

One Planet Home<sup>®</sup> at B&Q  
**Progress against  
targets in  
2012/2013**





# Contents

Message from Sue Riddlestone	4
B&Q's carbon footprint	5
Summary of progress	6
<b>Our Home</b>	<b>9</b>
Zero carbon	10
Zero waste	13
Sustainable transport	16
Sustainable materials	19
Sustainable packaging	22
Sustainable water	24
Natural habitats and wildlife	26
Culture and community	29
Equity and fair trade	32
Employee engagement	34
<b>Your Home</b>	<b>37</b>
One Planet Home® products	38
Message from Matt Sexton	41
Appendix 1: B&Q's carbon footprint - scope 1, 2 and 3 emissions	42
Appendix 2: Offices, distribution and installation centres	43
Appendix 3: Overview of targets, ambitions and performance	44
Appendix 4: B&Q Social Responsibility Policy 2011	46
About B&Q	47
About BioRegional	47



# Message from Sue Riddlestone

## Chief Executive and Co-founder of BioRegional

Looking back at 2012, we certainly had some ups and downs in the UK. We started the year with far too little rain and ended it with far too much. Despite these tumultuous weather conditions which impacted both on sales and business operations, B&Q has not wavered on its commitment to developing sustainable solutions and can in fact demonstrate the triple bottom line savings from its One Planet Home programme.

Winning the Queen's Award for Sustainable Development is a real testament to B&Q's achievements. In addition, there has been an opportunity for B&Q to turn challenges and barriers into opportunity, with the launch of new products and services that help customers to save energy, and developing new ideas for closed loop products that respond to consumer trends and increasing resource scarcity.

This year, it is exciting to see some ideas that have been in the pipeline for quite some time come to fruition such as the introduction of dual fuel biomethane trucks and planning permission granted for a biomethane refuelling station at the new Swindon DC. This process took three times longer than originally anticipated but B&Q's logistics manager stood fast and overcame numerous hurdles to making it a reality. This is just one example of the tenacity and vision B&Q demonstrates across the organisation.

Something B&Q often doesn't receive enough credit for is for the continued effort to strive to do better. Having achieved 100% responsible timber sourcing, B&Q is now also supporting a new programme, Good Woods, which is helping to bring British Woodlands into appropriate management, supporting biodiversity, skills development and over time, an increased supply of British wood and wood products into the market. BioRegional is proud to be working with The Sylva Foundation and B&Q to bring this project to life.

As the programme unfolds, some particularly knotty issues have come to light, such as the volume of treated timber used, for example, in packaging and for displays. This is hampering B&Q's efforts to increase reuse and recycling levels. Tackling these specific challenges and drawing on BioRegional and other stakeholders for support will be key to resolving some of these issues and moving B&Q a step closer to achieving its One Planet Home targets.

Sue Riddlestone

# 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. In 2012, B&Q maintained an absolute reduction of 29%.

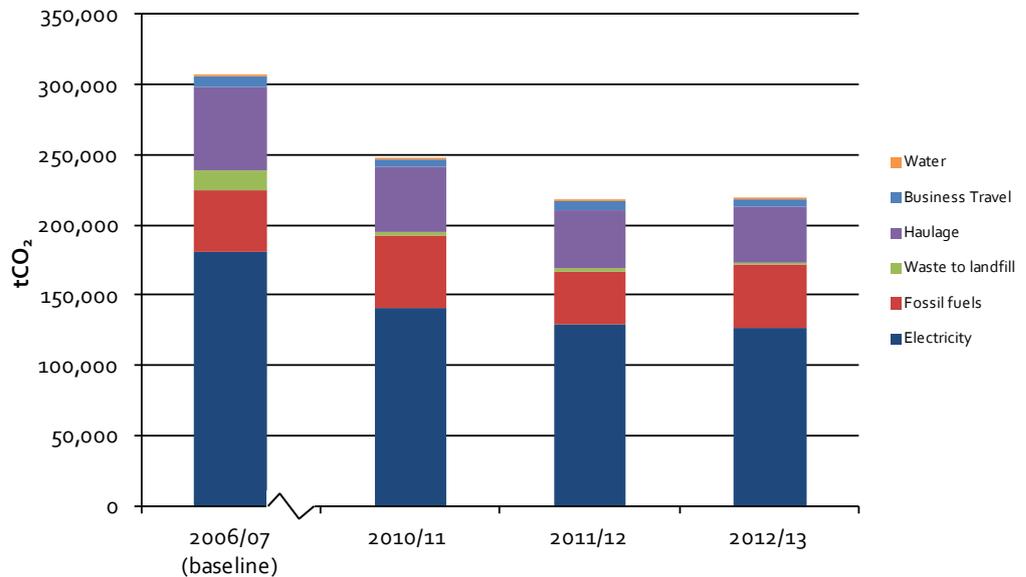


Figure 1: B&Q's carbon footprint

*This carbon dioxide footprint has been calculated using Defra's Guide to company reporting 2009. All figures are expressed in tonnes of CO<sub>2</sub> in line with previous reporting. However the conversion factor used for water consumption is based on tCO<sub>2</sub> eq. as CO<sub>2</sub> alone is not included in the DEFRA greenhouse gas conversion factors for company reporting on water-related emissions.*

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, distribution and installation centres in Appendix 2.

# Summary of progress

Although overall CO<sub>2</sub> emissions figures remain similar to last year, B&Q has made some great progress and results from initiatives started this year will contribute significant savings over the coming years. Most importantly B&Q is planning to install LED lighting technology in all stores over the next eight years, with the potential to significantly reduce store electricity consumption. B&Q's estate has grown by 9.2% since the One Planet Home programme started in 2007. Four new stores were opened in 2012.

## Headline figures (versus 2006/07 baseline) include:

- ▶ 30% reduction in CO<sub>2</sub> from store electricity use
- ▶ 2% increase in CO<sub>2</sub> from store heating fuels
- ▶ 90% reduction in CO<sub>2</sub> from waste to landfill
- ▶ 32% reduction in CO<sub>2</sub> from haulage and business travel
- ▶ 7% reduction in water usage per m<sup>2</sup> sales area

## Specific successes include:

- ▶ New LED store lighting technology piloted in six stores
- ▶ 91% of waste recycled or sent to energy from waste/incineration plants
- ▶ Introduction of 50 dual fuel vehicles, running on biomethane from 2013
- ▶ Growing media peat dilution now 62% (by volume)
- ▶ B&Q Energy Saving brand and installation services launched

## Manifesto

In 2012 B&Q launched its Corporate Manifesto, a 10-point strategy to ensure customers are at the heart of the business. One of the 10 points is dedicated to sustainability and sustainability issues are highlighted in three others. In 2013, three stores will trial Manifesto principles.

## Award winning

In 2012, B&Q was honoured with the UK's most prestigious business award, The Queen's Award, for its work in creating a sustainable business and helping people improve the sustainability of their homes. B&Q was also recognised as Retail Week's Sustainable Business of the Year. The company's Eco House won an award for Renewable Innovation at the Environment and Energy Awards. Richard Cowley from B&Q Operations said: "The really inspirational thing about the house is that it makes high levels of energy efficiency feel achievable for our current homes." B&Q was also awarded Best 50+ employer status.

In 2013, B&Q was honoured with The Carbon Award at The Guardian Sustainability Awards and B&Q's waste manager Sharon Parsons was named National Recycling Champion at the letsrecycle.com awards.

## Net Positive

Launched in 2012, parent company Kingfisher's Net Positive strategy identifies four pillars that are central to achieving the group's sustainability aspiration; timber, energy, innovation and communities. B&Q is supporting Net Positive through continuing to deliver its One Planet Home sustainability programme, launched in 2008.

## Performance against targets

This report gives an overview of headline targets and progress made in 2012. It indicates whether B&Q is on track to meet the targets and plans. All targets are against the 2006/07 baseline unless otherwise stated. Some targets have been updated, for example where new initiatives have been introduced and to ensure One Planet Home is fully aligned with Kingfisher's Net Positive programme. All updates are flagged throughout the report. Appendix 3 contains the full list of targets, ambitions and performance.

<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



bbing  
wer tools  
ware

timber  
roofing  
build

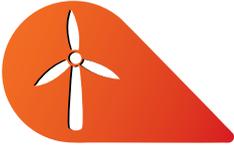
OPEN 7 DAYS A WEEK

# 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.

<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

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



# Zero carbon

<b>Performance against targets</b>	
✓	ZC2 New stores zero carbon by 2015 Updated target
✓	ZC3 Zero carbon electricity across existing estate by 2023
✗	ZC4 90% reduction in CO <sub>2</sub> from heating fuels by 2023

## Key activities and achievements in 2012

- ▶ Piloted a new LED technology, now installed in six stores.
- ▶ Power Purchase Agreement-enabled contract now in place for UK mainland estate.
- ▶ Solar PV installed on store roofs in Farnborough and Taunton.

## Review of progress and activities

### Progress towards zero carbon

Store electricity use has decreased by 30% compared to the 2006 baseline. Gas usage, however, is similar to 2006 levels and now 2% above the baseline due to the cold winters experienced in 2012.

BioRegional worked closely with a cross-departmental working group to develop a long term strategy to achieve zero carbon. The group included staff from Property, Strategy, Finance and CSR teams. The group developed headline scenarios for achieving zero carbon and presented these in a briefing paper to the Executive Board. As a result of this work a low energy LED lighting investment programme is now being rolled out across a number of stores, with a view to cover the entire estate over the next eight years. As results from measures to increase energy efficiency and on-site renewables alone will not be sufficient to meet the carbon reduction targets, B&Q is developing a detailed investment study to explore offsite routes to zero carbon in greater detail.

## Renewables

In 2012, B&Q negotiated a new Power Purchase Agreement-enabled contract with its electricity supplier. This has been a lengthy and complicated process and has been one of the key barriers to B&Q ensuring all new stores are zero carbon by 2012. BioRegional appreciates the challenges B&Q has faced in meeting this target, and as such, has pushed the target date back to 2015. The new contract will allow B&Q to source renewable power from outside its main supply contract, through direct investment or power purchase agreements. As well as making progress towards meeting the zero carbon electricity target B&Q will thereby contribute to new renewable energy capacity in the UK. In 2013 B&Q will be working with renewable energy experts to explore opportunities available for investment in off-site renewables.

The Farnborough and Taunton stores had landlord-funded photovoltaic panels (PV) installed. In the last three months of 2012 these installations generated over 13,000 kWh. B&Q is exploring the feasibility of installing PV on the roofs of a number of the 30 stores in its freehold estate in 2013.

## Store Improvements

Five existing stores had sales areas retrofitted with new LED lighting technology. The new Friern Barnet store also uses this new technology.

Store heating has proved to be a major challenge to B&Q. Heating use is highly weather dependent and so although efficiency improvements were made in the early years of the programme by ensuring timers were functioning and set correctly and lowering base temperatures, these savings have been eclipsed by the total consumption due to longer, colder winters experienced in 2011 and 2012. In order to try to manage this three stores had lobbies constructed to all entrances and exits, including garden centres and trade entrances, to reduce heat loss. In addition, a full height wall has been constructed at these stores to separate the receiving bay from the sales area to further improve thermal performance. These changes have now been incorporated in the specification for all new works.

### LED lighting at Caerphilly store

LED was trialled at the B&Q Caerphilly store. Energy consumption in the three months from October to December 2012 was 89,105 kWh versus 184,934 kWh for the same period in 2011; a 52% reduction.



## Gas Usage

Due to a slightly colder than average winter in 2012/13, total gas consumption is back at 2006 levels. Going forward, managing gas usage will become increasingly important for B&Q. With the projected electricity savings through the LED programme, gas consumption will account for a larger proportion of the total carbon footprint.

High efficiency condensing gas fired heaters were installed in the new Friern Barnet store and were used to replace conventional heaters in an existing store. These heaters are now specified for all new stores.

The majority of stores now have gas data loggers. B&Q is looking into reporting options for gas consumption data and ways of presenting and communicating this to encourage managers to make improvements.

### Plans for 2013

- ▶ Plan to convert complete store estate to LED lighting over an eight year period.
- ▶ Install PV on suitable freehold estate stores.
- ▶ Undertake an investment study to assess options for off-site renewables.
- ▶ Assess potential for alternative heating systems to reduce exposure to gas and oil usage fluctuations.



# Zero waste

<b>Performance against targets</b>	
✓	ZW1 90% of waste by weight reused, composted or recycled by 2014 <i>Updated target</i>
✓	ZW3 No more than 2% of 2006 tonnage sent to landfill by 2023
✓	ZW4 90% of construction waste to be diverted from landfill for all new stores, store revamps and other construction projects by 2014 <i>New target</i>

## Key activities and achievements in 2012

- ▶ 91% diversion from landfill, 72% of waste recycled.
- ▶ Roll-out of hard plastics recycling to all stores.
- ▶ 10% of 2006 tonnage sent to landfill.

## Review of progress and activities

### Progress towards zero waste

Diversion from landfill has improved further through ongoing engagement with stores to ensure they are optimising recycling. In 2012, B&Q's waste manager and waste partner visited 150 stores and will continue a programme of store visits in 2013 to help promote best practice recycling.

B&Q also continues to monitor the weekly number of general waste wheelie bin uplifts. If a store has an unusually high level of uplifts compared to a store of a similar size, the number of general waste bins is reduced. This drives the right recycling behaviour.

A waste project team was set up in early 2012, to ensure synergies are achieved across all areas of the business. The team monitors all waste projects and shares best practice.

## Waste reduction in Worthing

B&Q Worthing is one of B&Q's top stores when it comes to waste reduction and recycling. Store manager Gary leads by example, often having a rummage through the bins to ensure everything is in the right place. His store does not have a timber skip; instead Gary sells all waste timber in-store to the general public. Gary even sold four laminate flooring packaging boards which a customer used to make a bed base.



The Worthing store used to have five wheelie bins for general waste. The team managed to reduce this to three and Gary's aim is to reduce to two by this summer. According to Gary the secret is talking about it; even his cleaners are on board.

Gary has been working for B&Q for 16 years and at B&Q Worthing for the last four years. In his spare time Gary is involved in a number of conservation groups.



*Backhauled treated timber waste at Branston Distribution Centre*

## Waste Streams

Hard plastic recycling has been rolled out to all stores and B&Q is completing the introduction of wood skips at larger format stores to enable stores to divert all treated timber from landfill.

B&Q has so far been unable to find recycling options for treated timber and therefore this wood is sent to energy from waste or incineration facilities. B&Q recognises that this waste stream needs to be tackled if the 90% waste recycling target is to be achieved. B&Q continues to develop a better understanding of where and why treated timber waste is arising. In 2013 B&Q will work with vendors, commercial and waste management teams to develop an alternative to the use of MDF as a packaging material. BioRegional has agreed to change the 90% recycling target date to 2014 to give B&Q time to find a solution for treated timber waste

## Construction Waste

Eight construction projects took place in 2012; four new stores and four refurbishments of existing stores. In total 633 tonnes of waste was generated of which 30% was recycled and 34% sent to energy recovery facilities. B&Q is currently investigating ways to reach the 90% recycling target.

## Looking Ahead

The roll out of new Manifesto format stores is likely to contribute to an increase in waste in 2013 with the installation of new racking, point of sale and other merchandising materials. B&Q's waste manager continues to engage with key stakeholders across the business including property and commercial teams to ensure that appropriate waste management plans are developed as part of any large projects. In 2013, B&Q will also be developing a recycling solution for point of sale materials including corex PVC banners and other materials.

### Plans for 2013

- ▶ Roll out dry mixed recycling for store offices , subject to successful trial.
- ▶ Continue to work with key stakeholders to phase out use of treated wood as a packaging material.
- ▶ Engage with project teams to ensure waste management is fully integrated into project planning and delivery, particularly range review and store refurbishment activities.



# Sustainable transport

<b>Performance against targets</b>	
✓✓	ST1 20% reduction in absolute business travel emissions from 2006/07 baseline by 2015 <i>Updated target</i>
✓	ST2 50% CO <sub>2</sub> reduction across business travel and haulage by 2023

## Key activities and achievements in 2012

- ▶ 32% reduction in CO<sub>2</sub> from haulage.
- ▶ Introduction of 50 dual fuel vehicles, running on biomethane from 2013.
- ▶ 35 % reduction in number of domestic flights and 29% reduction in emissions from business travel through reorganisation of teams and promotion of rail travel.

## Review of progress and activities

### Haulage

Further reductions in CO<sub>2</sub> have been achieved through continued efforts on driver training, route planning and fleet improvements. B&Q is also starting to see results from major investments such as the opening of its new distribution centre in Swindon.

B&Q has significantly reduced transport emissions through efficiency of vehicles and routes. In future the company will need to investigate how product design and packaging optimisation can help reduce transported products in order to be able to further reduce emissions.

### Fleet replacement programme

The phased delivery of dual fuel vehicles began in late November and was completed in January with all vehicles now operational. On average they will be 60% powered by biomethane gas (derived from landfill gas) and B&Q continues to work with drivers and manufacturers to improve this to 70%.

The retail fleet now has 500 double decks in operation which carry 35% more products than the older single deck trailers.

## Home delivery network

Diesel used in the home delivery network has increased compared to the previous year as aggregate materials that used to be delivered by a third party are now being delivered by B&Q. In 2013 the size of the fleet will be reduced by increasing efficiency through using larger vehicles.

### The ultimate commute

In September a team of 14 B&Q staff and Hayley Baines-Buffery from BioRegional commenced their ultimate commute, cycling over 240 miles to a meeting at sister company Castorama in Lille, France. On the way they dropped in to B&Q stores at Farnborough, Gillingham and Dover as well as Kingfisher's offices in Paddington.

Why? To raise awareness of smarter commuting and business travel. Cycling to a meeting in France is a little extreme, but it illustrates that we can start rethinking business travel.

The team raised over £7,000 for Children in Need.



*New, low-emission dual fuel vehicles*

## Business travel

This year there has been an impressive reduction in emissions from business travel. This is the result of various initiatives:

- ▶ Reorganisation of the Retail Change team: they now work closer to where they are based, thereby reducing the number of domestic flights.
- ▶ Targeting short haul flights between Southampton and Manchester: employees are encouraged to take the train on this most frequently made domestic air journey.
- ▶ Implementation of rail ticket printing at B&Q's head office: the number of tickets being purchased for rail travel has increased by almost 200%.
- ▶ The absence of a product show and other national conferences this year will also have had an impact.

Developing plans to sustain this reduction in business travel will be key to ensuring B&Q continues to achieve at least a 20% reduction in CO<sub>2</sub> emissions by 2015 and a 50% reduction by 2023. BioRegional agreed to modify the target for business travel (previously a target to reduce domestic flights by 50%) due to concerns that this would start to drive the wrong behaviour and could in fact increase CO<sub>2</sub> emissions if flights were replaced by single passenger car travel.

### Plans for 2013

- ▶ Introduction of 15 dual fuel tractor units that run on natural gas for home delivery fleet.
- ▶ Address transported product volume through product design and packaging optimisation.
- ▶ Further reduce emissions from business travel.



# Sustainable materials

<b>Performance against targets</b>	
✓	SM3 Engage with priority vendors as indicated in our supply chain footprint to identify opportunities for carbon reduction <i>Updated target</i>
✓	SM4 Continue to explore and develop opportunities for closed loop recycling
✓	SM5 Every range review (via the Range Sustainability Rating) to deliver leadership in products that help customers create One Planet Home <i>New target</i>

## Key activities and achievements in 2012

- ▶ A carbon footprinting study for the kitchens range was completed, resulting in some key recommendations that will be taken forward by B&Q.

## Review of progress and activities

### Product footprinting

In 2012 BioRegional undertook a footprinting study to identify the largest areas of carbon impact from B&Q's kitchens range. This study will inform where specific efforts should be focussed in working with the supply chain and communicating with customers. The project revealed that key impacts are:

- ▶ Efficiency of appliances, particularly white goods, as in-use energy consumption makes up over 80% of the total carbon footprint modelled.
- ▶ Embodied carbon of appliances, typically 60% of a kitchen's carbon impacts from production/manufacture.
- ▶ After appliances, flooring can make up the largest impact from kitchens.

This study resulted in a number of specific recommendations for B&Q. B&Q will be working with suppliers of the highest impact products to develop an informed strategy to reduce these impacts. B&Q will also look at enhancing the customer experience through developing clear messaging and information around making greener and potentially cost saving choices for their kitchens.

BioRegional will be working with some of B&Q's key horticulture suppliers in 2013 to identify the opportunities for improvement in the areas of energy and water management.

## Closed loop products

Kingfisher's Net Positive programme includes a commitment to innovation and closed loop products. Closed loop supply chains can be achieved through design, new business models, materials recovery or new materials. B&Q has started to explore how waste generated through its own operations could be turned into new materials or products. This may involve encouraging people to bring back unwanted or used products to stores so that the material can be recovered. This work will continue in 2013.

## Range Sustainability Rating (RSR)

The RSR is an internal management system developed by B&Q to stimulate the continual improvement of product ranges. In 2013, all fifty product ranges will be reviewed by the Social Responsibility team and following that, action plans will be agreed with the buying teams. The RSR looks at the key areas of compliance with B&Q's policies, vendor assessment ratings and opportunities to develop One Planet Home product ranges. The RSR reviews and recommendations will feed directly into commercial strategies. For example, as a result of the kitchen footprinting work the kitchen buying team is looking at moving towards 100% LED lighting by 2014 and looking at how they can support customers with kitchen maintenance and repair.



*Kitchen footprinting study, reducing the carbon impacts*

## Goods Not For Resale (GNFR)

The materials procured by B&Q fall into two broad categories: Goods For Sale (products sold in stores) and Goods Not For Resale (any other product, material or service procured by B&Q for its own use). Key areas include paper for brochures, uniforms and construction and refurbishment materials. Responsibility for environmental and ethical compliance of GNFR sourcing has been recently handed over to the stream lead for Equity and Fair Trade. B&Q has been working with the key owners to identify particular risks and develop strategies to improve sourcing.

### Plans for 2013

- ▶ A customer waste recycling trial is going into four stores in 2013. B&Q will take back light bulbs, batteries and WEEE waste.
- ▶ Footprint project for horticultural products.
- ▶ Joint project with WRAP to assess potential for new business models that result in lower levels of material consumption through alternatives to conventional purchase.



# Sustainable packaging

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

## Key activities and achievements in 2012

- ▶ 9% reduction in own-brand primary packaging volume.
- ▶ 100% recycled content own-brand polypropylene paint pots (white paint only).
- ▶ Feasibility studies carried out on closed-loop packaging projects.

## Review of progress and activities

### Progress towards sustainable packaging

B&Q continues to ensure that its packaging is “widely” recyclable (under the On-Pack Recycling Label scheme) and as part of this work, continues to remove non-recyclable materials such as PVC and polystyrene from its packaging. During 2013 and 2014, B&Q will be moving its bedding plants from polystyrene packaging into a more sustainable packaging solution.

B&Q is also committed to ensuring that as much recycle is incorporated in packaging is technically possible. Own-brand paint pots now contain a high recycled content and B&Q will be working on increasing the amount of recycled material used in the bottled garden care range.

The collection of detailed packaging data has been an issue for B&Q. However, B&Q has now identified a data management partner. This means that going forward much better data will be available on types and quantities of materials used, level of recycled content, recyclability and weight. This will allow B&Q to better assess packaging hotspots and opportunities for reduction, whilst also closely monitoring the impact of measures to optimise packaging.

B&Q does not seem to be adopting a leadership position in relation to packaging, mainly due to difficulties in data management and internal processes. With a new data management provider in place, BioRegional is hoping to see improvements in the future.

### Synergy projects

B&Q's packaging team has been restructured and is now responsible for setting packaging policy across the Kingfisher Group. The team's focus is on packaging development and optimisation for Group brands. For example, in 2012 the team undertook a light-bulb packaging project to synergise packaging between Castorama France and B&Q. The packaging was specially designed to be able to fit on both sets of merchandising and box size optimised to each bulb type. This is now fully implemented by B&Q.

### Mirrors – supply chain / damage reduction project

B&Q moved to a new vendor through the Kingfisher Sourcing Organisation (KSO) for mirrors in 2012. This included a change from a vendor managed consolidation service to importing bulk mirrors into the B&Q distribution network. A full review of the KSO packaging proposal was undertaken and minor amends were made to some packaging. For other Stock Keeping Units (SKUs) a full packaging redesign was required as these mirrors cease using large, heavy and extremely fragile. This provided an opportunity to remove use of extruded polystyrene which was replaced with cardboard.

### Volume reduction

The key focus going forward is on reducing volume and on reducing the use of treated timber in transit packaging. This will assist in enabling the company to achieve a 50% reduction in CO<sub>2</sub> from transport and a 90% reuse and recycling rate.

### Plans for 2013

- ▶ Continue to increase the amount of recycled material in packaging and the recyclability of packaging.
- ▶ Continue to work with the Ellen MacArthur Foundation to develop closed loop packaging projects.
- ▶ Ensure packaging is compliant with B&Q's timber and paper policy by 2020.



# Sustainable water

<b>Performance against targets</b>	
<b>x</b>	SW3 10% reduction in water usage/m <sup>2</sup> by 2012 (against 2007 baseline)
<b>✓</b>	SW4 All new and revamped stores to have rainwater harvesting installed
<b>✓</b>	SW5 All relevant kitchen and bathroom products to carry the Water Label by end of 2015 <i>New target</i>

## Key activities and achievements in 2012

- ▶ 7% reduction in water usage/ m<sup>2</sup>.
- ▶ Highest consuming stores targeted and various major leaks detected and fixed.

## Review of progress and activities

### A wet summer

B&Q has achieved a 7% reduction in water usage per m<sup>2</sup> sales area this year compared to the 2007 baseline. Although hosepipe bans were put in place at the start of the year it turned out to be a very wet summer. This will have contributed to the reduced water usage as demands for water in the garden centres will have been lower.

A review of rainwater harvesting systems was carried out. Out of the seven reviewed, three systems were not working. Two have now been fixed.

### High consuming stores

Water management company Waterscan carried out a benchmarking exercise in stores. They then surveyed B&Q's highest consuming stores and gave advice on saving water and detecting leaks. A couple of major underground leaks have been averted since then. One store had a series of leaky ball valves which have now been fixed and should save the store 1,840 m<sup>3</sup> per annum. Anglian Water carried out a similar exercise in its area and discovered an underground leak in the Kettering store, saving 3,153 m<sup>3</sup> per annum.

B&Q's Sustainable Water stream lead is working more closely with the water companies. The company is in the early stages of an automatic meter reading (AMR) system trial with one supplier. Rolling AMR out across the estate would enable B&Q to receive accurate reads and invoices and spot leakages more promptly. B&Q has explored AMR in the past but the payback period of the installation was a barrier at the time.

### Water using products

B&Q plays a leading role in the Water Using Products group. This group was established in response to the Government Water White Paper which called for an increase in the sale of water efficient products in the UK market.

B&Q has indicated that it will join other retailers and merchants and introduce the Water Label on all baths, showers, taps and toilets. This label looks similar to the well-known Energy Label and will make it easy for customers to compare different products. BioRegional understands that B&Q will be including the Water Label on the website, on packaging and at point of sale.

B&Q already includes information on water consumption of showers in its Bathrooms brochure. Beside each shower it shows two water drops with the amount of litres used per minute at low and high pressure settings. Electric showers in the brochure display the predecessor of the Water Label (Water Efficient Product- Recommended) as flow rates are approximately 4 to 6 litres per minute which is very efficient. However BioRegional does not endorse electrical showers as One Planet Home products as carbon emissions are significantly higher compared to showers heated by gas at equal flow rates.

B&Q is also undertaking further work to look into the water footprint of products. As a first step water use hotspots in B&Q's products and supply chain have been identified. BioRegional will be working with B&Q's key horticulture suppliers in 2013 (see Sustainable Materials section).

### Plans for 2013

- ▶ Continue to work with Waterscan and water companies to lower water usage in stores.
- ▶ Complete automatic meter reading system trial.
- ▶ Water Label to be included on all baths, showers, taps and toilets by the end of 2015.



# Natural habitats & wildlife

<b>Performance against targets</b>	
✓	NW1 Maintain 100% timber compliance – legal, sustainable with full chain custody <i>Updated target</i>
✓	NW3 Achieve 65% peat dilution in line with GMI membership requirements by 2013
✓	NW4 Promoting land and wildlife protection through customer engagement

## Key activities and achievements in 2012

- ▶ Sourced FSC decorative sandpaper, available in all stores by the end of 2013.
- ▶ Banned products containing imidicloprid, a neonicotinoid pesticide, linked to declining bee populations.
- ▶ Maintained 100% responsible timber sourcing and continued Forest Friendly awareness campaign. B&Q’s Forest Stewardship Council (FSC) Chain of Custody certificate was renewed until 2018.

## Review of progress and activities

### Forest Friendly

In addition to its timber commitment, B&Q is also working to ensure all paper products are sustainably sourced. B&Q identified a source of FSC decorative sandpaper in 2012 and the paper will be phased in across stores in 2013. B&Q will continue to work with Kingfisher Sourcing Organisation to identify a certified source of power tools sandpaper.

### European Timber Regulation

In 2012, B&Q worked with suppliers to ensure they were fully prepared for the European Timber Regulation (EU TR) that came into force in March 2013. The EU TR bans importation of illegal timber into the EU and requires anyone handling wood or wood products to assess the risk that those products may have come from an illegal source and act to mitigate that risk. B&Q and BioRegional welcome the EU TR as it will help ensure that all retailers work with timber that is legally harvested and traded.

## Case Study - Good Woods

Good Woods is a ground breaking project aiming to breathe new life into UK woodlands. B&Q has teamed up with BioRegional and forestry charity the Sylva Foundation to revive our woodlands to provide environmental, social and economic benefits.

There are more than 3 million hectares of woodland in the UK, however in England alone it is estimated that less than half of our woodlands are either un-managed or under-managed. This project has been formed to help turn this situation around, starting in 2013 in the South East and East of England.

The key aims of our project are to promote the benefits of woodland management through:

- ▶ Providing 200 private woodland owners with tools and training in woodland management, linked to the freely available myForest service;
- ▶ Creating a new 'Three Star Scheme' to help woodland owners measure how their woodlands benefit themselves and wider society;
- ▶ Building relationships with communities to explain the benefits of working woodlands;
- ▶ Developing markets for woodland products that could be supplied to local and national markets, to stores such as B&Q and small businesses alike, whether joiners or furniture makers, firewood merchants and others.



*Good Woods, breathing new life into UK woodlands*

## Peat free

In 2012, B&Q achieved 62% peat dilution for bagged growing media (by volume). A peat free topsoil has been developed with a supplier and will be phased into stores during 2013. Although the 65% target has not been met, BioRegional is impressed by progress made and as B&Q continues to promote peat free products in store it should be able to reach the target in 2013.

In 2013, as part of the bi-annual growing media range review B&Q's Natural Habitats and Wildlife lead will work with buyers and suppliers to review formulations and agree increases in dilution. Any new formulations will then be introduced to the range in 2014. Packaging will also be reviewed as customers do not always understand the 'peat free' statement.

## Bees

B&Q led the market in deciding to stop selling products containing certain forms of neonicotinoid pesticides. The EU has now enforced a two year ban on neonicotinoids linked to shrinking bee populations. B&Q is working with its supply chain to improve the bee credentials of its garden ranges and is focusing its communications on helping customers achieve bee friendly gardens.



### Plans for 2013

- ▶ Work with GNFR suppliers to achieve 100% sustainable timber.
- ▶ Work with packaging team to ensure timber policy compliance from 2015 onwards.
- ▶ Growing media range review.



# Culture and community

<b>Performance against targets</b>	
✓	CC3 Begin to reduce the DIY skills gap by engaging with young people and other targeted groups
✓	CC5 Support our nominated charities by generating total charitable donations of £1 million per annum
✓	CC6 Empower communities to work together through Streetclub <i>New target</i>

## Key activities and achievements in 2012

- ▶ Almost £700,000 contributed to charity and community organisations.
- ▶ Sole sponsor of Scout Community Week which returned after a 20 year absence. 2,600 Scout groups took part.
- ▶ DIY training provided for 222 Beavers, Cubs and Scouts groups, Cub online resources accessed 11,000 times, newly created Scout DIY activity pack accessed 4,000 times and over 30,000 Scout and Cub badges purchased.

## Review of progress and activities

### Fundraising activities

B&Q's community team put a lot of effort into engaging stores in fundraising through store visits and sharing success stories and photos on its intranet. This has led to the record contribution to charity and community organisations.

Team B&Q entered the London Triathlon on 22 September 2012. 173 employees took part including B&Q's CEO Martyn Phillips who was the first to sign up. In total the team raised £100,000 for UK Youth.

### UK Youth

Through its national network of youth associations the charity reaches 750,000 young people each year in local clubs and projects helping them gain experience, confidence and new skills.

Every B&Q store is twinned to a youth group. These youth groups are allowed to come into store four times a year to raise money, wherever possible during peak trading periods to maximise footfall. Stores also donate slightly damaged products such as wood, paint pots, plants and plant pots as well as end-of-range items.

## Scout Community Week

As part of the Scout Community Week B&Q asked Scout groups to 'DO1Thing' in their community: conserve one thing, fix one thing, decorate one thing or grow one thing. They were supported by B&Q through donation of materials, help and advice, fundraising opportunities, free kids' workshops, You Tube videos created with the Scouts for Scouts and assistance on project sites.



*"B&Q is proud to be supporting Scout Community Week and to be helping young people learn useful new skills while playing an active part in improving their local area. There are many ways in which our stores will be getting involved. Whether it's inviting local Scout groups to attend a free kids' DIY class, providing tips and advice on how to complete projects, fundraising in store, or helping out via our national Waste Donation Scheme, we look forward to playing an active role in Scout Community Week." -Martyn Phillips, B&Q CEO*



*Team B&Q at the London Triathlon on 22 September 2012*

## Streetclub

In 2012 B&Q launched a free interactive community website called Streetclub. The site enables neighbours to come together and create exclusive clubs where they can discuss, share, recommend, organise local events and even save money by buying together. As B&Q believes that better communities support its goal of Better Homes, Better Lives and has stores in just about every community in the UK, it felt Streetclub was a great way of giving something back. Streetclub will enable more sharing of tools and equipment, contributing to more sustainable lifestyles. At the end of January 2013 there were just over 1,000 clubs.

## Youth Board

The B&Q Youth Board was formed in 2011 and consisted of nine members aged 16 to 18. The Youth Board was set a project to help B&Q understand how closed loop thinking can be incorporated into the business. After nearly a year with B&Q and the Ellen MacArthur Foundation the project concluded in July 2012. B&Q is now reviewing some of the concepts and ideas presented by the Youth Board to see how they might be worked up further for possible incorporation within its business. You can see the Youth Board talking about their presentation and the feedback they received from the senior executives on [www.diy.com/youthboard](http://www.diy.com/youthboard).

## Looking ahead

B&Q will partner with the b-live Foundation to develop and roll out lessons to support skills and career development among young people. The b-live Foundation supports a community of over 230,000 young people aged from 11 to 19. Working with b-live will ensure B&Q is able to better measure the impact of its skills and career development strategy, compared to the previous Job Done! programme.

Each lesson plan will provide school children with transferable employment skills and highlight B&Q's One Planet Home commitments. For example, one module will involve making a pencil pot out of wood, providing an opportunity to inform students about B&Q's commitment to sustainable timber and the importance of appropriate woodland management.

## Plans for 2013

- ▶ Supporting Scout Community Week in 2013 with a target of 3,000 Scout Groups taking part and 20% of stores engaging.
- ▶ Develop resources to support skills and careers development with the creation of three lesson plans. These will be promoted to secondary schools through b-live launch in September 2013.
- ▶ Every store to develop a partnership with at least one primary school.



# Equity and fair trade

<b>Performance against targets</b>	
✓	<b>EF1</b> Hold regular webinar sessions to engage suppliers in B&Q's One Planet Home programme
✓	<b>EF2</b> All tier 1 suppliers to link to B&Q on Sedex by 2014 <i>Updated target</i>
✗	<b>EF3</b> All B&Q vendors to achieve minimum Grade C for supply chain transparency by 2023

## Key activities and achievements in 2012

- ▶ 247 tier 1 suppliers (55%) linked to B&Q on Sedex.
- ▶ 68 suppliers have listed or linked to their tier 2 suppliers on Sedex.
- ▶ 122 suppliers participated in one or more of B&Q's sustainability webinars.

## Review of progress and activities

### Supply chain transparency

B&Q continues to monitor suppliers through site visits and desktop assessments to deal with any non-compliances and to improve labour and environmental standards. 61 suppliers received an onsite assessment in 2012 and 86 suppliers received a supply chain transparency (QUEST 8) desktop assessment.

Although there has been no real increase in the number of suppliers achieving a minimum Grade C for QUEST 8 (currently 29%), B&Q continues to make steady improvements to supply chain transparency. Requirements for C grade have changed as B&Q minimum standards and Sedex have evolved. For example, suppliers now have to list tier 2 supplier sites on Sedex in order to get a C grade. However, in addition to suppliers advancing their practices, B&Q will also need to look at making changes to the assessment process to ensure they are taking place on a regular basis.

B&Q is working to sign the remaining suppliers up to Sedex in 2013. 86 suppliers have now completed the agent self-assessment questionnaire which increases B&Q's understanding of their process and also encourages improvements throughout the supply chain beyond first tier factories.

## Supplier engagement

Suppliers were given bespoke one-to-one support in joining Sedex and providing the specific information required by B&Q. In addition, two webinars were held on using Sedex for supply chain management. B&Q also held a series of four webinars on the EU Timber Regulation (EU TR) to support its suppliers in preparing for the EU TR which came into force in March 2013. Other webinars were on the circular economy and carbon footprinting.

### Sedex

B&Q has continued to help suppliers sign up to Sedex, the Supplier Ethical Data Exchange. This is an online platform designed to drive improvements in responsible and ethical business practices in global supply chains. Suppliers use Sedex to complete a self-assessment questionnaire that covers questions on labour standards, health and safety and the environment. They can also upload and share audits.



### Plans for 2013

- ▶ Provide support for remaining suppliers to sign up to Sedex.
- ▶ Encourage relevant suppliers to sign up to TFT Responsible Stone Program. The Responsible Stone Program works with quarry owners to improve environmental and ethical standards.



# Employee engagement

<b>Performance against targets</b>	
<b>x</b>	<b>EE1</b> Maintain/improve participation in employee engagement survey and in engagement levels
<b>✓</b>	<b>EE2</b> Invest in opportunities for training and upskilling for staff

## Key activities and achievements in 2012

- ▶ Awarded Best 50+ employer.
- ▶ Launched manifesto strategy and vision.

## Review of progress and activities

### Manifesto activities

In 2012, B&Q launched its Corporate Manifesto, a 10-point strategy to ensure customers are at the heart of the business (see Summary section for more details on B&Q's Manifesto). A Manifesto booklet and DVD were produced and shared with all managers across the business. The company also organised a Manifesto Week in B&Q's head office. The purpose of this week was to learn, have fun and energise the team around 'Better Homes Better Lives' and to make everyone feel part of the change. Staff wrote up and displayed their own personal commitments to the new vision.

### Employee engagement

In response to feedback from the staff (via the Helpful People's Forum) less energy was put into encouraging people to complete the annual employee engagement survey this year. Instead a simple toolkit was developed for the engagement survey to help re-ignite interest and create trust. Employees were given the choice to use this tool as one way of sharing their feelings and opinions on engagement. However, participation has dropped to just 42% this year so B&Q will continue working on encouraging all staff to complete the survey. The overall score given by employees decreased from 3.99 last year to 3.80 this year.

The Helpful People's Forum continued to evolve over 2012 and now includes an online forum and is trialling different conversation starters. B&Q continued running head office Get Togethers in 2012. Store colleagues were encouraged to take part in the 'Summer of Fun' initiative which included the Jubilee, Euro 2012, Olympics and Paralympics. B&Q TV was re-launched to all stores in late summer to support campaigns and key activities.

### Apprenticeship awards

Daniel Walls and David Holbrook, two 2011 Apprentices from the Camborne and Halifax stores, have each won the prestigious City & Guilds Medals of Excellence award. This award recognises the achievements of both Daniel and David during their Apprenticeships at B&Q, and is a reflection of their outstanding contributions to their stores.

Dan and David will be invited to the City & Guilds Lion Awards ceremony in London in June 2013 to celebrate their success.

### Training

B&Q remains committed to providing training and development for its employees. 792 members of staff completed 'Level 2 certificate in Retail Skills' this year and 482 employees completed 'Home Improvement Knowledge Qualification'.

In September 2012, B&Q launched a pilot Retail Management Graduate Programme. The six graduates on the programme demonstrated a real passion for customers and business and made a significant impact through their innovation and drive to succeed. They are now preparing to move into their first full management position at B&Q in 2013.

### One Planet Home®

The One Planet Home e-learning module was revamped in 2012. 3,800 members of staff completed the module in 2012, bringing the total number of staff that has completed the module to over 15,000. Three issues of One Planet Home Times were published in 2012. The internal newspaper updates 36,000 staff on achievements, topical issues, campaigns and tips for customers. It has been well received and is a key way of getting stories out to staff that do not have access to a computer. B&Q also launched a Forest Friendly e-learning module in December 2012. So far 3,645 employees have completed the module.

### Plans for 2013

- ▶ Continue engaging staff in the new Manifesto through a significant presence at Manifestal events for store teams.
- ▶ Continue the Retail Management Graduate Programme with a new intake in September 2013.
- ▶ Publish three editions of One Planet Home Times and encourage staff to complete the One Planet Home and Forest Friendly e-learning modules.

chens  
rooms  
rooms  
plan  
design  
finance  
deliver &

**B&Q**  
how  
we can  
help...

Generating energy



**TRADE**  
**Accou**  
Apply at the trade services



Want to find out how  
using solar energy can  
help you make money?



Speak to an in-store energy advisor,  
call 0800 068 4948 or visit [energysaving.com](http://energysaving.com)

# 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 achieve a minimum of a Grade C under QUEST demonstrating that they are working to reduce their own impact and are transparent about working conditions.

<b>Energy saving</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>Forest friendly</b>	B&Q’s timber sourcing policy means that it knows the source of every single product made from or containing wood. All of the forests it uses are verified as managed sustainably and B&Q works with a variety of organisations (FSC, PEFC) to achieve this.
<b>Water Saving</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>Greener gardens</b>	Home grown vegetables are increasingly popular and have the advantage of zero food miles. Gardens can also be havens for wildlife and One Planet Home encourages people to make their gardens attractive to insects, birds, and small mammals.
<b>Reuse &amp; recycle</b>	A One Planet Home uses resources wisely. B&Q is developing reuseable, recyclable and recycled products to help customers create less waste and send less to landfill.
<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 produces to help customers create healthy homes.

*The Your One Planet Home principles*



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

<b>Performance against targets</b>	
✓	OPH2 Introduce new products to the range that help customers to reduce their footprint by 10% by 2023
✓	OPH3 Deliver market leading, practical customer help and advice through all relevant channels to help customers create One Planet Homes <i>Updated target</i>

## Key activities and achievements in 2012

- ▶ B&Q Energy Saving brand and installation services launched.
- ▶ One Planet Home (OPH) brand refresh, more prominent OPH communications through all channels.
- ▶ Chimney balloons for draught proofing chimneys and Newlife recycled paint now available in store.

## Review of progress and activities

### OPH brand refresh

In 2012, B&Q refreshed the OPH brand which now includes instantly recognisable drawings of a One Planet world. The eco section on diy.com was also re-launched to include the refreshed branding. It can all be seen at [www.diy.com/eco](http://www.diy.com/eco). To further raise awareness of the One Planet Home programme and OPH products, brochures now also include sections on B&Q's sustainability efforts and things customers can do at home.

### OPH products

One Planet Home products continue to sell well. Although sales in the watering category were down 30%, sales of water butts were up 38.5%. LED bulb sales increased by 75%. The OPH range consists of almost 4,000 products that have been selected because of their sustainability credentials. All products are independently verified by BioRegional. In addition, the suppliers of these products meet good environmental and ethical standards for their sites and supply chain.

For a number of years B&Q has only stocked fridges, freezers, single ovens, dishwashers and washing machines that carry an A-rated or better energy label.

In addition, all air conditioning products now have to be a minimum of A-rated and a minimum B-rating for tumble driers is being implemented.

However, as technology has moved on far more efficient appliances are now available (up to A+++). BioRegional recommends that B&Q looks at improving the minimum energy label requirement for fridges, freezers, dishwashers and washing machines, improved guidance and information at point of sale and including full Energy Labels on the website.

### Chimney balloons

Chimney balloons were introduced to the One Planet Home product range in 2012. They are a good draught proofing solution for disused fireplaces as they stop hot air escaping the house by sealing the chimney.



### Point of sale

The eco advisor programme has been discontinued. Rather than training one individual per store B&Q now focuses on training all staff on relevant issues such as sustainable timber. In addition to training, B&Q is trialling various point of sale solutions. In the early stages of the One Planet Home programme B&Q used eco labels on the shelf edge, however this did not result in any demonstrable increase in sales of eco products. In 2013, the company is trialling OPH messages woven throughout the store.

### Project Start

B&Q engaged with over 100,000 people last year through nine Start events. Start was initiated by the Prince of Wales to help everyone take practical steps to live more sustainably. As well as the Ultimate Commute (see Sustainable Transport section), B&Q attended community events across the country including the Sunrise Festival and Kent Country Fair. Visitors could enjoy interactive displays and talk to the team about Forest Friendly, Save Energy and Save Water.

### Newlife Paint

B&Q has been working for three years with Newlife, a company in Sussex, founded by industrial chemist Keith Harrison. Keith's wife had asked him to clear out the shed and this led him to find a way to reprocess waste paint back to a superior grade emulsion. After two years of research, Keith successfully developed the process that converted waste emulsion paint back to a premium quality, commercial grade paint. Newlife now collects thousands of cans of waste paint from council sites across the UK.



## B&Q Energy Saving

In 2012, B&Q launched the B&Q Energy Saving brand; offering home energy efficient tips, advice and installed products and services. The website energysaving.com went live and Energy Saving Shops were opened in four stores. The Energy Saving shops-within-a-shop sell products and services with an expert team on hand to advise customers. Free home energy efficiency assessments and various installation services such as insulation, solar PV, boilers and air source heat pumps are on offer. Results of the trial Energy Shops will be reviewed in 2013 and if successful, B&Q will look at introducing the format in more stores.

Bruce Marsh, Managing Director, B&Q Energy Saving says: "We're excited to see the results of our energy centre trial as we make energy saving easier and more affordable for homeowners. We've been working with experts in energy efficiency and we're invested in new products, services and training to ensure that B&Q is the best place to come for energy saving advice. We even bought our own two-up two-down terrace in Southampton last year and saved over £100 a month in energy bills, to ensure that we're in the best position to independently advise customers on how much money can be saved through reduced energy bills."

### iQE Clever Energy

B&Q is the exclusive retail partner of iQE Clever Energy, a brand which offers a range of boilers and heating controls. iQE has been developed by a consortium of leading manufacturers and academics from Loughborough University to offer a range of efficient measures such as solar hot water systems, solar PV systems and advanced home insulation products. iQE is available to homeowners as a fully installed solution through B&Q Energy Saving.



## Plans for 2013

- ▶ Be part of the Make a Start Campaign. This will be a 30 day campaign where 30 different brands encourage the general public to 'make a start' on a sustainable living initiative.
- ▶ All B&Q buyers, merchandisers and significant GNFR purchasers to undergo training programme on eco products and annual updates thereafter.
- ▶ Expand and extend the range of iQE home energy saving and generation equipment in both trade and retail channels.



# Message from Matt Sexton

## Director of Corporate Social Responsibility, B&Q

School report time again! Unlike most heads of sustainability for large businesses, I have little say in what appears in our annual sustainability report. Since One Planet Home first began in 2007, we have made a point of asking BioRegional to report and comment independently on our progress and activities versus our goals, to ensure that we have an expert third party view of how we are doing. It does mean that we cannot succumb to that very human desire to 'upweigh the good and downscale the bad' which is no bad thing – occasionally uncomfortable; but we see ourselves as others will see us.

Actually the 2012 report makes for generally pleasant reading. We've kept a lid on carbon emissions, maintaining an absolute 29% cut versus our 2006/07 baseline, despite adding 9% to our total footage. We've moved our percentage of waste diverted from landfill to over 90% and started making progress on water reduction, with a 7% cut in use per m2.

On products we have maintained our record of buying 100% sustainably sourced timber, further cut peat use in our growing media and have seen good levels of innovation in products and services. One of our most significant new launches has been B&Q Energy Saving, our one-stop-shop for home energy refits to get the nation's homes ready for a lower carbon future.

2012 also saw us trialling a couple of new technologies to drive yet further reductions in our carbon emissions. We have launched the UK's largest fleet of dual fuel tractor units carrying around 90% of the goods from our Swindon distribution centre to our stores and have now got LED lighting systems up and running in six of our stores with energy savings of up to 50% per store. We have a long way to go to get to our 90% target, but these innovative solutions represent a significant step forward.

Finally, our community team has driven some great programmes to raise money for good causes, bring skills to schools and Scout groups and support local youth groups via our partnership with UK Youth.

Challenges? We have a few. We have not made as much progress on packaging as we would like, gas use rose sharply in the cold weather adversely affecting our emissions and, whilst diversion from landfill has increased, our percentage of recycled waste has dropped due to treated timber volumes. Not ideal, but we know where we need to focus efforts next year.

A handwritten signature in blue ink, appearing to read 'Matt Sexton'.

**Matt Sexton**

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

	2006/07 (baseline)	2010/11	2011/12	2012/13	Change 12/13 compared to previous year
<b>Scope 1</b>	tCO <sub>2</sub>				%
Gas and oil consumption	44,788	52,648	37,744	44,835	19
Haulage: own / dedicated fleet deliveries from distribution centres to stores	44,047	33,208	31,338	29,697	-5
Haulage: home deliveries by own / dedicated fleet	15,656	12,210	10,090	11,084	10
Company owned cars	2,028	2,863	2,783	3,066	10
Process emissions	not applicable				
Fugitive emissions	not applicable				
<b>Total scope 1</b>	<b>106,519</b>	<b>100,749</b>	<b>81,954</b>	<b>88,682</b>	<b>8</b>
<b>Scope 2</b>					
Purchased electricity	180,522	140,342	129,510	126,632	-2
<b>Total scope 2</b>	<b>180,522</b>	<b>140,342</b>	<b>129,510</b>	<b>126,632</b>	<b>-2</b>
<b>Significant scope 3 (excl. supply chain)</b>					
Business travel	4,600	3,454	3,351	1,636	-51
Waste disposal	13,960	2,765	1,912	1,348	-30
Water	454	456	461	447	-3
<b>Total significant scope 3</b>	<b>19,015</b>	<b>6,675</b>	<b>5,724</b>	<b>3,430</b>	<b>-40</b>
<b>TOTAL FOOTPRINT</b>	<b>306,056</b>	<b>247,766</b>	<b>217,188</b>	<b>218,744</b>	<b>1</b>
<b>Carbon saving against baseline</b>	<b>Baseline</b>	<b>19%</b>	<b>29%</b>	<b>29%</b>	

### 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.

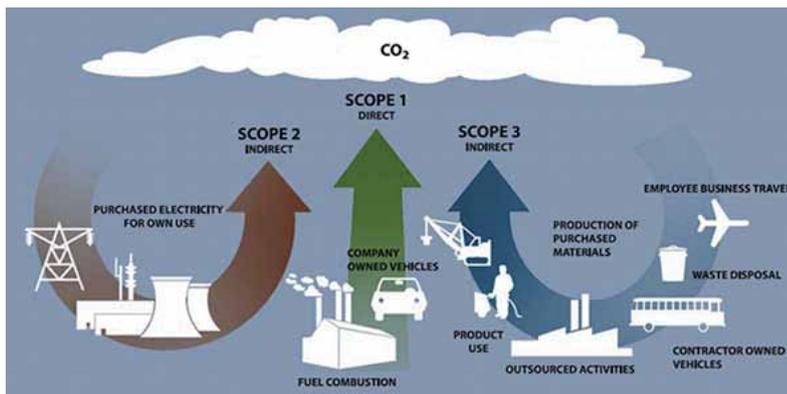


Figure 2: scope 1, 2 and 3 greenhouse gas emission categories

Adapted from: New Zealand Business Council for Sustainable Development, 2002. The Challenge of Greenhouse Gas Emissions. Figure 3, page 10. Available at: [tinyurl.com/cmvgrzx](http://tinyurl.com/cmvgrzx) [Accessed 26 March 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 the eight distribution centres (DC) is included below. This data was not available in 2007 when B&Q's One Planet Living targets and commitments were established. B&Q does not capture water use or waste generated at distribution centres. Most of the waste that arrives at distribution centres is backhauled from stores and therefore allocated to the store waste figures.

Since 2011 B&Q is also able to report on energy, water and transport data from installation centres (IC). B&Q has over 20 installation centres that deliver B&Q's kitchen, bedroom and bathroom installation services.

	2008/09 (baseline)	2011/12	2012/13
<b>Zero Carbon</b>	tCO <sub>2</sub>		
Office Electricity	5,371	3,810	2,020
DC and IC Electricity	18,450	12,157	12,056
Office Gas	650	276	154
DC and IC Heating	3,408	4,546	4,400
<b>Total Zero Carbon</b>	<b>27,878</b>	<b>20,789</b>	<b>18,630</b>
<b>Sustainable Transport</b>			
IC transport	-	634	412
<b>Total Sustainable Transport</b>	<b>0</b>	<b>634</b>	<b>412</b>
<b>Sustainable Water</b>	<b>13</b>	<b>15</b>	<b>15</b>
Office Water	4.2	5.4	3.6
Office Water effluent	8.4	8.8	6.0
IC water	-	0.5	2.0
IC water effluent	-	0.8	3.2
<b>Total Sustainable Water</b>	<b>13</b>	<b>15</b>	<b>15</b>
<b>TOTAL FOOTPRINT</b>	<b>27,890</b>	<b>21,438</b>	<b>19,057</b>
<b>Reduction compared to baseline</b>	<b>Baseline</b>	<b>23%</b>	<b>32%</b>
<b>Additional information</b>			
Percentage green tariff electricity	0%	20%	33%
Percentage electricity generated onsite	0%	11%	6%

## Appendix 3

# Overview of targets, ambitions and performance

Targets and ambitions*	Performance against targets	Highlights from 2012 and outcomes
<b>Zero carbon</b>		
ZC2 All new stores to be zero carbon by 2015	✓	Power Purchase Agreement-enabled contract now in place for UK mainland.
ZC3 Zero carbon electricity across all B&Q sites by 2023	✓	Store electricity use has decreased by 30% Piloted a new LED technology, now installed in six stores. Solar PV installed on store roofs in Farnborough and Taunton.
ZC4 90% reduction in CO <sub>2</sub> emissions from heating fuels (mainly gas) across all B&Q sites by 2023	✗	2% increase in CO <sub>2</sub> from store heating fuels High efficiency condensing gas fired heaters installed in one new and one existing store and now specified for all new stores.
<b>Zero waste</b>		
ZW1 90% of waste by weight reused, composted or recycled by 2014 <i>Updated target</i>	✓	72% of waste by weight reused, composted or recycled. Hard plastics recycling rolled-out to all stores.
ZW3 No more than 2% of 2006 tonnage sent to landfill per year by 2023	✓	10% of 2006 tonnage sent to landfill.
ZW4 No more than 2% of 2006 tonnage sent to landfill per year by 2023	✓	55% of construction waste recycled.
<b>Sustainable transport</b>		
ST1 20% reduction in absolute business travel emissions by 2015 <i>Updated target</i>	✓✓	29% reduction in business travel emissions.
ST2 50% reduction in CO <sub>2</sub> emissions from business travel and domestic haulage by 2023	✓	31% reduction in CO <sub>2</sub> from transport. Introduction of 50 dual fuel vehicles, running on biomethane from 2013.
<b>Sustainable materials</b>		
SM2 Work with partners to reduce the chemical impact of products in the home	✓	19% reduction in average own-brand paint VOC levels compared to 2008 B&Q banned products containing neonicotinoid pesticides, linked to declining bee populations.
SM3 Engage with priority vendors as indicated in our supply chain footprint <i>Updated target</i>	✓	A carbon footprinting study for the kitchens range was completed, resulting in some key recommendations that will be taken forward by B&Q. In 2013 BioRegional will be working with B&Q's key horticulture suppliers.
SM4 Continue to explore and develop opportunities for closed loop recycling	✓	A number of internal stakeholders continue working together to identify opportunities to develop specific closed loop recycling projects, covering both products and packaging.
SM5 Every range review (via the Range Sustainability Rating) to deliver leadership in products that help customers create One Planet Home <i>New target</i>	✓	All fifty product ranges to be reviewed by the Social Responsibility team in 2013.
<b>Sustainable packaging</b>		
SP1 Reduce own-label packaging by 15% by the end of 2012 (from 2007 baseline)	✗	9% reduction in own-brand primary packaging volume. Data management provider in place to ensure collection of detailed packaging data.
SP2 Remove polystyrene from all indoor and outdoor lighting packaging by 2012	✗	Polystyrene has been reduced in lighting packaging wherever possible. Further product areas including kitchens, appliances, fireplaces and bedding plant trays under review.
SP3 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.
SP4 Undertake a feasibility study for a closed loop paint pot recycling scheme by the end of 2013	✓	B&Q continues work with partners to investigate the feasibility of recycling disused paint pots and convert them back into containers or other plastic based products.
SP5 Make all own-brand packaging recyclable by 2020	✓	B&Q will be working on a more sustainable packaging solution for bedding plants. B&Q is also working on increasing the amount of recycled material used in packaging. Own-brand polypropylene paint pots (white paint only) now contain 100% recycled content.

Targets and ambitions*	Performance against targets	Highlights and outcomes from 2012
<b>Sustainable water</b>		
SW2 Introduce smart metering in all stores where this is feasible	✗	B&Q is in the early stages of an automatic meter reading (AMR) system trial with a water supplier.
SW3 10% reduction in store water consumption per m <sup>2</sup> by 2012 (against 2007/08 baseline)	✗	7% reduction in store water consumption per m <sup>2</sup> since 2007. Highest consuming stores targeted and various major leaks detected and fixed.
SW4 All new and revamped stores to have rainwater harvesting installed	✓	Rainwater harvesting installed in new and revamped stores when appropriate.
SW5 All relevant kitchen and bathroom products to carry the Water Label by end of 2015 <i>New target</i>	✓	Electric showers in the Bathrooms brochure display the predecessor of the Water Label (Water Efficient Product- Recommended).
<b>Natural habitats and wildlife</b>		
NW1 Maintain 100% timber compliance – legal, sustainable with full chain custody <i>Updated target</i>	✓	100% of timber compliant. B&Q is also working on paper compliancy and sourced FSC decorative sandpaper, available in all stores by the end of 2013.
NW3 Achieve 65% peat dilution in line with GMI membership requirements by 2013	✓	62% dilution for bagged growing media achieved (by volume).
NW4 Promoting land and wildlife through customer engagement	✓	Ground breaking Good Woods project started, aimed at breathing new life into UK woodlands.
<b>Culture and community</b>		
CC3 Begin to reduce the DIY skills gap by engaging with young people and other targeted groups	✓	2,600 Scout groups took part in Scout week. DIY training provided for 222 Beavers, Cubs and Scouts groups. B&Q will partner with b-live Foundation to develop and roll out lessons to support skills and career development among young people.
CC4 Become a recognised and respected provider of DIY skills and training delivery	✓	You Can Do It Centres located in 15 stores in the UK and 1 in the Republic of Ireland, providing DIY workshops.
CC5 Support our nominated charities by generating total charitable donations of £1million per annum <i>Updated target</i>	✓	Almost £700,000 raised for charity and community organisations. 173 employees took part in the London Triathlon, raising £100,000 for UK Youth.
CC6 Empower communities to work together through Streetclub <i>New target</i>	✓	B&Q launched Streetclub: a free interactive community website, enabling neighbours to come together and discuss, share, recommend and organise local events. Just over 1,000 clubs established.
<b>Equity and fairtrade</b>		
EF1 Hold regular webinar sessions to engage suppliers in B&Q's One Planet Home programme	✓	122 supplier companies participated in webinars circular economy, supply chain management and Sedex, carbon footprinting and the EU Timber Regulation.
EF2 All tier 1 suppliers to link to B&Q on Sedex by 2014 <i>Updated target</i>	✓	247 tier 1 suppliers (55%) are linked to B&Q on Sedex.
EF3 All B&Q vendors to achieve minimum Grade C for supply chain transparency and ethical/environmental standards by 2023	✗	29% of vendors achieved a minimum grade C. 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 TFT Responsible Stone Program to inform industry ethical and environmental standards.
<b>Employee engagement</b>		
EE1 Maintain/improve participation in employee engagement survey and in engagement levels (minimum target of 4.15 and 80% participation)	✗	Score 3.80 and participation levels 42%. In response to feedback from the staff (via the Helpful People's Forum) less energy was put into encouraging people to complete the annual employee engagement survey this year.
EE2 Invest in opportunities for training and upskilling for staff	✓	792 members of staff completed 'Level 2 certificate in Retail Skills' this year and 482 employees completed 'Home Improvement Knowledge Qualification'. Retail Management Graduate Programme started.
EE3 Support and encourage employee wellbeing through improvements to working environments and employee benefits	✓	64% of employees on flexible working arrangements.
<b>One Planet Home® Products</b>		
OPH2 Introduce new products to the range that will enable customers to reduce their footprint by 10% by 2023	✓	Chimney balloon now available in store. Almost 4,000 products in One Planet Home range. Sales of water butts up 38.5%, LED bulb sales up 75%.
OPH3 Deliver market leading, practical customer help and advice through all relevant channels to help customers create One Planet Homes <i>Updated target</i>	✓	Energy Saving Shops in four stores. One Planet Home brand refreshed. Employee training through e-Learning modules One Planet Home and Forest Friendly, One Planet Home Times and B&Q TV.

\*All targets, highlights and outcomes 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 358 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 1,000 stores in eight countries in Europe and Asia.

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 Kingfisher's Net Positive Programme, please see [www.kingfisher.com/netpositive](http://www.kingfisher.com/netpositive)

# About BioRegional

BioRegional is an entrepreneurial charity which establishes sustainable businesses and works with partners around the world to demonstrate that a sustainable future can be easy, attractive and affordable. Our vision is of thriving regional economies where we meet more of our needs from local, renewable and waste resources, enabling people to enjoy a high quality of life within their fair share of the earth's resources, and leaving space for wildlife and wilderness. We call this One Planet Living.

We developed the One Planet Living approach and ten principles as a sustainability framework to deliver One Planet Living based on our practical experience. We work in long term partnerships with communities, companies, developers and local authorities delivering real world, practical projects, then use these projects as exemplars in order to change policy and practice. Our One Planet partners make commitments in a One Planet Action Plan. These plans include time-bound targets allowing for equitable and sustainable use of resources in line with what science is telling us. Performance against targets is assessed periodically and the plans updated.

We've worked with B&Q since 2007 to develop and implement a comprehensive sustainability action plan, based on the One Planet Living model. BioRegional supports its implementation by 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.

*Published June 2013 by*

**BioRegional Development Group**

BedZED Centre, 24 Helios Road,  
Wallington, Surrey SM6 7BZ.

*Registered charity no. 1041486*

**bioregional.com**

***BioRegional***

**solutions for sustainability**