

# Building healthy & more sustainable communities

Boots UK Corporate Social Responsibility  
Performance Update 2012/13



A member of  
Alliance Boots

# introduction

**Boots is the UK's most trusted pharmacy brand, with a fantastic heritage and reputation built on the contribution we've made to the nation's health for over a century and a half.**

Corporate social responsibility (CSR) is integral to who we are, embedded into every aspect of our business. It is brought to life every day through our local community Pharmacists making a real difference to people's lives; through the generosity of our colleagues, customers and business partners supporting our charity partnerships; and through our holistic approach to sustainability, a key driver of business growth while ensuring that we use our planet's resources responsibly.

We have a long and proud history of providing transparent information on our CSR performance. For example, our first Environmental Performance report in 1999 included information about our carbon emissions. Our first CSR report in 2005 described our performance and approach to a wide range of issues typically included within today's leading CSR reports.

This document has been designed to provide an overview of our performance and achievements during 2012/13, highlighting the key measures and targets that demonstrate our absolute commitment to responsible business practice. Our website provides more detail about our approach,

including further information about our processes, key policies and independent accreditations. We hope you find the combination of this document and the information published on our website both informative and helpful.

As a member of Alliance Boots, which has a presence in more than 25 countries, Boots UK's CSR data also contributes to the Alliance Boots Corporate Social Responsibility Report 2012/13, available online at [allianceboots.com/social-responsibilities](http://allianceboots.com/social-responsibilities)

## **Data management**

We have a clearly defined process to record, measure and report on our CSR performance in accordance with Alliance Boots CSR data capture process and its CSR Reporting Guidelines. As part of this process our data is reviewed and verified by the CSR champions and finance teams within Boots UK and Alliance Boots. The Alliance Boots CSR report data is independently assured.

For further information on the CSR activities of Boots UK, please visit [boots.com/csr](http://boots.com/csr)



# our approach



## Our CSR mission and purpose

'To be the UK's most socially responsible retailer in the health and beauty market.'

We will do this by:

- improving the health of our customers and their communities
- protecting the environment
- leading the development of sustainable products
- placing our customers and colleagues at the heart of our business

Throughout our 160 year history, you will find many examples of responsible business practice and the active role that Boots UK has played in helping to build healthy and more sustainable communities.

Today, issues such as climate change, resource scarcity, youth unemployment and a growing focus on town centres that recognises their role in providing community cohesion and identity, are just a few examples of the need for a more joined up, collaborative approach between many stakeholders if we are to make urgent progress. The importance of robust governance and operational management of these issues has never been more important and, of course, our customers expect nothing less.

## Our CSR scorecard

Informed by ongoing consultation and dialogue with an extensive network of key stakeholders, our strategy is shaped by a well-established, best practice scorecard model for CSR management and reporting covering four key areas; community, environment, marketplace and workplace. Each priority work stream within the scorecard has a long term plan with assigned accountability

and responsibility for delivery, together with targets and milestones against which performance is monitored and reported. We review the priorities that make up our scorecard regularly in order to ensure that they best reflect current issues, meet the needs of our stakeholders, and are fully aligned to our business strategy, as well as ensuring our efforts meet with Alliance Boots overall priorities. Progress is reported regularly to the Boots UK executive team and to the Alliance Boots social responsibilities committee.

## Our scorecard work streams





# community

We believe we can play a valuable role in the nation's health by forming partnerships with charities and by making our expertise and support widely available – not just through our stores but wherever we can help to build healthier, happier communities.

# community

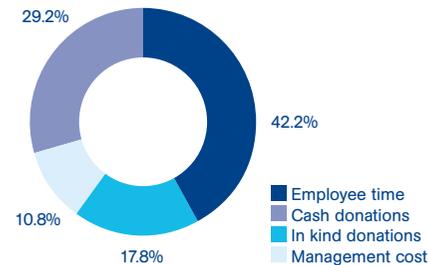


In 2012/13 Boots UK contributed £3.5 million to the community as measured by the London Benchmarking Group (LBG) guidelines.

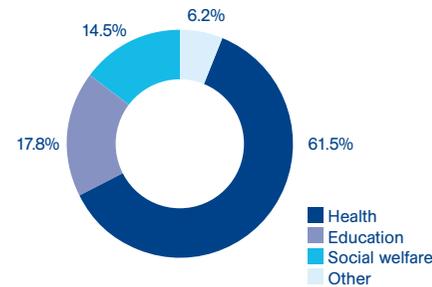
This is made up of cash donations, (charitable and other donations), and non-cash donations, (which include employee time, in kind donations, and certain management costs).

## How our £3.5 million community contribution is valued according to LBG guidelines

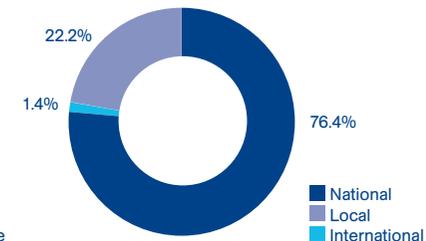
How we contributed 2012/13



What we supported 2012/13



Where we contributed 2012/13



## Macmillan

Boots UK and Macmillan Cancer Support are working together to improve the lives of everyone affected by cancer. In the first three years of this partnership, £6.5 million has been raised for the charity through the efforts of thousands of Boots UK colleagues and customers, who also helped us deliver our target of 290,000 'Miles for Macmillan'.

Over 1,350 Boots Macmillan Information Pharmacists were established during the year by providing training for Pharmacists and linking them with local Macmillan services to become part of the local cancer support network.



## BBC Children in Need

In our ninth year of supporting BBC Children in Need, we helped to raise over £670,000 in the year, bringing the cumulative total to almost £5.5 million. More than 300 colleagues volunteered their time on Children in Need appeal night to take £219,000 in public donations through over 6,800 telephone calls to our customer care centre.



# community



## The Boots Charitable Trust

is an independent registered charity in the UK, which is wholly funded by the company. Established in the early 1970s, to date the Trust has donated over £10 million. This year the Trust has donated a further £250,000 to registered charities and voluntary organisations, benefiting 45 different projects in Nottinghamshire.

## CommunityMark

We remain incredibly proud of the prestigious three year 'CommunityMark' awarded by Business in the Community in 2011. This award continues to confirm that we have a long term, high level commitment to community investment which represents best practice and brings real community and business benefits.



The Boots Charitable Trust has donated over **£10 million**



# environment

Reducing our impact on the environment has been an established part of our culture and operating practices for many years. We're determined to continue developing our business in a sustainable way.

# environment

## Energy and carbon

**Our approach to energy reduction focuses specifically on investment in technology and engineering solutions that enable us to use resources more efficiently.**

We also work hard to further increase colleague engagement, encouraging active care for the environment while giving them the tools and information to make a difference.

Our total energy use in buildings increased by 3.8% from 480GWh in 2011/12 to 498GWh in 2012/13. However, the increased use of gas due to the severe winter was mainly offset by the positive impact of our energy efficiency programme

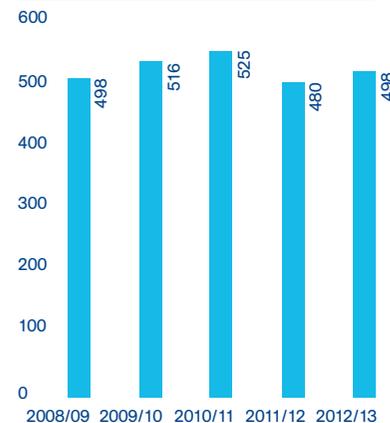


(which delivered a reduction in carbon emissions of just over 6,500 tonnes during the year). Our absolute carbon dioxide emissions from energy use in buildings improved by 0.1% (265 tonnes lower) compared to last year.

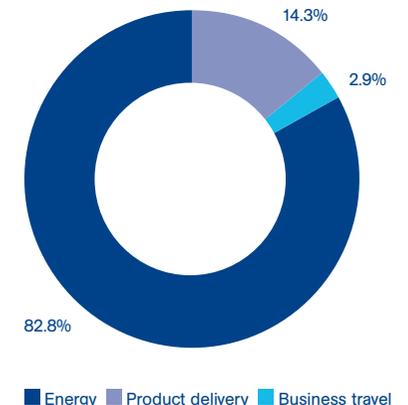
The vehicles transporting goods from our automated central warehouse to our stores are managed in partnership with a third party logistics provider, and in 2012/13 these vehicles travelled 32.3 million kilometres and produced just over 29,000 tonnes of carbon dioxide, a reduction of over 3.2 million kilometres and approximately 2,500 tonnes of carbon dioxide compared to last year. Around 1.2 million kilometres was saved by the long-distance trunking fleet and 2 million kilometres was saved by the stores delivery fleet. Our small van fleet, which takes prescription medicines to care homes, produced around 6,400 tonnes of carbon dioxide in 2012/13, a slight increase over last year.



Energy use in buildings (absolute GWh)



Total Boots UK CO<sub>2</sub> emissions by source



Energy efficiency delivered a reduction of over 6,500 tonnes

# environment

## Waste

For many years Boots UK has been a recognised leader in waste management and recycling activities within the retail sector.

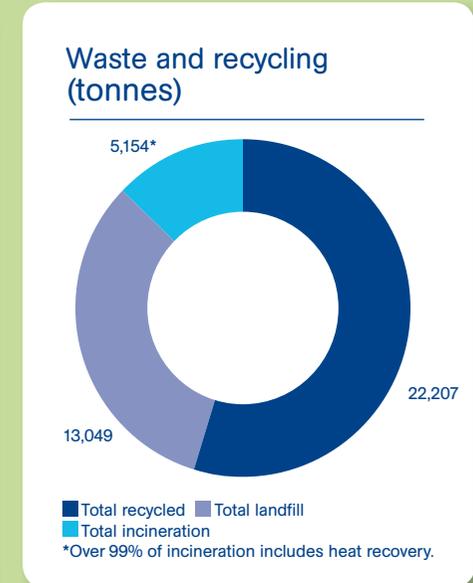
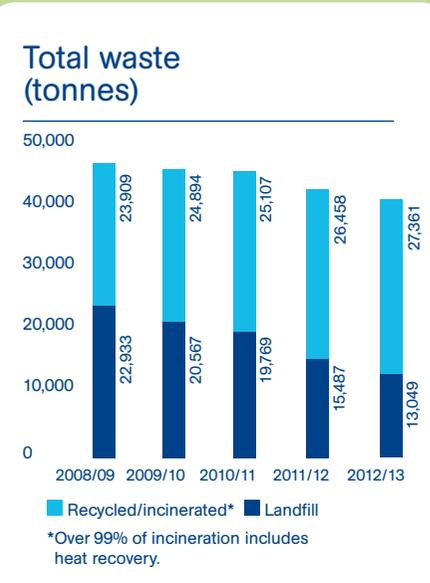
A recycling facility has been operating on our Nottingham support office site for the last 50 years, receiving a wide variety of materials from our offices and stores.

Our focus remains to reduce total waste before considering recycling and disposal, and reducing our reliance on landfill. Since our 2007/08 baseline, we have reduced our total waste by over 16% (around

8,000 tonnes). In the same five year period, we've reduced waste sent to landfill by over 12,000 tonnes. In 2012/13, we reduced the amount of waste sent to landfill by over 2,000 tonnes.

## Environmental incidents

There were no environmental incidents or prosecutions during the year.



We have reduced our total waste by **over 16%**



# marketplace

We've always believed that running a successful business and providing a socially valuable service goes hand in hand. That's why we treat our customers fairly and act with integrity for all our stakeholders in everything we do.

# marketplace



## Our products

Every product and every supply chain can have different impacts at different stages in the product lifecycle, from concept and design, through to customer use and final disposal of the packaging and waste product.

Embedded within all the usual product development decisions (such as quality, price and efficacy), we ensure that a whole-life approach is taken towards product sustainability, embracing the complete product lifecycle.

We call this holistic lifecycle approach our 'Product Journey'. Our assessment process creates a sustainability 'footprint' that allows us to score and compare the relative performance of individual ingredients, products and entire product ranges. It identifies any impact 'hotspots' (high risk areas) – see Product Footprint examples on the next page – and produces a database of sustainability performance data. This enables analysis to establish well-focused improvement targets through greater understanding of the available sustainability improvement opportunities.

In line with this holistic approach, we have sponsored the Green Alliance 'Designing out Waste' project since 2010, bringing together retailers, manufacturers, government and the waste management sector to drive end to end processes that reduce the impact of waste.

In 2012/13, this work entered a new phase with the launch of the Circular Economy Task Force, a partnership between government and business with assistance from specialist advisers, to address resource opportunities and concerns, disseminate leadership thinking and provide a forum for policy innovation.

Embracing the principles of the circular economy



# marketplace

## Our supply chain

Ensuring that all Boots brand and exclusive products are produced by suppliers who treat their workers fairly and show a responsible attitude towards the environment is an enormous challenge. But that is our objective.

In 2002, we embarked on a programme of assessing all Boots brand and exclusive product suppliers against our own Code of Conduct for Ethical Trading, which covers everything from labour conditions to the way the environment is managed. We completed this enormous task during 2006 and have continued to maintain an ongoing programme for new Boots brand and exclusive suppliers. Existing suppliers are subjected to periodic, ongoing reviews to ensure that standards are maintained.



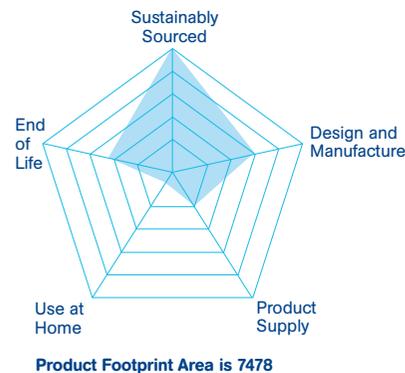
## Palm oil

Boots UK was one of the first retailers to join the Roundtable on Sustainable Palm Oil (RSPO) in 2006, an organisation dedicated to improving the sustainability of the international palm oil supply chain. Through the European Retailer Palm Oil Working Group we're working with other retailers to bring certified sustainably grown palm oil to the market.

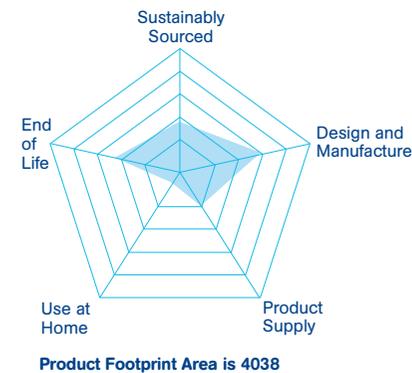
## Forest products

In the 1990s, we became a founder member of WWF's Global Forest and Trade Network (GFTN, formerly known as the 95+ Group) and as an active participant we commit to the aim of sourcing wood, pulp and paper products only from independently accredited sources such as those certified by the Forest Stewardship Council (FSC). We also participate in the Forest Footprint Disclosure project which covers a range of forest-based commodities.

### An initial sustainability footprint example



### An improved sustainability footprint example





# workplace

Boots UK is a major national employer. We've colleagues working in our stores, distribution and logistics centres and at our support office site in Nottingham. As at 31 March 2013, we employed nearly 60,000 people.

# workplace

**Our colleagues, and the care they give to our customers, are the reason for our success.**

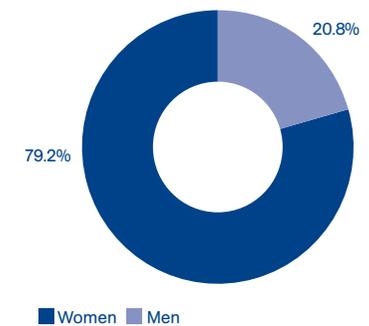
We work hard to make Boots feel like a great place to shop and work in the UK. We're delighted that our success has been recognised by a Top 25 place in The Sunday Times 2013 'Best Big Companies to Work For' survey and a place in The Times Top 100 Graduate Employers for 2013. Our 'Work Inspiration' achievements were also acknowledged when we became Business in the Community's overall National Example of Excellence in June 2012. The 'Big Tick' Award for Excellence recognises our work helping to support young people, including disadvantaged groups, into employment.

Our healthcare agenda is growing with new services to support our customers in adopting healthier lifestyles. In the same way, we believe that to be authentic we also

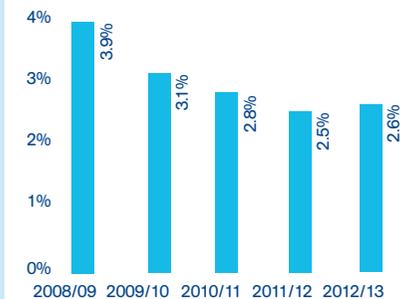
need to engage and support our people in adopting healthy lifestyles. Our Occupational Health Service for example, which provides advice on work and health to managers and colleagues, was reaccredited by The Royal College of Physicians of London in 2012 to the SEQOHS standard (Safe Effective Quality Occupational Health Services).



Employees by gender



Employee absence rate due to illness (as percentage of contractual hours)



Included in The Sunday Times 2013 Top 25

**'Best Big Companies To Work For'**

# workplace

**To deliver the very best customer care, we need to ensure that we have high levels of skill, knowledge, and care within our teams.**

Our comprehensive colleague development programmes offer a truly blended range of opportunities such as e-learning, face-to-face training, and ongoing coaching. We are also developing our people to support our ongoing partnership with Macmillan Cancer Support, working towards our joint vision that everyone, wherever they are in the UK, will have access to the very best cancer information and support. At the end of March 2013 over 1,350 of our Pharmacists had successfully completed training to become Boots Macmillan Information Pharmacists.



We aim to be the safest retailer on the high street and over the last few years we have made significant improvements in safety management. Our new policy and governance processes continue to operate well. In 2012/13, we introduced our new Safety Culture Plan to further integrate safety into day-to-day management and performance leadership, and further engage our colleagues.

## Health and Safety enforcement action

We are disappointed to report that we received one fire enforcement notice during the year, relating to the design of a refurbishment project. Remedial works were completed in a timely manner to the satisfaction of the fire authority.



## Accidents

Type of accident	Number for year ending 31 March 2012	Number for year ending 31 March 2013
Employees: number of work-related fatalities	0	0
Employees: work-related major accidents	52	45
Employees: work-related 'greater than three-day lost time accidents'	326	314



# progress

How we progressed during  
2012/13 and our ambitions  
for the next year.

# progress

in 2012/13

## community

- Continue to deliver our strategic partnership with Macmillan Cancer Support, providing accessible cancer information and advice to our customers, increasing customer recognition and raising £1.5 million.

**Achieved:** Boots UK community activities helped raise nearly £2.2 million for Macmillan Cancer Support.

- Deliver our 290,000 'Miles for Macmillan' plan for colleagues, supporting Macmillan Cancer Support in their ambition to double 'Miles for Macmillan' participation throughout the UK and support their fundraising ambitions.

**Achieved:** Over 300,000 miles clocked up by Boots colleagues, customers, Macmillan supporters and our sponsored athletes.

- Establish 500 Boots + Macmillan Information Pharmacists by providing training for Pharmacists and linking with local Macmillan services to become part of the local cancer support network.

**Achieved:** Over 1,350 trained Boots Macmillan Information Pharmacists (BMIPs) in Boots UK stores across the country.

- Provide £250,000 financial support to Nottinghamshire charities and voluntary organisations through the Boots Charitable Trust.

**Achieved:** Boots UK donated £250,000 to the Boots Charitable Trust. The trust funded 45 projects during 2012/13, benefiting Nottinghamshire communities.

- Deliver our ninth year of support for BBC Children in Need raising £0.8 million through colleague and customer fundraising.

**Not achieved:** In our ninth year of supporting BBC Children in Need we helped raise nearly £700,000, bringing the cumulative total to £5.5 million.



Over 1,350 trained  
Boots Macmillan  
Information Pharmacists



# progress

in 2012/13

## environment

• As part of our commitment to The Prince's Mayday Network, reduce the carbon footprint of Boots legacy\* stores by 30% by 2020 compared to 2005.

**Ongoing:** We are making good progress towards our long term target. At the end of March 2013, we had achieved a 16.3% reduction compared to 2005, equivalent to an annual reduction of almost 27,000 tonnes of carbon dioxide.

• Further reduce the like-for-like carbon footprint of our stores by 10% by March 2014 from a 2010/11 baseline.

**Ongoing:** We have achieved an 8.3% reduction and are on track to meet our March 2014 target.

• Further reduce the like-for-like carbon dioxide emissions from our commercial transport operations by 10% by March 2017 from a 2011/12 baseline.

**Ongoing:** A number of initiatives contributed to a like-for-like 5.7% reduction in carbon dioxide emissions from our long-distance trunking and store delivery fleet.

• Complete our medium term target to reduce total like-for-like waste (tonnes) by 10% by March 2013 from a 2007/08 baseline.

**Achieved:** While we achieved this target one year early, a further reduction of 3.7% (over 1,500 tonnes) during 2012/13 brought our overall reduction for the target period to approaching 17%.

• All Boots brand products containing palm oil and close derivative ingredients will support sustainable sourcing practices through the interim purchase of GreenPalm certificates, moving to independently Certified Sustainable Palm Oil (CSPO) by 2014.

**Ongoing:** GreenPalm certificates purchased to cover palm oil and derivative ingredients for Boots brand products. Discussions underway with major ingredient suppliers regarding a move to fully Certified Sustainable Palm Oil.



• By 2016, all solid wood and paper used in Boots UK products and Goods Not For Resale (GNFR) will be from Forest Stewardship Council (FSC) certified sources, or use recycled materials.

**Ongoing:** We have achieved 72% of materials either from credibly certified or recycled sources, up from the 63% reported last year. Progress is verified by WWF-GFTN and published on our website, [boots.com/csr](http://boots.com/csr)

• By the end of March 2013, all natural materials used in Boots brand products will be traceable right back to their primary sources.

**Achieved:** Raw Material Governance process has been established. All new natural materials will now have sustainability and traceability assessed.

\*Boots stores prior to the 2006 merger between Boots Group PLC and Alliance Unichem PLC, and still trading.

# progress

in 2012/13

## marketplace

- **Complete our medium term target to quantify and report on the reduction in overall sustainability impact of Boots brand and exclusive products.**

**Ongoing:** The Botanics relaunch in the summer of 2012 achieved a 32% sustainability improvement across the brand according to our product sustainability rating system. Individual product improvements have also been quantified.

- **Work with external bodies across the UK to support the increasing focus on town centres and high streets, promoting the central role they play in delivering community cohesion and identity.**

**Achieved:** We continued to work with Business in the Community (providing a full time Boots UK secondee) and the British Retail Consortium to promote high street rejuvenation. During 2012/13 Alex Gourlay (Chief Executive, Health & Beauty Division,

Alliance Boots) was the co-chair of the new national Future High Streets Forum established by Mark Prisk (Minister of State at the Department for Communities and Local Government) to better understand and drive forward new ideas and policies to secure the future of the high street.

- **Continue to work with the Department of Health and the British Retail Consortium to support and implement the public health agenda.**

**Achieved:** As part of our ongoing commitment we publicly reported our progress on salt reduction during 2012/13. Six of the nine product categories reported (67%) met all the targets. The only three snack food categories that did not meet the average salt targets were not unexpected throughout the food sector given that salt is either integral to the flavour or an essential technical requirement for manufacture of the product.



The Botanics relaunch in the summer of 2012 achieved a **32% sustainability improvement**

# progress

in 2012/13

## workplace

- **Complete our target to review and develop a revised three-year plan for diversity, including the best way to communicate and train our people on this topic.**

**Achieved:** An executive diversity review workshop was held and forward plans agreed. An e-learning pilot has been prepared for roll out early 2013/14. Ongoing progress monitoring in place through Business in the Community's Opportunity Now and Race For Opportunity benchmarks.

- **Review our resourcing strategy for groups such as ex-offenders, veterans and young people across our stores and support office operations.**

**Ongoing:** We are continuing to look for opportunities to support those in hard-to-reach communities back into work. We continue to offer work experience opportunities to young people leaving the care system

through the Business in the Community RISE project, and we are piloting five seasonal placements for ex-offenders into our logistics operations.

- **Continue to build on the success of our Work Inspiration initiative, delivering a two-week programme for 100 young people in our Nottingham support office and an extended trial programme for 500 young people in our larger stores throughout the UK, including placements for those 'Not in Employment, Education or Training' (NEET) and those leaving the care system.**

**Achieved:** We delivered another successful Work Inspiration programme for a further 100 young people in our Nottingham support office as planned, and over 3,000 young people received work experience placements through our stores. In June 2012, we were

judged to be Business in the Community's National Example of Excellence for Work Inspiration.

- **Further develop and promote our colleague wellbeing commitment, using our healthcare service expertise to support colleagues wishing to adopt healthier lifestyles as part of our mission to champion everyone's right to feel good.**

**Achieved:** We have developed a new healthy workplace charter and established a regular plan of activity that supports colleague wellbeing and encourages colleagues to be advocates for our healthcare activities.

- **Further strengthen our safety culture across the organisation and continue to develop our Primary Authority partnership arrangements for stores, including six monthly safety management reviews.**

**Achieved:** A new safety culture plan has been developed and implemented. Ongoing six monthly reviews with our Primary Authority have helped to strengthen both our safety systems and the culture plan.



# our ambitions

for 2013/14

## Community

- Continue to deliver our strategic partnership with Macmillan Cancer Support, providing accessible cancer information and advice to our customers
- Continue to develop the Boots Macmillan Information Pharmacist role by providing ongoing professional training and by linking with local Macmillan services to become part of the local cancer network
- Develop and launch the Boots Macmillan Beauty Advisor Role – working specifically with N07 - to support people with the visible side effects of cancer treatment
- Provide £250,000 financial support to Nottinghamshire charities and voluntary organisations through the Boots Charitable Trust
- Deliver our 10th year of support for BBC Children in Need

\*Boots stores prior to the 2006 merger between Boots Group PLC and Alliance Unichem PLC, and still trading

## Environment

- As part of our commitment to The Prince's Mayday Network, reduce the carbon footprint of Boots legacy\* stores by 30% by 2020, compared to 2005
- Further reduce the like-for-like carbon footprint of our stores by 10% by March 2014 from a 2010/11 baseline
- Further reduce the like-for-like carbon dioxide emissions from our commercial transport operations by 10% by March 2017 from a 2011/12 baseline



- All Boots brand products containing palm oil and close derivative ingredients will support sustainable sourcing practices through the interim purchase of GreenPalm certificates, moving to independently Certified Sustainable Palm Oil (CSPO) by 2014
- By 2016, all solid wood and paper used in Boots UK products and Goods Not For Resale (GNFR) will be from Forest Stewardship Council (FSC) certified sources, or use recycled materials



# our ambitions

for 2013/14

## Marketplace

- Continue to improve the sustainability performance of our products and deliver measurable improvements in line with customer expectations
- Work with external bodies across the UK, (including the Retail Forum and Business in the Community), to support the growing focus on town centres, recognising their role in providing community cohesion and identity
- Continue to work with the Department of Health and the British Retail Consortium to support and implement the public health agenda



## Workplace

- Drive our strategic plan for inclusion and diversity, measuring our progress through Business in the Community's Opportunity Now and Race For Opportunity benchmarks
- Continue to support youth employability, providing inspirational work experience and apprenticeships as well as proactively recruiting people from disadvantaged groups (ex-offenders, ex-care home, homeless and ex-military for example), supporting them in sustaining work in-house or elsewhere
- Continue to make a positive contribution to the health and wellbeing of our people and the success of the company by creating a health-promoting culture, actively engaging and supporting our people to make healthy choices

- Further strengthen our safety culture across the organisation and monitor using our Primary Authority for Safety. Develop new Primary Authority schemes for both Food Safety and Fire Safety

Continue to  
make a positive  
contribution to  
the health and  
wellbeing of  
our people

# for more information

visit [boots.com/csr](https://www.boots.com/csr)



**Registered office:**

Boots UK Limited  
Nottingham  
NG2 3AA  
United Kingdom  
Registered: England & Wales  
Company number: 928555