made using materials available from B&Q stores but new technologies were also tested to help B&Q decide whether these are suitable for sale to the general public. Carbon emissions from the house have been cut by an impressive 68%. B&Q staff, buyers and local SMEs have visited the house to learn all about one of the largest growth markets in the UK.

*B&Q's Southampton eco-house has cut carbon emissions by 68%*



## Green Deal

B&Q has built on its active engagement with government around the PAYS trial to further influence the Green Deal. This has been focused on key areas of policy – opening up the delivery of the supplier obligation (the levee on energy companies) is one such area. B&Q has been calling for full and open access to the supplier obligation to enable any small business, local authority or overall Green Deal provider to have equal access to the subsidy. This is important to ensure that the market is open and fair and will lead to the cross subsidy of measures for hard to treat homes, such as solid wall insulation, at a suitable price to the consumer. B&Q has engaged over 40 local authorities in the run up to the Green Deal, along with the Scottish Government.

The retailer has also carried out insulation trials at 31 stores and it plans to offer home energy efficiency assessments for customers in 2012. B&Q tested the concept of a premium service whereby B&Q clears out the loft, customers can sort what they would like to keep and this is placed back into the loft on insulated loft boarding and items the customer no longer wants are removed and taken to a charity shop. This unique service developed by B&Q has shown a higher uptake rate than traditional loft insulation.

## DIY classes

B&Q offered customers free and discounted DIY classes in the autumn of 2011, showing them how to save energy and money on home improvements such as insulation. B&Q's TradePoint teamed up with the Institute for Sustainability's FLASH+ programme and is currently offering free classes to builders to get them ready for the launch of the Green Deal. This includes 'eco tours' that give the trade an insight into how homes across the UK can be renovated in an ecological way.

## Project Start

B&Q is supporting Start, an initiative initiated by The Prince of Wales to help everyone take practical steps to live more sustainably. Start launched the Start Today campaign that brings together leading brands to inspire the UK public to 'do more with less'. Each company has championed a simple step in support of a more sustainable future. B&Q is encouraging people to 'start switching off automatically' rather than relying on the standby button. In 2011 B&Q also promoted its Forest Friendly campaign at the Start event at Kew Gardens.

### Plans for 2012

- ▶ Touring the UK with Start to talk about simple steps everyone can take to be more sustainable, including energy saving, water saving and grow your own.
- ▶ Expand the store services by offering customers home energy efficiency assessments.
- ▶ Every B&Q store manager to tour the EcoHouse in 2012.

# Message from Matt Sexton

## Director of Corporate Social Responsibility, B&Q

The One Planet Home programme has enabled B&Q to make considerable progress against the ambitious goals it set itself as part of its quest to be a leader in responsible retailing, in an era of unprecedented challenge and change.

Whilst we have not achieved every target we set ourselves, our major programmes of carbon reduction, sustainable timber sourcing and waste reduction are all on track. I'm particularly pleased with our overall performance on reducing carbon emissions, which has seen a 29% fall in absolute CO<sub>2</sub> from our 2006 baseline. This has been thanks to the efforts of our logistics, store energy and waste teams. They have pursued efficiencies wherever they can find them, and have made smart investments in new lighting and engine technologies that have made economic sense, whilst delivering major environmental improvements.

We have also seen good improvements in sectors of our business where we are the market leader, and therefore have a responsibility to drive positive change. We continue to drive down paint VOC levels, reduce the percentage of peat in our growing media and insist on 100% sustainable timber in the products we sell.

On the communities front, we have increased our level of support and engagement, with Job Done!, UK Youth and our Scouts programme all delivering social benefits in the communities where our stores operate. We've also expanded our vendor programme with good progress on SEDEX enrolment, and a series of well received webinars for vendors on the OPH programme. One thing of which I am particularly proud is One Planet Home Times – our internal newspaper which has received great feedback.

We do not get it right the whole time. We haven't hit our target for reducing water use in our stores and reducing own-brand packaging has been a challenge as we seek to grow own-brand as a percentage of our business. However, we are determined to drive improvements in both these areas in coming years.

For 2012 our main focus will be on developing a robust property sustainability strategy, increasing visibility within our supply chain, further reducing the impact of our products and using the OPH programme to help customers get greener products and lower impact homes.



**Matt Sexton**

Director of Corporate Social Responsibility, B&Q

Appendix 1

# B&Q's carbon footprint - scope 1, 2 and 3 emissions

| <i>CO<sub>2</sub> emissions reporting</i>                                     |                       |                |                |
|---|-----------------------|----------------|----------------|
|   | Monitoring results    |                |                |
|   | 2006/07<br>(baseline) | 2010/11        | 2011/12        |
| <b>Scope 1</b>  | tCO <sub>2</sub>      |                |                |
| Gas and oil consumption*  | 42,958                | 52,648         | 37,744         |
| Haulage: own / dedicated fleet deliveries from distribution centres to stores | 43,936                | 33,208         | 31,338         |
| Haulage: home deliveries by own / dedicated fleet                             | 15,616                | 12,2108        | 10,090         |
| Company owned cars  | 2,028                 | 2,863          | 2,783          |
| Process emissions   | not applicable        |                |                |
| Fugitive emissions  | not applicable        |                |                |
| <b>Total scope 1</b>  | <b>104,538</b>        | <b>100,749</b> | <b>81,954</b>  |
| <b>Scope 2</b>  |                       |                |                |
| Purchased electricity   | 182,861               | 141,482        | 130,563        |
| <b>Total scope 2</b>  | <b>182,861</b>        | <b>141,482</b> | <b>130,563</b> |
| <b>Significant scope 3 (excl. supply chain)</b>                               |                       |                |                |
| Business travel   | 4,648                 | 3,454          | 3,351          |
| Waste disposal  | 26,975                | 2,765          | 1,912          |
| Water   | 454                   | 450            | 456            |
| <b>Total significant scope 3</b>  | <b>32,077</b>         | <b>6,670</b>   | <b>5,718</b>   |
| <b>TOTAL FOOTPRINT</b>  | <b>319,475</b>        | <b>248,900</b> | <b>218,235</b> |
| <b>Progress towards 90% reduction target</b>                                  | <b>Baseline</b>       | <b>19%</b>     | <b>29%</b>     |

\* LPG from forklift trucks now also included

## Measuring B&Q's carbon footprint

B&Q's 90% CO<sub>2</sub> emissions reduction target applies to all scope 1 and 2 emissions from stores, haulage, business travel in company owned cars and certain scope 3 emissions. Scope 3 emissions measured by B&Q include business travel (excluding rail travel), waste disposal and water.

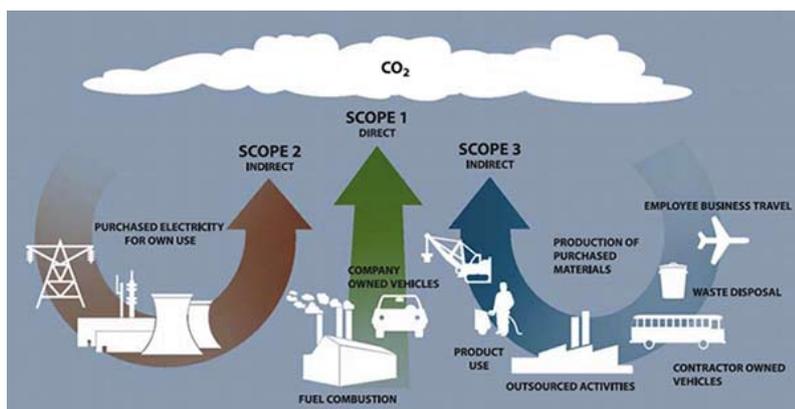


Figure 6: scope 1, 2 and 3 greenhouse carbon dioxide (CO<sub>2</sub>) gas emission categories

Adapted from: New Zealand Business Council for Sustainable Development, 2002. The challenge of Greenhouse Gas emissions. Figure 3, page 10. Available at: [www.sbc.org.nz/climatechange/Climate\\_Change\\_Guide.pdf](http://www.sbc.org.nz/climatechange/Climate_Change_Guide.pdf) [Accessed 2 July 2012]

## Appendix 2

# Offices, distribution and installation centres

Whilst not part of B&Q's overall 90% carbon reduction target, energy and water consumption in offices and energy data for distribution centres is included below. This data was not available in 2007 when B&Q's One Planet Living targets and commitments were established. Since 2011 B&Q is also able to report on energy, water and transport data from installation centres. B&Q does not capture water use or waste generated at distribution centres. Most of the waste generated at distribution centres is backhauled from stores and therefore allocated to the store waste figures.

| Distribution centres and offices                          |                       |               |               |
|---|-----------------------|---------------|---------------|
| Activity  | 2008/09<br>(baseline) | 2011/11       | 2011/12       |
|   | tCO <sub>2</sub>      |               |               |
| <b>Zero Carbon</b>  | <b>27,841</b>         | <b>20,929</b> | <b>20,919</b> |
| Office electricity  | 5,362                 | 3,860         | 3,841         |
| DC and IC electricity                                     | 18,422                | 13,105        | 12,256        |
| Office gas  | 650                   | 323           | 276           |
| DC and IC heating   | 3,408                 | 3,641         | 4,546         |
| <b>Sustainable Transport</b>                              |                       |               | <b>634</b>    |
| IC transport  |                       |               | 634           |
| <b>Sustainable Water</b>                                  | <b>13</b>             | <b>14</b>     | <b>15</b>     |
| Office water  | 4.2                   | 4.5           | 5.3           |
| Office water effluent                                     | 8.4                   | 7.4           | 8.7           |
| IC water  |                       | 0.8           | 0.5           |
| IC water effluent   |                       | 1.4           | 0.8           |
| <b>TOTAL CO<sub>2</sub></b>                               | <b>27,854</b>         | <b>20,943</b> | <b>21,568</b> |
| <b>Percentage reduction since 2008/09</b>                 | <b>Baseline</b>       | <b>25%</b>    | <b>23%</b>    |
| <b>Additional information</b>                             |                       |               |               |
| Percentage electricity from green tariff                  | 0%                    | 19%           | 20%           |
| Percentage electricity from onsite electricity generation | 0%                    | 10%           | 11%           |

## Appendix 3

# Overview of targets, ambitions and performance

Targets and ambitions\*

Performance  
against targets

Highlights from 2011

| Targets and ambitions*  | Performance<br>against targets | Highlights from 2011   |
|---|--------------------------------|--|
| <b>Zero carbon</b>  |                                |  |
| <b>ZC1</b> Reduce energy use in line with carbon footprint reduction target of 20% by 2012  | ✓✓                             | Absolute reduction in store energy use of 25%  |
| <b>ZC2</b> All new stores to be zero carbon by 2012   | ✗                              | B&Q will need to provide evidence that demonstrates how any new stores opened from 2012 onwards will be zero carbon  |
| <b>ZC3</b> Zero carbon electricity across all B&Q sites by 2023   | ✓                              |  |
| <b>ZC4</b> 90% reduction in CO <sub>2</sub> emissions from heating fuels (mainly gas) across all B&Q sites by 2023                        | ✓                              | 15% reduction in CO <sub>2</sub> emissions, gas data loggers have been installed in 290 stores, biomass heating installed in the new store support office, using locally sourced wood pellet |
| <b>Zero waste</b>   |                                |  |
| <b>ZW1</b> 90% of waste by weight reused, composted or recycled by 2012   | ✗                              | 76% of waste by weight reused, composted or recycled   |
| <b>ZW2</b> 50% reduction in waste to landfill by 2012 (WRAP target, against 2007 baseline)  | ✓✓                             | 79% reduction in waste to landfill compared to 2007 figures  |
| <b>ZW3</b> No more than 2% of 2006 tonnage sent to landfill per year by 2023  | ✓                              | 14% of 2006 tonnage sent to landfill   |
| <b>Sustainable transport</b>  |                                |  |
| <b>ST1</b> 50% reduction in flights within Great Britain by 2012  | ✗                              | 13% reduction in flights within Great Britain  |
| <b>ST2</b> 50% reduction in CO <sub>2</sub> emissions from business travel and domestic haulage by 2023                                   | ✓                              | 28% reduction in CO <sub>2</sub> from transport  |
| <b>Sustainable materials</b>  |                                |  |
| <b>SM1</b> Top 250 Goods Not For Resale suppliers (by spend) to undergo supplier assessment by 2011                                       | ✓                              | 254 GNFR suppliers were assessed in 2010 and the first bi-annual reassessments will take place in 2012   |
| <b>SM2</b> Work with partners to reduce the chemical impact of products in the home   | ✓                              | 20% reduction in average own-brand paint VOC levels compared to 2008   |
| <b>SM3</b> Calculate the full carbon footprint of B&Q's supply chain (using TBL2) and develop strategies to address areas of high impact. | ✓                              | Full supply chain footprint calculated and B&Q is currently working on various projects to improve high carbon impact areas  |
| <b>SM4</b> Continue to explore and develop opportunities for closed loop recycling  | ✓                              | A number of internal stakeholders are working together to identify opportunities to develop specific closed loop recycling projects, covering both products and packaging                    |
| <b>Sustainable packaging</b>  |                                |  |
| <b>SP1</b> Reduce own-label packaging by 15% by the end of 2012 (from 2007 baseline)  | ✗                              | Own-brand packaging weight has increased   |
| <b>SP2</b> Remove polystyrene from all indoor and outdoor lighting packaging by 2012  | ✗                              | Polystyrene almost eliminated from lighting packaging and other product areas such as appliances and fire places under review  |
| <b>SP3</b> Remove PVC from all packaging lines by end 2013  | ✓                              | PVC is not permitted in new product packaging, working with suppliers to eliminate PVC in existing products  |
| <b>SP4</b> Undertake a feasibility study for a closed loop paint pot recycling scheme by the end of 2013                                  | ✓                              | B&Q is currently undertaking a feasibility study with partners to recycle disused paint pots and convert them back into containers   |
| <b>SP5</b> Make all own-brand packaging recyclable by 2020  | ✓                              | Most new products now carry an on-pack recycling label and B&Q is working to eliminate non-recyclable elements   |
| <b>Sustainable water</b>  |                                |  |
| <b>SW2</b> Introduce smart metering in all stores where this is feasible  | ✗                              | Roll out of automatic meter readings was not progressed  |
| <b>SW3</b> 10% reduction in store water consumption per m <sup>2</sup> by 2012 (against 2007/08 baseline)                                 | ✗                              | 2.4% reduction in store water consumption per m <sup>2</sup> since 2007  |
| <b>SW4</b> All new stores to have rainwater harvesting  | ✓                              | Six stores and B&Q House now use rainwater harvesting  |

Targets and ambitions\*

Performance against targets

Highlights from 2011

| Natural habitats and wildlife  |    |  |
|--|----|--|
| NW1 Ensure that 100% of timber bought is compliant with stated policy – legal, sustainable with full chain custody by end of 2010        | ✓  | 100% of timber compliant, plus Forest Friendly campaign continues with the aim of increasing customer awareness                              |
| NW3 Achieve 65% peat dilution in line with GMI membership requirements by 2013   | ✓  | 56% dilution, however forecasts based on B&Q plans reveal a predicted increase dilution to at least 63% in 2012/13                           |
| NW4 Promoting land and wildlife through customer engagement  | ✓  | Various initiatives, garden at Chelsea, 'Wildlife at Work' photo competition and free entry to Kew Gardens for staff                         |
| Culture and community  |    |  |
| CC1 Recruit 500 schools to Job Done! in UK and 80 schools in ROI during 2011   | ✓✓ | In total 1,426 secondary and 2,074 primary schools have signed up to Job Done!   |
| CC3 Begin to reduce the DIY skills gap by engaging with young people and other targeted groups   | ✓  | Engaged with over 2,299 cubs, scouts and leaders through workshops and events  |
| CC4 Become a recognised and respected provider of DIY skills and training delivery   | ✓  | DIY classes on sustainable home improvements delivered, TradePoint is offering free classes to builders to get them ready for the Green Deal |
| CC5 Support and raise money for charity partners   | ✓  | More than £286,400 raised for BBC Children in Need through customer and employee fundraising   |
| Equity and fair trade  |    |  |
| EF1 Hold regular webinar sessions to engage suppliers in B&Q's One Planet Home programme   | ✓  | 74 supplier companies participated in a total of six webinars on Sedex and One Planet Living   |
| EF2 By end of 2011 all tier 1 own-brand and co-branded vendors to link to B&Q on SEDEX   | ✗  | 173 tier 1 suppliers (38%) are linked to B&Q on Sedex  |
| EF3 Ensure all vendors achieve a minimum of Grade C for supply chain transparency by 2023  | ✓  | B&Q's supplier engagement team supports suppliers with improving their grades for supply chain transparency                                  |
| EF4 Participate in relevant industry working or stakeholder groups that work to improve ethical and environmental standards              | ✓  | B&Q continues to be involved in the Quarry Working Group to inform industry ethical and environmental standards                              |
| Employee engagement  |    |  |
| EE1 Maintain/improve participation in employee engagement survey and in engagement levels (minimum target of 4.15 and 80% participation) | ✗  | Score 3.99 and participation levels 60%, new interactive employee engagement approach agreed for 2012  |
| EE2 Invest in opportunities for training and up skilling for staff   | ✓  | Employees have achieved more than 18,300 City & Guilds qualifications since 2009   |
| EE2 Support and encourage employee wellbeing through improvements to working environments and employee benefits                          | ✓  | Head office staff now have access to brand new facilities, B&Q is planning to improve facilities for store employees                         |
| One Planet Home® Products  |    |  |
| OPH2 Introduce new products to the range that will enable customers to reduce their footprint by 10% by 2023                             | ✓  | B&Q introduced Clean Spirit, a range of LED bulbs and 'power down' and room control products, PV panels sold in PAYS trial                   |
| OPH3 Continue to run Eco Advisor programme   | ✓  | 192 eco advisors have obtained a City & Guilds qualification in Eco Studies  |
| OPH4 Continue to devise and deliver a strategy for Green Deal activation with local authorities and national Government                  | ✓  | Active engagement with government to further influence Green Deal to ensure the market is open and fair                                      |

\*All targets and highlights are against 2006 baseline unless otherwise stated

# B&Q Social Responsibility Policy 2011



**Our Vision:** Making Everything We Do Sustainable

At B&Q our vision is to be the number one choice for sustainable home improvement in the UK and Ireland. We are committed to fully integrating the principles of corporate social responsibility into our business practice, to preventing pollution and to meeting our legal obligations. We believe that in this way our Corporate Responsibility Strategy will create value for our business

Working with sustainability experts, Bioregional, we have developed our One Planet Home<sup>®</sup> Sustainability Action Plan, which identifies our key impacts and influence and sets out our plans to continually improve the sustainability of our business. The key elements of the plan and our long term ambitions are summarised in the table below.

| One Planet Principle                 | Our Ambition   |
|--------------------------------------|--|
| <b>Zero Carbon</b>                   | To achieve zero carbon stores  |
| <b>Zero Waste</b>                    | To reduce waste to landfill by 98%   |
| <b>Sustainable Transport</b>         | To reduce transport emissions by 50%   |
| <b>Sustainable Materials</b>         | To develop and use product buying standards to address and minimise the impacts of our products and services   |
| <b>Sustainable Water</b>             | To minimise the environmental impact of water use in our stores and operations   |
| <b>Natural Habitats and Wildlife</b> | To understand and minimise the impact on natural habitats and wildlife of all our product and service categories   |
| <b>Culture and Heritage</b>          | To be a good neighbour in all the communities we serve   |
| <b>Equity and Fair Trade</b>         | To work with suppliers and partners who share our commitments and engage with our suppliers and stakeholders to find common solutions to sustainability challenges |
| <b>Health and Happiness</b>          | To engage our employees as champions of sustainability, respecting and supporting the diversity of our stakeholders' cultures and lifestyles                       |
| <b>One Planet Home Products</b>      | To make it easy for our customers to create more sustainable homes   |

This policy aligns our parent company Kingfisher's Future Homes strategy and has been adopted by the board of B&Q UK. The board will ensure that this policy and the commitments it contains are implemented and reviewed annually and that our progress is measured, reported and independently verified.

Martyn Phillips, Chief Executive Officer B&Q  
August 2011

# About B&Q

**B&Q is the largest home improvement and garden centre retailer in the UK with 359 stores employing around 30,000 people nationwide, more than a quarter of whom are over 50 years of age.**

B&Q is part of Kingfisher plc, the world's third largest home improvement retailer with 840 stores in 10 markets in Europe and Asia. These include 60 B&Q stores in China and B&Q Beijing, which is now the largest B&Q store in the world.

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 by 2015. 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.

For more information about B&Q please go to [www.diy.com/aboutus](http://www.diy.com/aboutus)

For more information about B&Q's social responsibility Key Performance Indicators, please see [www.kingfisher.com](http://www.kingfisher.com), B&Q's parent company.

# About BioRegional

**BioRegional is a sustainability charity, with 18 years of experience, offering expert environmental advice, practical support and innovative solutions to organisations and communities wanting to improve their sustainability.**

We work in partnership with companies, the public sector and local communities to develop and implement leading sustainability programmes that are affordable, achievable and reduce the damaging impact on the earth.

As a charity, we re-invest the money we generate from our partnerships into inspiring, educating and influencing others to follow our lead for a more sustainable way of living and working. We do this by sharing our learnings and experience through real-life projects, campaigns and advocacy.

We help organisations become more sustainable with a combination of expert technical advice and hands-on practical support, based on our award winning 'One Planet Living' model and years of experience of delivering real-life programmes globally.

Our 'One Planet Living' model is based on ten simple principles which provide a framework to make sustainable living (living within the capacity of our one planet), easy and affordable for all. We use the framework to devise clear solutions and action plans that help organisations and communities to address the social, economic and environmental aspects of sustainability.

BioRegional has worked with B&Q since 2007 to develop and implement a comprehensive sustainability action plan, based on the One Planet Living model. On the ground, BioRegional supports the implementation of the action plan through providing technical guidance on practical sustainable solutions to reduce the impacts of stores, offices and the supply chain and to expand B&Q's range of eco products.



**BioRegional**

solutions for sustainability

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