

# Doing Good Feels Super

Corporate Social  
Responsibility at

Superdrug ☆





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# Nigel Duxbury Property Director

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**Working closely with CSR and indeed Hong Kong over a number of years, I am incredibly proud of the journey we have been on as a wider business.**

Even better is the continued focus and pace that we are now delivering across Superdrug and A.S. Watson. We can and are making a difference across all the strategic pillars including working with various organisations and not least our customers.

There are lots of standouts for me, with the most recent being our 100% recycled plastic bottle for our Own Brand hair range that we are hoping to launch in early 2021. A tremendous achievement. Closer to my own area of expertise, I must confess, is the work we have done to reduce our carbon footprint, something I am extremely proud of.

Over the last 10 years we have reduced our carbon footprint by an amazing 82% via a number of initiatives you'll read about in the following pages. What a tremendous result, and there is still more to do. Working with the CSR Committee is something I am very proud of. The team are so engaged and energetic, it's amazing to see the appetite and desire to make a difference.

Working with them has enabled me to shift my thinking on how we can approach solutions across the entire business, not just within specific teams. Sponsoring the CSR Committee has clearly demonstrated that we can all find a way to make a difference, something I will ask you all to consider. The impact we can collectively make to our planet is worth every effort. I am delighted to say we still have many CSR targets to deliver over the next 10 years and am so very proud of our very first CSR report which has been a fantastic piece of work delivered by the team.

”



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# Jo Mackie Customer & People Director



**I am delighted to be involved with CSR here in Superdrug and have really enjoyed supporting Nigel. I am passionate about the difference we can make and I know our customers and people are too - they talk to us about it a lot!**

I'm really proud of the heritage we have in things like our cruelty free and vegan ranges however, doing the job I do I'm most passionate about the strides forward we've made in inclusion and wellbeing, again both for our customers and our people. We're listed in the Financial Times as a Leader in Diversity which we saw as a huge achievement and really great recognition of all the work we have been doing the past few years.

I'm working hard to learn about all things sustainable and am really interested in our Own Brand world, I was a fan before I got involved with the CSR Committee, but now I make sure I buy as much as I can from our fantastic ranges as I know how much time and effort has gone into them to make them kinder to the world around us.

This is the first time we've pulled everything together into one document, I always knew we did a lot but seeing it all together here really brings home what a difference we can make. I'm looking forward to engaging our teams even more with the journey we're on and making a difference to the world around us. I hope you enjoy the read.



Jo



# Vision, Mission and Values

## Our vision is to be the best in everyday accessible beauty and health.

With customers' shopping habits evolving year on year and priorities changing, we know that we must also constantly review how we stay true to our mission to be our customers first choice for up-to-the minute beauty and health, loved for value, choice, friendly advice, service and fun.

Our values are our guiding principles, that ensure what we do aligns with where we want to be as a brand. We are passionate about delivering exceptional results through customer service, teamwork, learning and honesty.

Our heritage as a retailer has naturally led us to be passionate about our Corporate Social Responsibility and we're proud of what we've achieved on the way.

From being an early adopter of cruelty free brands, to becoming the first high street retailer to offer HIV testing kits, we have always had a strong desire to provide accessibility and choice for customers. Partnerships with change makers, industry experts and exceptional charities have always been important for us, to understand through learned experiences.

We see our CSR activities as a journey that we'll always be on as long as there are ways to improve and evolve what we do.



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# CSR Organisation

**In 2015, all United Nations member states adopted the 2030 agenda for Sustainable Development. At its core are the Sustainable Development Goals (SDGs).**

The SDGs are 17 goals to bring together all countries in a global partnership. Supporting the 17 goals are 169 targets to be achieved by 2030. Although SDGs were created for countries and governments, they have become the common language for managing and measuring sustainability.

We have reviewed the targets for each goal and have identified 13 goals where we can materially impact one or more of the targets. There are therefore 4 goals that we have not listed at this stage but may take actions to support these where opportunities arise.



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# Our CSR Pillars

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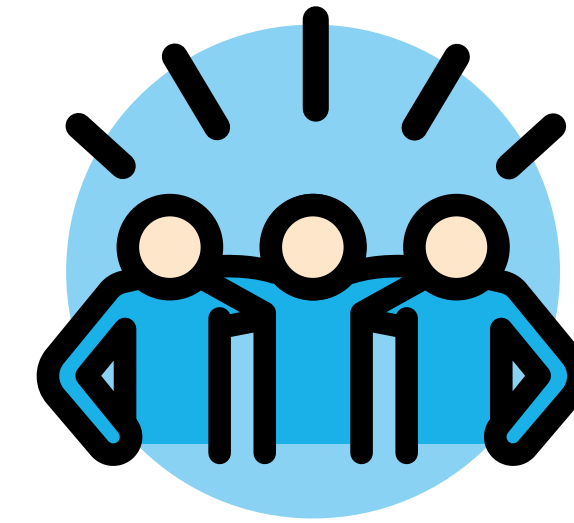
**Our CSR activity has been split into four pillars, Community, People, Customers and Planet.**

Our CSR pillars all have leads who are experts in their field. Over the coming pages you will meet them and understand why CSR is so important to them, as well as what each pillar's achievements and priorities are going forward.



## Our Community

We support our community - as an essential retailer we are delighted to be a consistent and reliable form of support in the communities that we serve. We recognise that the service we provide is an integral part of communities across the country, offering essential services and making a real difference to national health, wellbeing and futures. We are here for our customers, to support and help them thrive and are honoured to be able to do so.



## Our People

We value our people - our people make us who we are. We nurture and develop talent across all of our teams, making sure that they feel supported and included at all times. We are grateful to all of our colleagues for the time and energy they put into the work that they do in delivering 'that Superdrug feeling' and we are proud to have such an incredible Superdrug family.



## Our Customers

We love our customers - our customers are the beating heart of everything we do and we love to see them smile. We are committed to providing the best health and beauty experience possible, ensuring they feel seen and represented across all of our channels. Whether in-store or online, our customers will experience 'that Superdrug feeling' every time.



## Our Planet

We respect our planet - we champion the belief that delivering accessible retail shouldn't cost the earth. We provide the best in everyday health and beauty that is not only kind on price, but kind to the planet too. Consistently meeting best environmental practices means that all of us are able to respect the planet, whenever and however we can and we are grateful to be able to guarantee that.



# Our Community



## Our Community pillar focuses on the community around us.

A key part of our values as a retailer is that we strongly believe it's vital to be there for one another, and this isn't limited solely to our stores, offices and Distribution Centres, but the heart of the communities that we provide a service to. We are passionate about doing more, engaging with the communities where we operate and getting behind projects and initiatives that can really make a difference.

Whether it's volunteering, raising money for our charity partners, donating products to those that need it, or much more – we want to empower our employees to support the causes that they are passionate about.



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# Our Community



**Hi, I'm Gemma, Head of Marketing at Superdrug and I lead the Community pillar. In my role I get to work with and give a voice to some amazing charities that are consistently inspiring me with their passion.**

Outside of work I have 2 young daughters and sit on an corporate advisory board for an amazing charity, Mothers2Mothers. At Superdrug, I believe we have the power and responsibility to go above and beyond just fundraising for our charity partners. We have a great voice and are trusted within our industry.

I love working on our community campaigns as they are bold and break down taboos in order to make a difference to people's wellbeing, education and futures. We also champion this work with the brands we sell, and work in collaboration with them to deliver unique and exclusive products that have purpose behind them. We have always challenged the topics and championed the charities that matter within our stores and local communities.

I have had the pleasure of organising our company charity extravaganza event which takes place bi-annually and is a great way to celebrate our partnership with Marie Curie. To me, the Community pillar demonstrates the amazing teamwork that happens across the business to support our charity partners. Whether it's bake sales or sitting in a bath of beans we are dedicated to supporting and making a difference to the charities we work with.



*Gemma*



# Superdrug & Unilever – Pride

Our Community



Alongside the fantastic work of our Internal LGBTQ+ network, we also do our best to celebrate pride externally too, working with our brands to produce exclusive products which not only raise awareness around LGBTQ+ initiatives, but raise money which goes to both the charity and the community.

In 2020, in partnership with Unilever, we donated £50,000 to the LGBTQ+ charity 'Switchboard', which offers the LGBTQ+ community a safe space to discuss sexuality, gender and identity.

Thanks to Unilever, we stocked a number of exclusive, special edition, rainbow-wrapped products across key products in the Lynx, Closeup, Simple and Vaseline ranges.

The packaging of each special edition product includes the Switchboard logo and helpline number, helping to spread awareness around the initiative within the community.

Superdrug has worked closely with employees across the business and the internal LGBTQ+ network to create the Superdrug Pride event this year.

Our long standing internal network enables us to collaborate and align with the LGBTQ+ community to shape our campaigns.



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# Community Health

**We've partnered with Marie Curie, the UK's leading end of life care charity, since 2013. Through fundraising and volunteering activities from our team and customers, we have helped ensure Marie Curie nurses, hospices and support line officers can remain on the front line to help people – along with their family and friends – have the best experience possible at the end of their lives.**

Working with Marie Curie, we have raised an incredible £6 million so far, which funds the equivalent of 295,000 hours of Marie Curie nursing care for those living with a terminal illness, and their families.

We continued fundraising for Marie Curie during the Coronavirus pandemic, taking part in the '2.6 Challenge' to help fund a telephone bereavement support service.

This service ensures people that are dealing with the death of a loved one can receive the emotional support they need at a time when their normal networks were disrupted.

Since 2013 our fundraising activities have included:

- Superdrug customers and team fundraising instore
- Sponsored challenges and fundraising across stores, Distribution Centres and head office
- Marie Curie volunteers hosting collections in stores
- Superdrug and suppliers donating funds directly to Marie Curie from the sale of products instore. Superdrug's Own Brand label products have raised £460,000 to date.
- Bi-annual Charity Ball and other events





# Pharmacy & Healthcare

Our Community



**Our well-established Pharmacy and Healthcare team has enabled us to build credibility within the healthcare industry, and especially on the high street. Over the years, we have been able to bring services into our Pharmacies that create accessible healthcare for all.**

In 2018, we were the first on the high street to offer HIV test kits, and this year saw the launch of our COVID-19 antibody tests, using our phlebotomy trained Nurses. It is important to us that our customers are able to take control of their health, so our services go beyond in-store pharmacies and clinics.

From easymed pouching to aid medicine compliance, to a range of online doctor services, we are always evolving ways to support our customers health and give them convenient alternatives to visiting their GP.

Our launch of an un-branded Emergency Hormonal Contraceptive pill (EHC) at half the price of other branded EHC's highlighted our commitment to accessible medicine for all and influenced how EHC's are now being priced elsewhere across the UK.

Over the last few years we have developed our ability to support our customers mental health, and offer them a choice of tools and signposts to help them explore treatment options.

This year we have launched an online therapy service and our Mindcare by Superdrug app, giving customers access to a doctor at their convenience, and enabling those that need it to take a step toward diagnosis and mental health support.

Other technological developments include our own Pharmacy app that we were able to launch during the first UK lockdown in 2020, this gives our customers the option to have their medicine delivered by post, at no additional cost should they not be able to collect in-store.

The investments we continue to make in our Pharmacy teams, include new initiatives to develop their capabilities meaning that we are able to support our local communities better than ever before. We were able to keep every Pharmacy open and supporting our customers throughout the challenges of 2020, when people needed us most.

In 2021, we supported the rollout of the biggest vaccination programme in NHS history, by opening 7 COVID vaccination sites in our pharmacies.



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# Superdrug Nurses

Our Community



**We are incredibly proud of our Nurses. With almost 100 Nurses located in 83 clinics, we have been able to support local communities access a variety of services, from flu jabs to HPV vaccinations.**

The level of skill and experience our Nurses have has enabled them to further develop their skills to increase the support they are able to provide.

In March 2019 we launched our collaboration with CoppaFeel to educate patients on the signs and symptoms of breast cancer in both men and women. Our research showed that there was a need to increase awareness around breast cancer symptoms and our Nurses completed specialist training to be able to provide advice and support on how patients can check themselves.

We will continue to explore ways we can develop our Nurses' knowledge and skills to be able to provide necessary advice and support for their patients.

Our Nurses played a vital role in their communities during the lockdown in early 2020. After close contact services closed, our Nurses were re-deployed to assist their communities, both in hospitals and as part of the convalescent plasma trials. Since returning to their roles in our clinics, we have expanded services to include phlebotomy COVID-19 antibody testing.



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# Community Partnerships

**Recognising, celebrating and making space for increased inclusion and diversity within our business is at the forefront of our People strategy in the coming years. When it comes to the communities we are part of, we've committed to supporting local and national campaigns that support our vision of accessible health and beauty.**

Since 2018 we have worked with Beauty Banks, the people-powered grass roots movement that believe being clean and personal hygiene is a basic human right.

Their incredible founders, Sali Hughes and Jo Jones are working hard to end hygiene poverty whilst lobbying government for long term change to support those in need. We started off with just 5 donation bins across the our stores and now have over 100 up and down the country.

With the growth in donation opportunities, our Distribution team have also stepped in to support with delivering donations to Beauty Banks HQ. Beauty Banks ensure what is donated locally is distributed locally, their vision and mission make them a perfect charity match for Superdrug.

In March of 2020, when globally we were faced with the Coronavirus pandemic, we found ourselves in a position to go further than opening our doors daily as an essential retailer. Over 56,000 personal care products were donated by our stores to food banks and hospitals nationwide.

We provided over 14,000 essential products which were donated to support frontline NHS staff and an additional 5000 products were given to the Nurses working at the Nightingale Hospital in London to ensure they had the toiletries needed whilst they were working away from home.

Our suppliers have played a big part in our community strategy too, on a local and national scale. In recent years, we have worked with Unilever on our Pride events and with Procter & Gamble to fight period poverty.

We know that we are on a journey with community inclusion and diversity, and there is more we can and will do with our brilliant partners.

For more information you can go to [www.beautybanks.org.uk](http://www.beautybanks.org.uk) where there are FAQ's around what products they need and how you can donate.



Our Community 



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# Operation Smile

Established in 1982, Operation Smile is an international medical charity, that has provided over 270,000 free surgeries for children and young adults in developing countries who are born with cleft lip, cleft palate or other facial deformities.

As one of the largest medical volunteer-based non profits, Operation Smile has mobilised thousands of medical volunteers from a wide range of specialities from more than 80 countries.

Since 2018, Superdrug has joined forces with colleagues from across the A.S. Watson Group, to raise money and awareness of the charity while educating our customers about cleft conditions with promotional activities in store.

In 2018, the 'Give a Smile' campaign funded surgery for over 1500 children with a cleft palate or lip.

Superdrug helped to support this fundraising effort alongside Johnson & Johnson, who for every bottle of Listerine sold during the campaign donated 10p from that sale, raising over 10k in both 2018 and 2019.



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Our Community





# Ayoolu Nuga Millennial CSR Committee Member



**As a member of the Millennial CSR Committee, I am part of a team of 3 that is responsible for launching new Doing Good Feels Super projects that benefit the community.**

My teammates are located in Turkey and Malaysia and we have the support of a Team Leader in Hong Kong. We are part of the wider Millennial Committee which reaches across Asia and Europe and involves all A.S. Watson business units.

This has been such a wonderful experience, it's amazing to work with my peers that share a passion for CSR and have the guidance of an experienced group of mentors, as well as the team in Hong Kong. In 2019 I travelled to Thailand with other committee members in support of the 'Give a Smile' campaign. On this trip I was able to see first hand the incredible work that Operation Smile do.

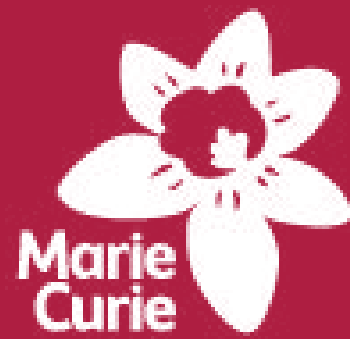
The Committee role required me to complete a Sustainability Leadership course, which has taken my eco-friendly shopping habits a step further than choosing between plastic and paper. I now make an effort to consider the ethical and resource journey that ingredients take when I am shopping, or in a restaurant. This isn't something I had always considered before, but now I am able to make more informed decisions. I am excited to see Superdrug continue to launch more sustainable products that our customers will be proud to purchase.

I look forward to the continued charity work and volunteering opportunities that we have planned for the coming year. Making a positive impact locally and globally is something I am truly passionate about.





# Our Community - The Numbers



Charity partner since

**2013**

**£6 million**

raised by colleagues and customers



**295,000**

nursing hours funded



Community healthcare clinics across the UK, Scotland and ROI



Almost  
**100**

Superdrug Nurses



Beauty Banks donation points in over 100 stores



**140,000**

products donated to NHS frontline staff



**560,000**

products donated to local hospitals during the 2020 lockdown



**£50,000**

donated to the LGBT+ Charity Switchboard

Work in Partnership with

**retailtrust<sup>rt</sup>**  
looking after all people in retail



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# Our Customers



**Providing an inclusive and accessible shopping experience is important to us at Superdrug.**

Our Customer pillar focuses on the millions of customers that we serve as a retailer every day. Making sure that we meet their expectations to provide the best products, give the best service and fulfil our responsibilities around doing what's right for them and the world around us.

It's our responsibility to understand our customers' needs, adapt, and grow as the world around us changes and strive to set the bar higher for safe, fair, ethical, and responsible business practices.

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# Our Customers



“

**Hi, I'm Helen, Head of Customer and Communications. I'm responsible for the Customer pillar of our Doing Good Feels Super strategy. For the last 55 years, we've been supporting customers in the UK and Republic of Ireland access the latest in health and beauty at fantastic prices. Whilst our in-store health clinics and pharmacies provide the very best in patient care.**

Our journey to strengthen and develop our CSR pillar has taken us on an incredible journey so far, but we've got more to do to ensure that Superdrug continues to deliver the best experience and products responsibly. The Customer pillar ensures that we continue to develop our brand and CSR credentials to be more purposeful, and meet the demands of our customers.

We have over 16 million registered Health & Beautycard customers that we reach out to on a regular basis to understand what matters to them and what they want us to improve. This feedback has helped us to launch initiatives like our charity partnership with Marie Curie and our vegan pop up shop. I am proud to be part of a brand that has a mission to continue to champion and communicate what matters, whilst anticipating future needs.

”



Helen



# Inclusive Experiences

Our Customers



## Customer service training at Superdrug is based on the Mary Gobar Techniques.

This enables us to build a service culture within our stores that makes shopping at Superdrug accessible for everyone. Our blended learning approach provides training and development at all levels – going beyond skills and service training – covering behavioural, people management and Inclusion & Diversity.

In 2021 we are trialling a variety of digital tools to support shopping experiences and continue to evolve how we connect with our customers.

We are proud to have made significant progress with the inclusivity of Own Brand ranges, through our Shades of Beauty campaign first launched in 2016. We increased our foundation ranges to be more inclusive and were the first on the high street to develop our Own Brand afro hair care.

We are on a journey to ensure our product ranges are inclusive of all customers and work closely with brands we stock to encourage them to do the same.

Our commitment to inclusive experiences expand beyond the traditional in-store activities. In 2020 we launched our 'Faces of the Future' campaign, offering expert mentoring and development to 3 future change makers.

From film makers to an emerging cosmetics brand, we provided our Faces of the Future with development opportunities that we hope give them a step up in their chosen career as well as a change to increase their professional and personal networks. We can't wait to see what's next for Lolly, Laura and Millie.



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# Products Our Customers Care About

We have passionate customers that we listen to when it comes to making changes to our products, from the removal of microbeads and microplastics in our products to recycled packaging, we know our customers want to have the choice to shop more sustainably.

We joined forces with environmental activist Ella Daish (pictured, right) and are proud to lead the way to be the first health and beauty retailer to discontinue plastic applicators within Own Brand sanitary products.

Our range, Luna is also our first Own Brand range of organic menstrual products, in fully recycled packaging.

Through the insights we gather via our health and beauty card holders, we are able to understand what our customers are passionate about and challenge ourselves as a business to consider these elements in our decision making. We will continue to explore how we can support diverse communities and causes that will lead to more responsible products and ranges.



Our Customers



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# Be Kind, Shop Kind.

Our Customers



**We have partnered with the youth organisation Ditch the Label to remind social media users to Be Kind after seeing a rise in negative responses and behaviour towards the emerging bloggers and makeup artists we spotlight on our platforms.**

We worked with influential voices to spread the word about the campaign and we actively respond to any hateful or negative comments across our social media platforms. We want our customers to experience the same inclusive environment online as they would when they visit us in stores.

We have seen a rise in aggressive behaviour towards our teams, something that has been echoed across the retail industry. As an essential retailer it is important to us that our teams feel safe and protected from the threat of violence whilst at work.

To support our teams, we pledged a zero tolerance approach to any aggression shown towards our teams, in a campaign, Be Kind, Shop Kind.

We actively encourage customers, via impactful point of sale and radio messaging, to be mindful and respectful of our teams when shopping in a Superdrug store, asking them to Be Kind above all else.

**DITCH  
THE LABEL**

**BE KIND.  
SHOP KIND.**



#BeKindShopKind

Superdrug ☆



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# Customer Loves

## Our Customers



**Our Customer Loves survey takes traditional customer service measures to the next level. We are able to measure customer experience via our Health & Beautycard members.**

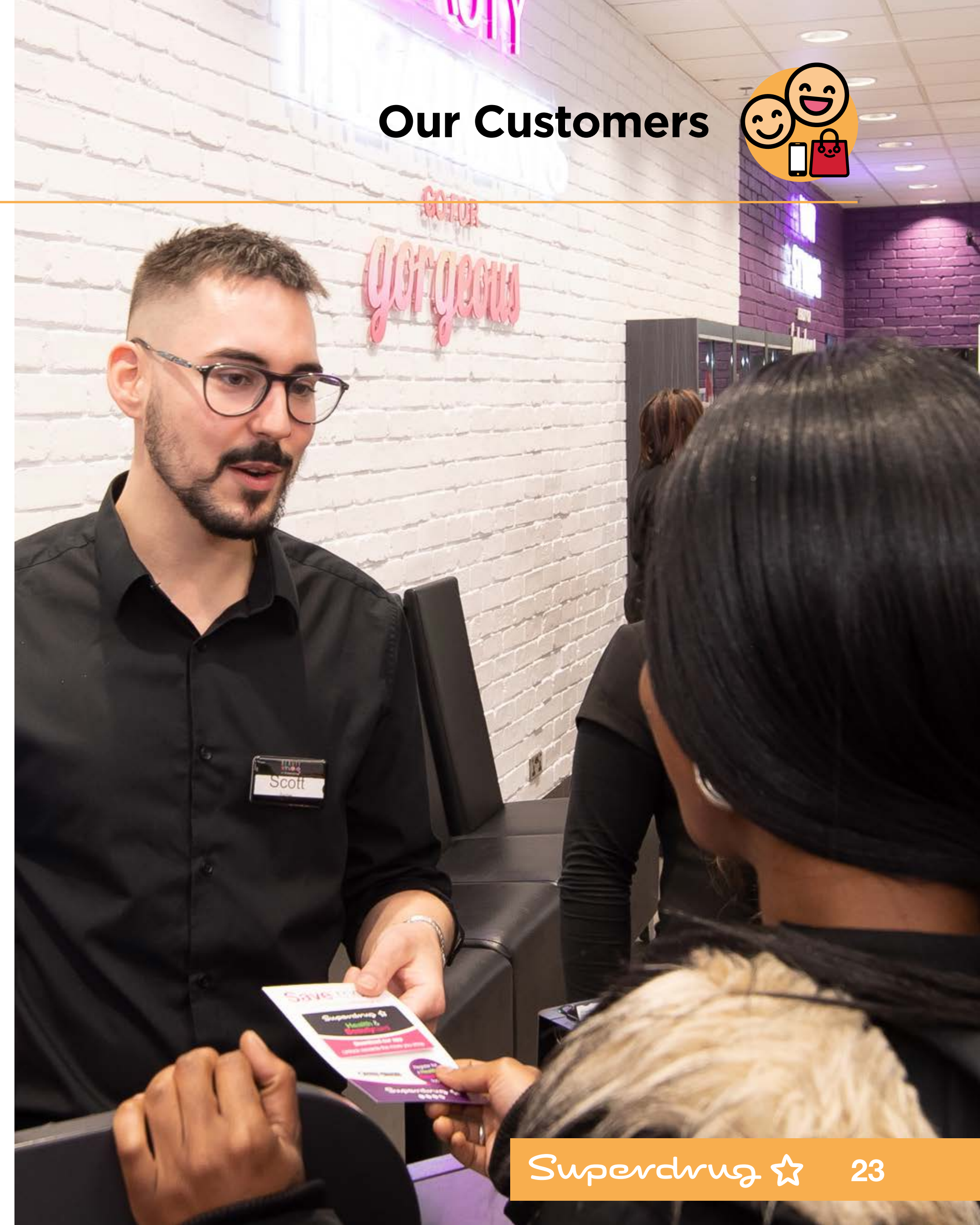
This enables us to get a broader view of our customer experience. Using Health & Beautycard data we can see where our customers have been shopping and ask for feedback on their experience in a specific store.

We are also then able to generate important customer data that can give us opportunities to improve customer service.

Each store, pharmacy and beauty studio receives 2 scores on a monthly basis, their 'Customer Loves Score' as well as a Net Promoter Score, which tells us how likely our customers are to recommend that store to their friends and family. This means we are able to look at service as well as loyalty.



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# Customer Loyalty and Privacy

## Customer Loyalty

**Our Health & Beautycard subscribers are vital in helping us evolve our customer experience, in-store and online.**

We take our customers privacy very seriously and offer all Health & Beautycard holders a choice when it comes to how we use their personal data, in line with protection laws. Full details of our privacy policy can be found on our website.

Our customer loyalty programme turns 10 in 2021. We pride ourselves on making our loyalty programme accessible to all customers, online and in-store. Over the years we have evolved how our customers are rewarded and have looked beyond just offering the traditional points model.

We now offer free delivery with spends over £10, options for mixed tender payments, bonus points during special events and most recently, member pricing. We also have a weekly member treat day every Thursday, rotating exclusive offers and discounts on a different brand or product category.

The data we gather through Health & Beautycard transactions is used across our business, keeping our customers at the heart of everything we do. From understanding service, how customers shop our ranges, marketing and insight to financial modelling.



## Our 5 Privacy Principles:

- 1** Always use your personal data in line with data protection law.
- 2** Always tell you what information we collect, what we do with it, who we share it with and who to contact if you have any concerns.
- 3** Always provide an option to say 'stop' if you don't want marketing communications.
- 4** Always respond to questions about your personal data without delay.
- 5** Always take steps to protect your information and make sure no unauthorised person accesses it.



# Customer Community

## Our Customers



**The customer community allows Superdrug shoppers to ask each other health & beauty questions and share recommendations to help shoppers find their perfect product.**

In addition to this, it acts as a social hub for users to connect with like-minded individuals through 'groups', complete 'missions' and test and review Superdrug products.

We have over 20,000 engaged users, we call them our 'coaches'. Between January and October 2020, over 15k questions have been asked on the community platform with over 100k answers.

The power of peer to peer paired with a safe space for curious customers to ask for advice has created a truly inclusive online community. As a business we are also able to interact and recognise our committed coaches. On a monthly basis we reward our 'Coach of the Month' and validate coaches answers to show we support the advice they are giving to the rest of the community.

As we move into 2021 we will be exploring how we can connect our instore customers with the community, curating virtual events for coaches and expanding our test and review activity.

The platform was a key tool in our COVID-19 response and was used to understand customer behaviour and opinions to tailor internal and external communication.

Traditionally we use these insights to inform press outreach and share with our internal buying teams to inform on key trends and product focusses.



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“

I joined the Community in lockdown because it gave me the opportunity to meet people who also had an interest in make up and skincare and to help those who were just starting to pursue that interest.

”

“

It's a fantastic place to share your knowledge. Everyone here is incredibly lovely and it's a very rewarding community to be part of. I would have done anything when I was younger to have a community of people in the beauty and skincare 'know' where I could anonymously ask questions.

”



# Customer Contact Centre

## On a weekly basis, our Customer Contact Centre talks to over 23,000 customers.

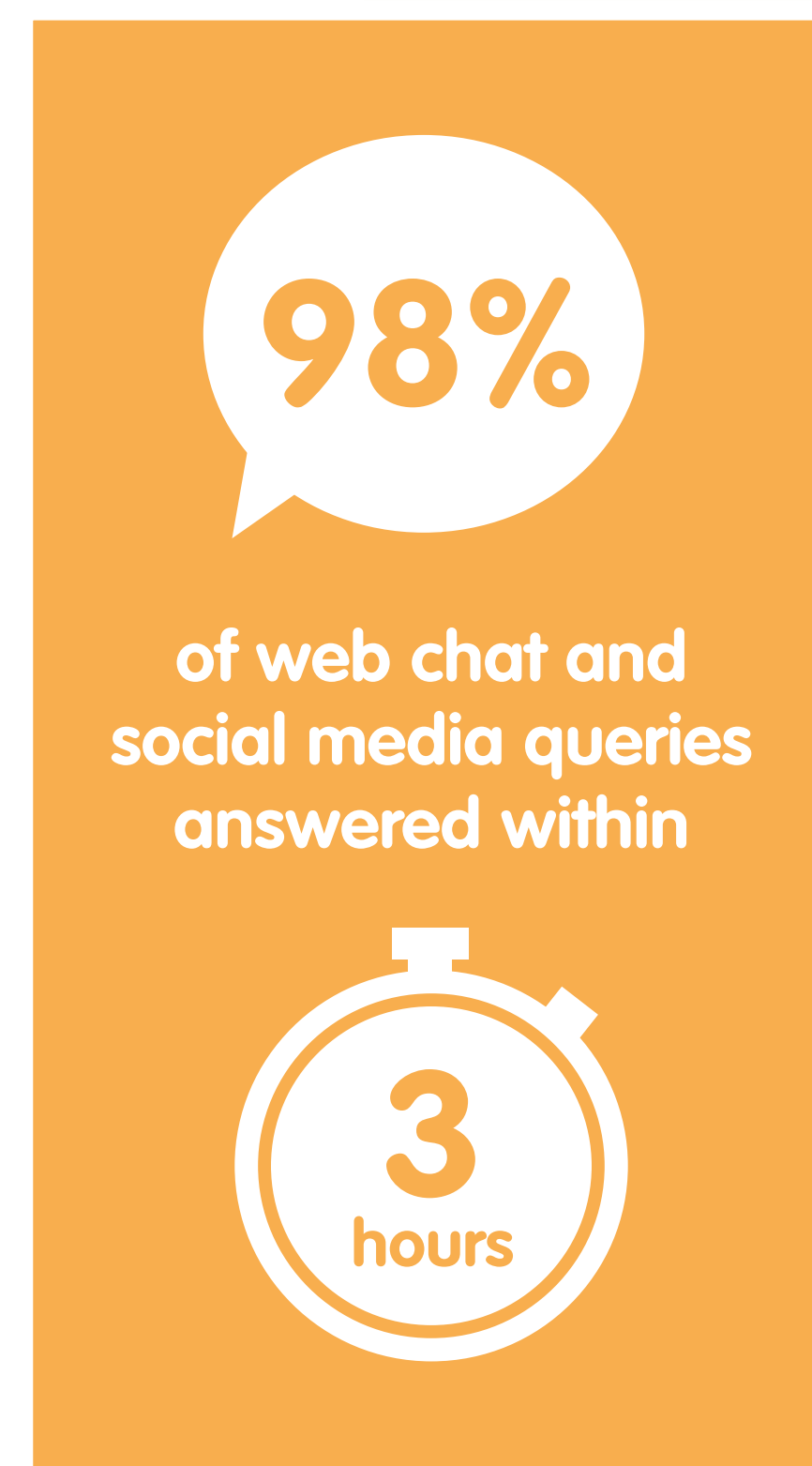
We see our Customer Contact team as an extension of our store teams. They receive specialist training and are passionate about the products we sell and the services we provide.

We have seen a growth in online shopping and that has meant we have grown our team, creating more roles within the Contact Centre. The team undergo bespoke training and we are always looking at opportunities to evolve the experience they currently offer to our customers.

The insight we gain via our Customer Contact team is fed back into the business and used to influence development in what we call 'the final mile', the service journey from the point an order is placed, to when it arrives with a customer.

We have adapted how we talk to our customers by finding the ways that they prefer to interact with us. More recently we see customers contacting us more via social media and web chat and we have teams focused on these channels on a daily basis. We have also set up a dedicated NHS prescription helpline for patients who wish to talk to us about the delivery of their medication.

Our Customer Contact team are also responsible for recognising stores and individuals who have gone above and beyond for our customers.



“The staff here really care about their jobs and that shows... This means a lot more now than ever.”



# Our Customers



Introduce functionality to support consumers decision making at point of sale



Our Health & Beauty Card turns 10 in 2021



In 2019 we opened a sustainable pop-up shop, in 2021 we will launch our next campaign for DGFS



Superdrug customer community has over 20k coaches and growing



We are committed to innovating online and offline experiences to better connect with our customers



We will continue to develop accessible store environments



Execute customer cause championing PR campaign supporting societal and environmental change



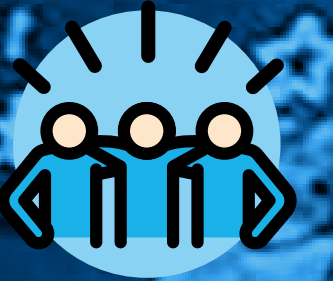
Our customer loves survey runs across 4 departments: retail, Pharmacy, Beauty Studio and Nurse Clinics



We were the 1st on the High St to stop plastic applicators in Own Brand sanitary products



# Our People



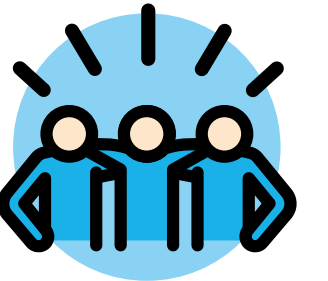
**At Superdrug we love that everyone is unique. We respect and appreciate what makes us different and how important it is to belong. We are committed to being a truly inclusive workplace, where diversity is embraced, success is celebrated, communities come together, and innovation is encouraged.**

We want our people to reach their potential no matter who they are. We are always learning and listening. Our networks ensure everyone has a voice and help inform and guide us to be better every day.

*Doing Good Feels Super*



# Our People



**Hi, I'm Kendra, Senior Inclusion and Engagement Manager, and I lead the People pillar of our Doing Good Feels Super strategy. My role is all about doing the right things for people, something I am passionate about outside of work as well as in it.**

At Superdrug we employ around 14,000 people across our Retail and Healthcare teams, our Head Office, and Distribution Centres. The People pillar is focused on making our workplaces more inclusive for every employee and prospective employee through our Everyone Matters Inclusion strategy; supporting our colleagues wellbeing; and ensuring fair employment in everything we do from our policies and processes, recruitment and learning, to health & safety.

To help us on our journey of inclusion here at Superdrug, we created Everyone Matters, our Inclusion & Diversity (I&D) strategy and made it a key part of our People plan.

Everyone Matters focuses on 6 pillars:

- Access All Areas (Social Mobility)
- BAEM
- Disability
- Gender Equality
- LGBTQ+
- Make Work Work (Flexibility at Work)

Our Wellbeing Strategy focuses on four key areas:

- Physical
- Mental
- Social
- Financial

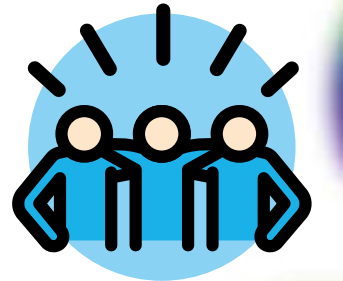


*Kendra*



# Everyone Matters

## Our People



**Our 6 inclusion focuses form the pillars of our Everyone Matters strategy. Each pillar has an employee network who support the development of, and actively drive, our inclusion work.**

Our employee networks were created to:

- Drive a positive change when it comes to inclusion and our 6 pillars
- Ensure everyone has a voice in the business
- Create safe spaces for the various communities, allowing members and allies to share their personal stories, experiences, and support
- Provide access support in the form of resources, education and more
- Give a forum to influence the wider business and commercial agenda to ensure we behave inclusively for our customers as well as our employees

Each network has a steering group, an actively involved executive sponsor, a lead from the People team, and is represented at our I&D Steering Group.

The networks plan their own calendar of events to celebrate key dates, raise awareness, and educate others throughout the year, and often work in partnership with external organisations to create their strategy and provide bespoke expertise where needed. The employee networks have also created inclusion learning resources - open to all employees to input into - which aim to encourage every employee to take responsibility to learn and educate ourselves when it comes to inclusion.

We have an Everyone Matters steering Group, which includes our CEO, Peter Macnab, as well as several other Directors and members of the employee networks.

The steering group meets quarterly to discuss key inclusion topics and provide leadership with updates on our Everyone Matters activity.

Our senior leaders and recruitment teams have attended Inclusive Leadership training, and Inclusion is now part of every new employees' induction with us. All employees have access to online learning, and new in 2020, we began running webinars open to all and senior leader bespoke sessions on key inclusion topics.

We are extremely proud to have ranked as a Financial Times Leader in Diversity for two years in a row. We know this is a journey that will never be completed, we will always be learning and adapting, growing, and evolving to do our best to ensure our workplaces are as inclusive as they can be.



## EVERYONE MATTERS



*Doing Good Feels Super*



# Access All Areas

Our People



**Accessible health and beauty applies just as much to our people as it does to our products and services. At Superdrug we offer placements which have led to full time permanent roles with us. We also offer mentoring and skills training from our employees to care experienced young people and have delivered CV and interview skills workshops.**

We are working to ensure that any of our work experience opportunities are enriching young people's future employability and have focused on our stores in the UK 'cold spot areas' to pledge to support young people through quality work experience; apprenticeships or working with local schools.

We have offered apprenticeships for over a decade and have helped over 1,750 people receive a recognised apprenticeship qualification.

We offer an award-winning programme and are dedicated to building and growing how we can help young people get started in a career in retail.

Over 80% of those who complete an apprenticeship with Superdrug receive a permanent role, some of whom progress onto a L3 management apprenticeship.

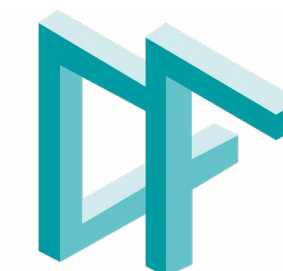
During 2019 just over 50% of those who completed the course also received a promotion within a year. We think our ability to offer a clear pathway to progression is a fundamental part of the success with our programme.

The training and development we offer our colleagues is at the heart of everything we do and we are delighted to offer young people the chance to pursue a career that they love. We're committed to going above and beyond the usual apprenticeship model by offering a solid training programme, which puts our apprentices at the heart of their training pathway.

In addition to our apprenticeship programme, we partner with the Drive Forward Foundation. Drive Forward help young adults leaving foster or residential care to achieve their full potential with exciting and sustainable employment opportunities.

## Commitments

- Make opportunities accessible for everyone.
- Recognising that talent is everywhere, but that opportunity isn't.
- To remove barriers that stop people from disadvantaged backgrounds applying for roles to join or progress.
- Through apprenticeships and our development programmes we know that once we get people in, they can get on.



DRIVE FORWARD

MOMENTUM MADE BY YOU

*Doing Good Feels Super*



# Black, Asian and Ethnic Minority; BAEM\*

Our People



**We aim to be the employer of choice that attracts a diverse workforce, harnessing people's unique backgrounds and talents for the benefit of individuals and customers. We champion career and development opportunities for our BAEM employees whilst promoting inclusivity of all cultures, truly reflecting the communities we serve.**

At the BAEM network we focus on key religious and cultural events throughout year and use these days of celebration such as World Religion Day, World Day of Cultural Diversity, World Food Day and Black History Month to encourage people to celebrate all backgrounds and cultures.

We run a reverse mentoring programme with BAEM employees to help senior leaders understand a different life experience.

We conduct listening groups for BAEM employees which feeds directly into our inclusion strategy.

As part of the dialogue with regards to the Black Lives Matter movement in 2020, we ran bespoke sessions with senior leaders and webinars open to all employees, to help them get more comfortable discussing subjects such as race and racism.

In 2020 we published our own set of BAEM commitments and signed up to the Race at Work Charter.

*\*We would like to highlight the current use of the phrase BAEM as part of the People Pillar. As conversations have started again externally about the use of this term, we are working alongside the BAEM steering group and network to ensure that they determine the suitability of the term, and this report will be updated to reflect their decision.*

## Commitments

- To promote inclusivity of all cultures, truly reflecting the communities we serve.
- To be the employer of choice that attracts a diverse workforce.
- To promote and track our development programmes, ensuring that every employee has access to personal development.



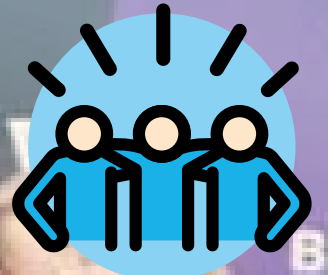
Doing Good Feels Super





# Gender Equality

Our People



**The Gender Equality network offers workshops, speaker events, traditional mentoring opportunities for young women and celebrates International Women's Day and International Men's Day.**

In 2019, Superdrug signed up to the Tech Talent Charter, a non-profit organisation leading a movement to address inequality in the UK tech sector and drive inclusion and diversity in a practical and uniquely measurable way. As a signatory, we committed to the TTC pledges relating to improving inclusion through recruitment and retention practises.

The network also uses our influence outside of the workplace to support gender equality and women's issues. This includes working with external charities such as Hestia's Safe Spaces campaign, supporting those experiencing domestic abuse, and Beauty Banks, working to end hygiene poverty.



## Commitments

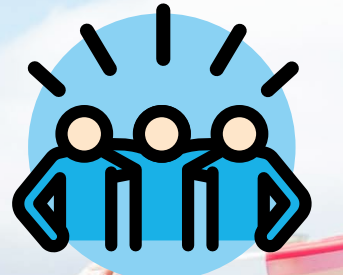
Focusing on attraction, development, and retention the Gender Equality network aims to...

- To create a fair and supportive workplace for people of all genders.
- To champion and inspire women in our business.
- To build a strong pipeline of diverse female talent to ensure a gender balance in our future leadership teams.



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**Our LGBTQ+ network aims to provide a visible, supportive, engaging network that celebrates gender expression and sexual identity so that our colleagues can confidently be 100% themselves while at work.**

We want to ensure that our colleagues have a support network that allow them to have a space where they don't feel alone or isolated due to the issues that may affect them and that they are able to authentically express themselves at work.

The Network provides a connection for LGBTQ+ colleagues to share experiences and challenges as well as find role models that show them that they don't need to hide any aspect of who they are.

Raising awareness of issues that affect the LGBTQ+ community and providing support where needed is also very much a driver for the network.

This year we have partnered with the LGBT Foundation as well as Switchboard LGBT Helpline to make sure that a support service is available to all colleagues who may need someone to talk to about issues that affect them.

On top of this, it's also very important that we make sure that the Network is a constant resource for any commercial decisions that can have an impact on the LGBTQ+ community which has been reflected in our 2020 Pride Inside marketing activity.



## Commitments

- To listen to our LGBTQ+ colleagues so that we can provide support on the issues that matter to them.
- To champion diversity and individualism so that our colleagues can feel themselves while at work.
- To raise awareness within the business about the issues that affect colleagues just because of their gender identity or sexual orientation.
- To ensure that there is a support network and support services in place for those that need it.
- To actively influence business policies and commercial decisions that may have an impact on the LGBTQ+ community.





# Make Work Work

**As a business, we are committed to supporting our colleagues making work 'work' for them.**

Our Make Work Work network was created to help provide opportunities for our colleagues to connect with other colleagues working flexibility, and to offer support to working parents and carers.

We are an Employer Member partnering with Working Families on job design training so we can continue to make flexible working accessible in all our roles, in particular our Management roles.

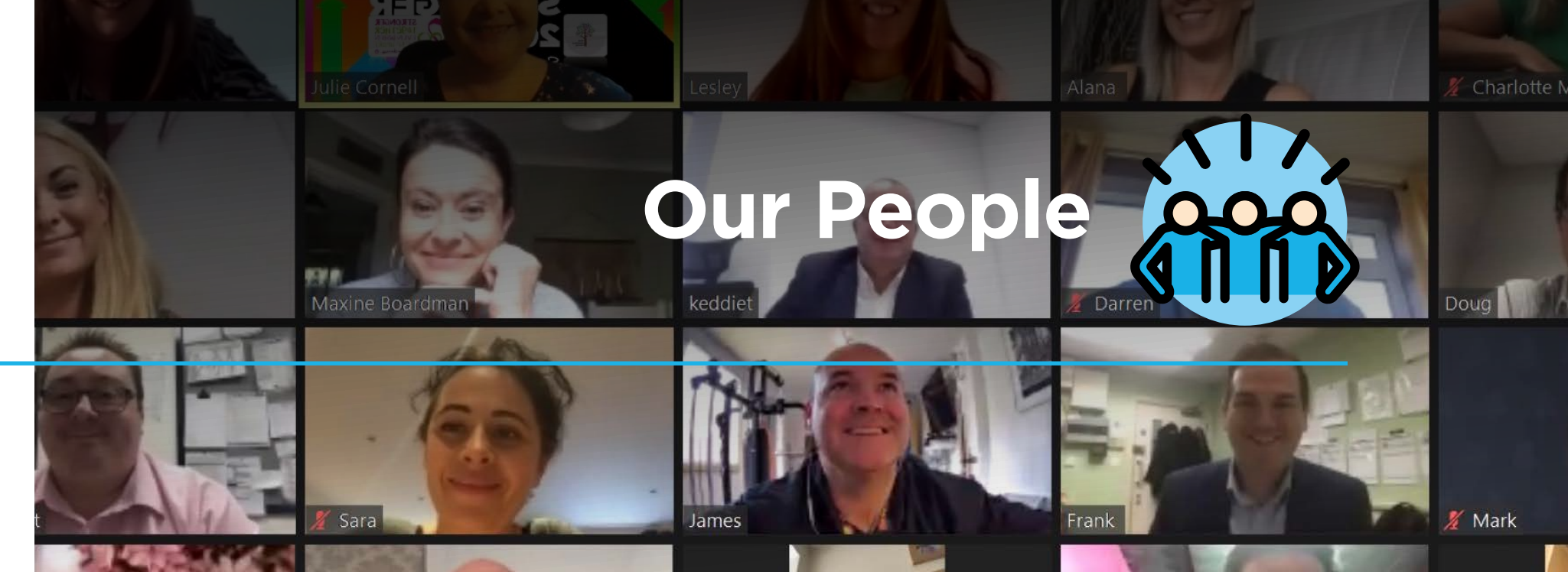
We have also supported and celebrated our colleagues also working as carers and focused on maternal mental health.

We're committed to more support for returning parents through our Make Work Work network.

In 2021, we're launching our first maternity returners programme. At the same time, we're taking the opportunity to review all of our family friendly policies to see how we can move these forward further in 2020.



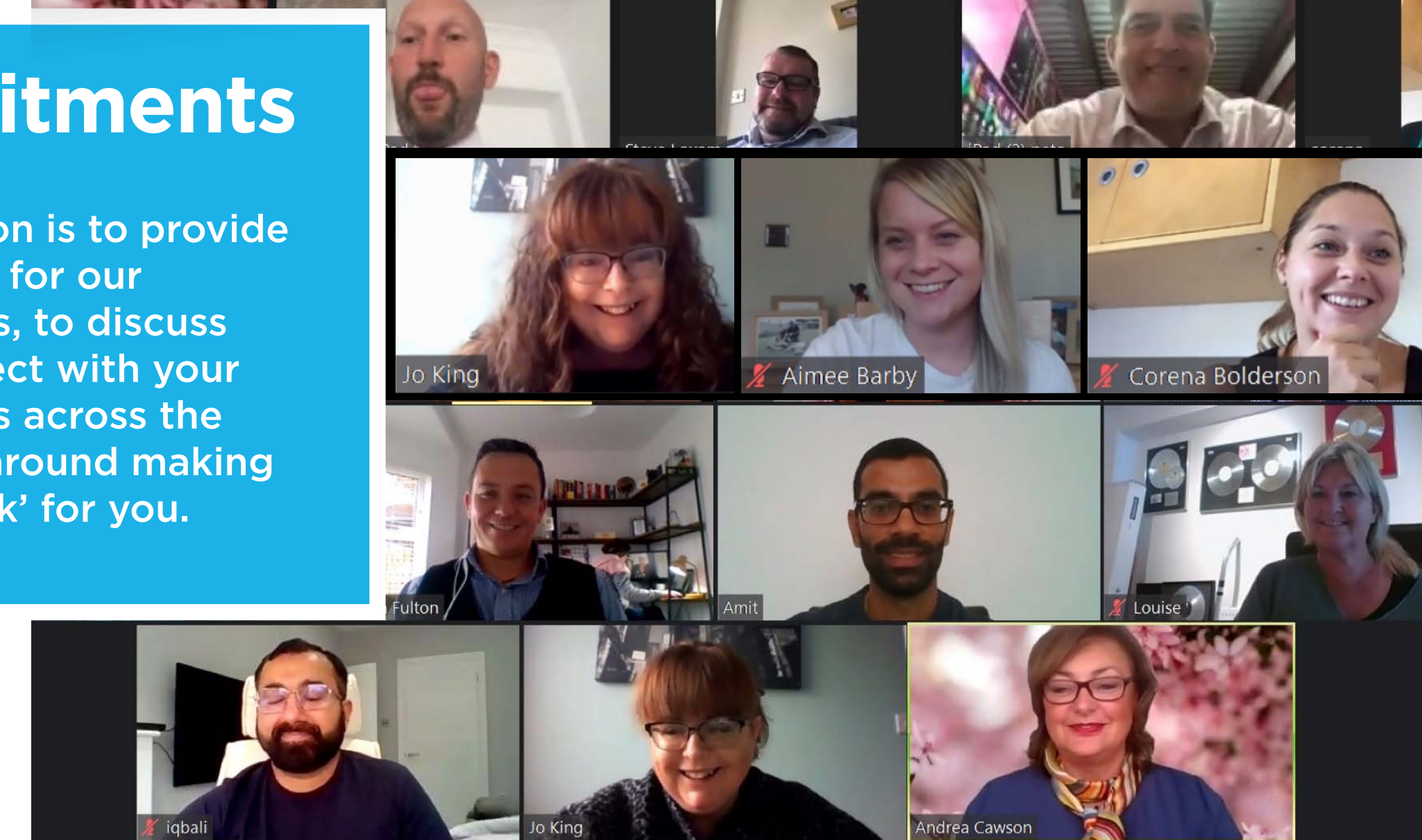
*Doing Good Feels Super*



## Our People

### Commitments

- Our mission is to provide a network for our colleagues, to discuss and connect with your colleagues across the business around making work 'work' for you.





**Our newest inclusion pillar focuses on Disability and long-term health conditions in the workplace.**

We are signatories on The Valuable 500; a global community revolutionising disability inclusion through business leadership and opportunity.

We are committed to reaching out to colleagues that are passionate about the subject of disability and ensuring there is representation for all by creating engaged and active steering group members and ambassadors.

We are also invested in listening to our colleagues' concerns through listening groups and encouraging them to be part of the conversation through our internal platforms. This will help us in spearheading internal communication and community campaigns to raise awareness of particular causes as well as raising the profile of the network.

## Commitments

- To build awareness of both visible disability and non-visible disability across the business.
- Support our colleagues that live with these disabilities or long-term health conditions.
- Break down stigmas and removing the labels attached to disability overall.
- Work to ensure that Superdrug is an inclusive and accessible workplace to all.

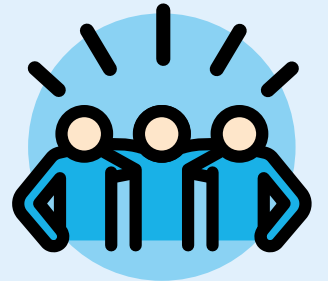


DISABILITY  
at Superdrug 



# Wellbeing

## Our People



**We aim to put Wellbeing at the heart of what we do.**

Wellbeing is strongly linked to happiness and life satisfaction. We focus on four pillars of wellbeing:

- Physical Wellbeing
- Mental Wellbeing
- Social Wellbeing
- Financial Wellbeing



These pillars are all important and can overlap.

We recently launched Wellbeing/Recognition champions across the business to help us engage with our employees more effectively and to ensure we continue to support the wellbeing of our employees to meet their changing needs.

We work closely with internal resources and with our external providers to provide more expertise to our communications on wellbeing, and improve the resources which we can offer our employees.



### Physical Wellbeing

**Looking after your physical wellbeing can be different for everybody and can include things like, physical activity, nutrition, relaxation, sleep, and resilience.**

We want our colleagues to be at their best in and out of work.

Some of the benefits we offer to support the physical wellbeing of our employees include; life assurance, private medical cover, dental cover, health screening, cycle to work scheme, occupational health support, Medicash health cash plan, free flu jabs for all our employees, discounted cancer and physio insurance plans, access to healthcare discounts and online doctor services through Superdrug Healthcare and the RetailTRUST employee assistance programme.



### Mental Wellbeing

**We all go through ups and downs and our mental health can change as we go through different stages in our life.**

When we talk about mental wellbeing, we cover topics such as stress, anxiety, depression, keeping our minds healthy, self-worth and happiness whilst aiming to break the stigma around mental health.

1 in 4 people experience a mental health problem at some point during their lives and many more are touched by its consequences. We deliver mental wellbeing training to line managers covering subjects such as resilience, anxiety and managing work/life balance.

Some of the resources we offer to employees include training, the RetailTRUST employee assistance programme and occupational health support.



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### Social Wellbeing

**Our social wellbeing is determined by having a sense of belonging, feeling socially included and having social stability.**

Other elements such as feeling valued, feeling welcome and supported in your workplace, being connected to friends, family and colleagues, and giving back to our community are also important.

We offer benefits such as the RetailTRUST employee assistance programme, payroll giving to charity, a recognition programme called You Are Super, long service awards and our 'Thank You Thursday' communications.



### Financial Wellbeing

**Helping employees to take time to manage their money more effectively.**

Being in a good place with your finances can support your overall wellbeing and help you to feel in control.

The benefits we offer to employees include pensions, new parent vouchers, season ticket loans, the RetailTRUST employee assistance programme and discount offers.

Our Wellbeing/Recognition champions promote our activities and resources throughout the company to help us to get feedback and review activities and benefits on offer.





# Fair Employment

**We have clear policies to ensure we recruit, develop and engage our teams in a fair and inclusive way.**

We measure this through our engagement surveys, pulse surveys and listening groups, our Pay gap reporting and data analysis to turn insight into action.

We have a great record of developing and promoting from within and are committed to supporting the development of all of our employees from day one with us.

Our inductions have a blended learning approach using an online learning curriculum, time spent in a sponsor store and virtual classroom sessions, on Audit, H&S, People & Leadership.

We have a range of development programmes from Retail Management Training to our senior leadership 'Aspire' programme all of which include eLearning, on the job learning and virtual classroom sessions.

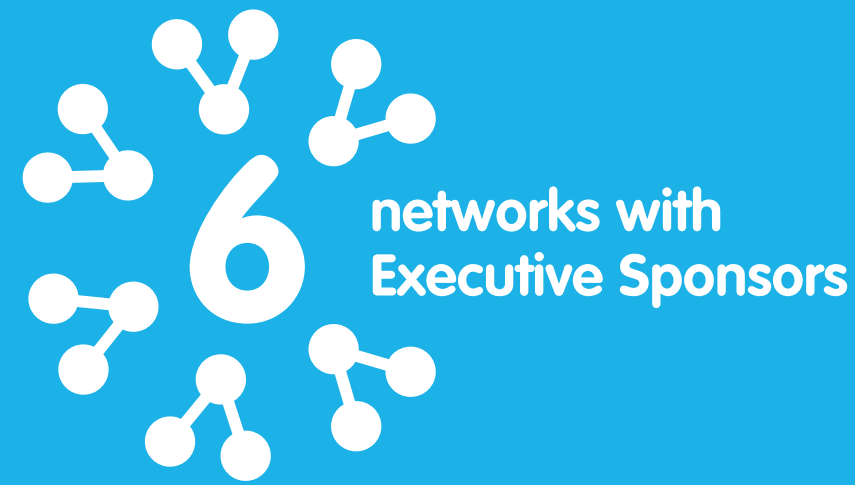
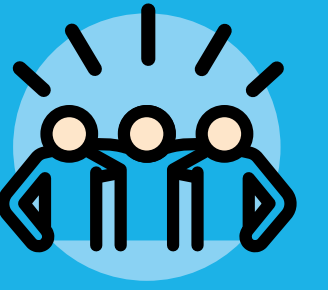
We deliver bespoke leadership development including coaching, mentoring and sponsoring role specific qualifications.



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# Our People - The Numbers



Worked in Partnership with



4 Pillars to Wellbeing Strategy



DRIVE FORWARD  
MOMENTUM MADE BY YOU



LGBT  
foundation





# Our Planet



**Our Planet pillar focuses on the world around us, making sure that we try to make a positive difference where we can, in the short and longer term.**

Right across the business, we're committed to reducing the environmental impact of our activity.

We plan to do this by reducing greenhouse gas emissions from our operations, improving our energy efficiency, reducing the waste generated through our operations, making our Own Brand products more sustainable while assessing the environmental impact of our suppliers and reducing the environmental footprint of our products with a better selection of ingredients and packaging materials.



# Our Planet - Operations



**I am the Sustainability Manager at Superdrug and I am proud of the journey we are on. We have made some significant impacts since 2010 and over the next 10 years we want to go even further and we want to take our customers and our colleagues on that journey with us.**

Superdrug are proud to operate over 790 stores in the UK, 2 Distribution Centres and a Head Office to support our stores and our customers.

From having the lights on in our stores to delivering products to our stores, there are certain things that are essential for us to operate that have an unavoidable environmental impact. Unavoidable does not mean that these are acceptable and non-negotiable. In fact, it is because they are essential that it is essential that we know what they are and we plan to reduce their impact. In the last 10 years we have seen a significant growth in knowledge and passion from customers and colleagues about our planet.

I am proud to be a Member of A.S. Watson's Global CSR Committee and of how Superdrug are able to contribute to the social and environmental targets of the world's largest international health and beauty retailer. With over 15,800 stores in 25 markets, every year over 5 billion customers and members shop with A.S. Watson's 12 retail brands so together we can truly impact our planet globally.





# Reducing Our Operational Emissions



## Greenhouse Gas Reporting

**Climate change is the biggest environmental challenge our planet is facing. At Superdrug we realise that we are responsible for our emissions and how they contribute to climate change.**

Since 2010, Superdrug’s carbon footprint (electricity, gas and logistics) has decreased by 82% and we have set a target of a 95% decrease by 2030.

On the following pages we will provide more information on how we have achieved this reduction in our Operational Emissions through Energy Reduction, further reducing our energy related emissions through Renewable Energy and Supply Chain/ Logistics Consumption.

We will continue to reduce our direct emissions and we will take a stepped approach to expand the scope of our emissions reporting.

We will focus on emissions that have the biggest impact on the environment and where we can deliver the biggest environmental benefit.

## Total Emissions CO<sub>2</sub>e (Tonnes)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Store Electric	41,573	35,361	32,022	29,847	28,625	25,968	24,038	20,263	17,474	4,250
Store Gas	3,160	1,877	1,821	1,445	1,361	606	567	385	387	225
DC and HO Electric	4,549	4,094	3,546	3,336	3,607	3,658	3,580	2,884	2,270	548
DC and HO Gas	1,942	1,187	1,572	1,726	1,214	1,324	1,317	1,244	1,283	1,058
Logistics Fuel	6,186	6,003	5,700	6,040	6,063	5,371	5,112	4,510	4,563	4,081
<b>Total Emissions CO<sub>2</sub>e (Tonnes)</b>	<b>57,411</b>	<b>48,521</b>	<b>44,660</b>	<b>42,394</b>	<b>40,870</b>	<b>36,926</b>	<b>34,614</b>	<b>29,287</b>	<b>25,978</b>	<b>10,162</b>
Cumulative % vs 2010		-15%	-22%	-26%	-29%	-36%	-40%	-49%	-55%	-82%



# Energy Efficiency

When managing energy there are two main things that you need to consider when trying to reduce the impact on our planet.

1. How much energy do you use and where can you reduce it?
2. How can we use renewable energy to reduce the emissions associated with energy that we do use?

As a national retailer we love our position on the high street and at the centre of our customer's communities. However, as a brick-and-mortar retailer with over 790 stores we have to use electricity and gas through our operations.

For this reason, and as a responsible retailer, reducing our energy consumption is not something new at Superdrug.

Since 2010 we have been invested in energy efficiency measures in our stores, DCs and Head Offices. As a result our total annual energy consumption has reduced by 43% since 2010.

We are committed to further reduce our energy consumption in the coming years through a variety of initiatives.

One specific example is energy efficient lighting. We install LEDs in all new stores and refits as a standard and in 2020 we upgraded all lighting in our Distribution Centres to be 100% LED.

## Energy Consumption (MWh)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Stores Electricity	85,287	76,637	69,940	66,377	59,536	55,075	56,462	55,363	57,910	54,956
DC and Head Office Electricity	9,332	8,886	7,745	7,427	7,478	7,776	8,439	7,859	7,551	7,175
<b>Total Electricity</b>	<b>94,619</b>	<b>85,524</b>	<b>77,685</b>	<b>73,804</b>	<b>67,014</b>	<b>62,852</b>	<b>64,901</b>	<b>63,223</b>	<b>65,461</b>	<b>62,131</b>
Stores Gas	17,062	10,136	9,832	7,830	7,371	3,280	3,077	2,093	2,105	1,225
DC and Head Office Gas	10,484	6,407	8,486	9,347	6,580	7,165	7,147	6,758	6,972	5,759
<b>Total Gas</b>	<b>27,546</b>	<b>16,542</b>	<b>18,318</b>	<b>17,177</b>	<b>13,951</b>	<b>10,445</b>	<b>10,224</b>	<b>8,852</b>	<b>9,077</b>	<b>6,984</b>
<b>Total Energy (Electricity and Gas)</b>	<b>122,165</b>	<b>102,066</b>	<b>96,003</b>	<b>90,981</b>	<b>80,965</b>	<b>73,296</b>	<b>75,125</b>	<b>72,074</b>	<b>74,538</b>	<b>69,115</b>
Cumulative % vs 2010	0	-16%	-21%	-26%	-34%	-40%	-39%	-41%	-39%	-43%



# Store Fixtures and Fittings

**In order to minimise store energy consumption we have installed a large number of energy efficiency measures in our stores. In 2009, we commenced a smart meter roll out across Superdrug.**

Between 2009 and 2013, we upgraded the lighting across stores and DCs to energy efficient T5 fluorescent lights. We have replaced the least efficient air conditioning systems in our stores and when installing new air conditioners we install energy efficient systems with a control strategy to minimise energy usage.

All new stores and major refits have LED lighting installed and from 2021, we will set sustainability ratings which will include energy efficiency as one of the measures. All illuminated fixtures use LED lighting and similarly to the above any new fixture development projects will have a sustainability rating including energy efficiency.

## Energy Efficiency Measures



**Last Man Out Switch**



**LED Lighting & Fixtures**



**Air Conditioning and Controls**



**Trade and Non-Trade Settings**



# Renewable Energy

Our Planet



## How can we use renewable energy to reduce the emissions associated with energy that we do use?

Electricity accounts for 90% of the energy consumption across Superdrug stores, Distribution Centres and offices.

Due to the difference in amount of emissions produced by electricity and gas consumption, electricity consumption accounted for 92% of our energy emissions in 2018.

Having reduced energy consumption by 43% since 2010 and having accepted that we need to use energy, and particularly electricity, we took the steps to move our electricity supply contracts to 100% zero carbon renewable energy in 2019. By doing this our energy related emissions reduced by 72% between 2018 and 2019.

In 2020, this will reduce further (approximately 20%) with total energy emissions reducing by approximately 94% vs 2018.

Having moved to renewable electricity, gas consumption which is only 10% of our energy consumption becomes more significant and an area we will focus on to reduce our emissions further.

## % of Renewable Energy

	Renewable Electricity	Non-Renewable Electricity	Gas	Total Energy from Renewable Sources	Total Energy from Non-Renewable Sources	Total Energy	Renewable %
2018	0	65,461	6,972	0	72,433	72,433	0.00%
2019	45,181	16,950	6,984	45,181	23,934	69,115	65.37%

*Note: Superdrug moved to 100% zero carbon electricity from April 2019. The percentage will increase in 2020 with a full year of renewable electricity.*

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# Supply Chain/ Fleet Consumption

**To get the products our customers love to and from our stores our network of 'owned and operated' delivery vehicles travel around the country every day.**

In 2019, logistics fuel would have accounted for 19% of Superdrug's total CO<sub>2</sub> emissions but after moving to zero carbon renewable electricity this has increased to 40% of our overall emissions.

As with electricity, managing the fuel efficiency of our fleet is not something new. Since 2010, our fuel efficiency has improved by 11%.

In 2016, Superdrug replaced all of our delivery vehicles with Euro 6 engines. Euro 6 is currently the highest emission standard for vehicles. Our vehicles are fuelled by diesel which gives the best fuel efficiency and therefore lower emissions. The main concern with diesel vehicles is the particulates they create and the impact on air quality. In order to reduce the impact on air quality we installed additional particulate filters on all vehicles.

Fuel efficient driver training, route planning and load optimisation are fundamental parts of the management of our fleet in order to get products to and from store in the most efficient way possible.

To maximise the loads and avoid empty vehicles travelling back to the Distribution Centres, we backhaul our store waste back to recycling centres in our Distribution Centres. This avoids the need for third party waste management companies going to every store and therefore avoids additional emissions from those journeys.





# Company Cars

**For many years Superdrug have set a maximum CO<sub>2</sub> emissions level for all company cars and had a diesel only policy based on the reduced emissions associated with diesel vehicles.**

Due to the changes in emissions testing we have had to increase the emissions threshold but we are undertaking a full review of our company car process including alternative fuel types.

The UK Government have announced that Diesel and Electric Vehicles will no longer be manufactured from 2030 and in 2021, Superdrug will offer Company Car drivers the option of full Electric Vehicles.

Due to the proportionally small emissions associated with company cars we haven't reported these emissions annually but we will do from 2020 onwards as they become a more significant proportion of our emissions due to savings in other places.





# Waste and Recycling

## Waste Management Performance

We send the waste from our stores back to two recycling centre's located at our Distribution Centres in Dunstable and South Elmsall.

By managing the waste ourselves we have full visibility and control of our recycling processes. In 2019 we recycled 80% of the 13,600 tonnes we processed.

In November 2017, Superdrug opened a stand-alone recycling centre at our Southern Regional Distribution Centre in Dunstable to make sure that we can continue to recycle more waste in the future. We now recycle 1,640 tonnes (18%) more waste than we did in 2015.

Since 2013, all general waste that we cannot recycle has been sent for energy recovery and diverted from landfill sites.



## Waste Management

Waste Stream	Disposal Method	2015	2016	2017	2018	2019
Paper/Cardboard	Recycled	8,292	8,855	9,537	9,491	9,565
Plastics	Recycled	400	217	163	148	189
Metal	Recycled	178	200	185	185	347
Dry Mixed Recycling	Recycled	268	267	289	643	593
General Waste	Energy Generation	2,049	2,439	2,613	2,621	2,767
Hazardous Waste	Recycled	108	108	108	108	188
<b>TOTAL</b>		<b>11,295</b>	<b>12,085</b>	<b>12,895</b>	<b>13,196</b>	<b>13,649</b>

	2015	2016	2017	2018	2019
TOTAL RECYCLING	9,245	9,646	10,282	10,575	10,882
TOTAL GENERAL WASTE	2,049	2,439	2,613	2,621	2,767
<b>TOTAL WASTE</b>	<b>11,295</b>	<b>12,085</b>	<b>12,895</b>	<b>13,196</b>	<b>13,649</b>
Recycling %	81.86%	79.82%	79.74%	80.14%	79.73%
Year On Year Recycling Volume (Tonnes)		400	636	293	307
Cumulative Recycling Volume vs 2015 (Tonnes)		400	1,037	1,329	1,637





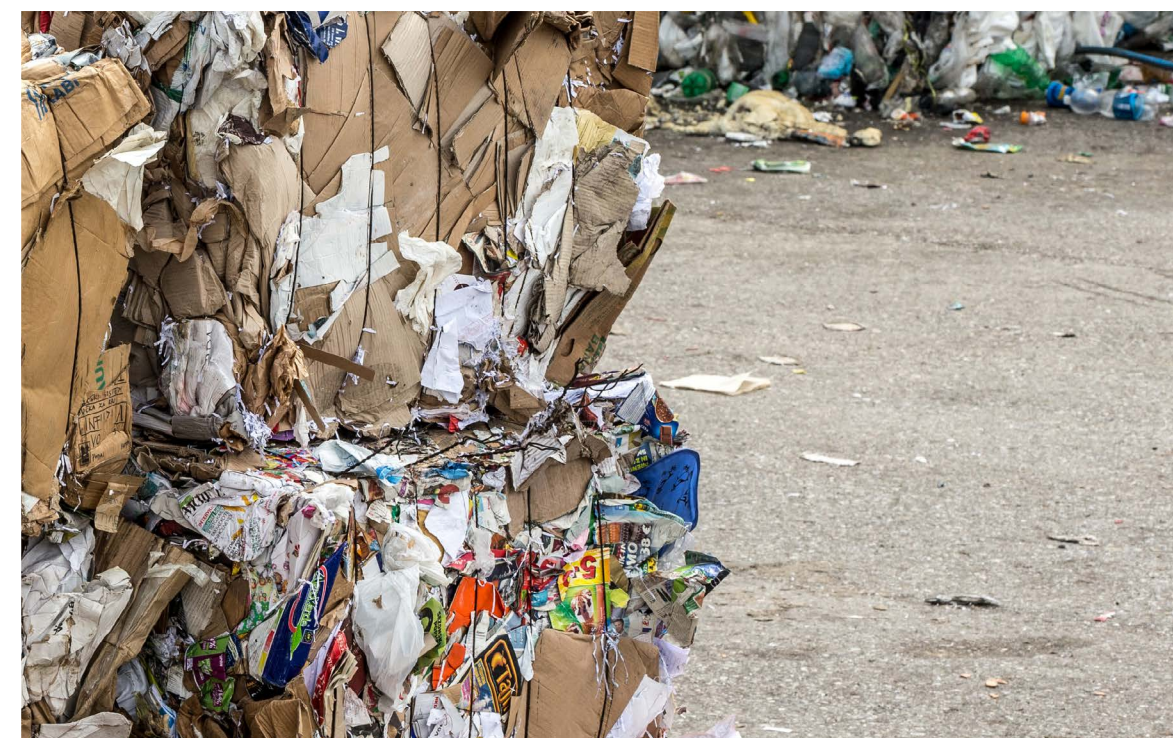
## Closed Loop and Circular Economy

**We currently produce over 9,500 tonnes of card and clear plastic film each year that are recycled but we want to go further and become more circular in our recycling.**

A circular economy system is where waste is considered a resource. This means when you finish with a product or some packaging, it will continually be recycled to make new products or packaging.

Closed loop is a process where resources are recovered and recycled into a new item of the same quality, for example a shampoo bottle being recycled and made into a new shampoo bottle.

By using more recycled content in the products we sell, we are promoting circularity. The more we are able to do this and encourage our suppliers to do so, the more successful it becomes, resulting in less manufacturing of virgin material.



## Plastic Bags

**In 2018, Superdrug moved from a single use carrier bag to a reusable carrier bag. The current bag uses a minimum of 20% recycled plastic which reduced the need for virgin plastic by 76 tonnes in 2019.**

In 2021, Superdrug will launch our first paper carrier bag in the UK. The bag will be made from certified sustainably sourced paper. Sustainably sourced paper comes from forests that are managed so that for every tree that is removed a new tree is planted in its place and be recyclable by our customers at the end of life.

Paper bags could reduce the need for up to 5 million plastic carrier bags being placed on the market and are widely recyclable so can be recycled at home.

In 2020, Superdrug launched our first reusable tote bag made from recycled plastic bottles. Each bag used the plastic from 5 recycled bottles. We have sold over 18,000 so far which has not only reduced the need for our customers to use plastic carrier bags but used the recycled material from 90,000 plastic bottles.





# eCommerce Packaging

**eCommerce is a growing part of our business. We need to make sure that we meet our customers' expectations by delivering their products undamaged while also minimising the environmental impacts of the packaging that we use for eCommerce orders.**

The growth of eCommerce means that we generated an additional 385 tonnes of packaging waste that we wouldn't have historically.

This additional transport packaging is essential for us to protect the products our customers order from Superdrug.com so they receive the same quality they would if they visited one of our stores.

To reduce the impact of this additional packaging we have taken significant actions to reduce the environmental impact of our eCommerce packaging.

All of the boxes that we use for our eCommerce deliveries are made from 100% recycled cardboard. That means that 370 tonnes of virgin card was saved in 2019.

We have reduced plastic usage by replacing the plastic packing we use to fill the space in boxes with a crushed paper alternative. In 2020, any plastic that we do use will be 100% recycled.

We work hard to get the right size box for every customer's order but we know there are times when that isn't the case. We will continue to work on improving in this area.





# Store Development and Fixtures

Superdrug have operated a third party warehouse to manage the reuse of store fixtures since 2014. The facility located in Nottingham meant that we reused over 200,000 pieces of equipment in 2019. The facility also support Superdrug with the recycling of end of life equipment.

Superdrug's Fixtures team have been designing fixtures with sustainability in mind for a number of years. The cosmetic stands that you see in all of our stores won the Sustainability Award and the POPAI Awards in 2015.

One of the biggest sustainability benefits of the cosmetics stands is that updates from Cosmetic brands don't require the entire stand to be replaced. The modular design means that the inner sections can be removed, replaced and then recycled.

Our Planet



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# Maybelline and Terracycle Cosmetics Recycling

**This year we developed partnerships with Terracycle and Maybelline to offer recycling for medicine blister packs and used and out of date cosmetics.**

146 million makeup products are produced every year in the UK, while 200 tonnes of plastic is used to put products on our shelves. To make sure that some of that waste doesn't end up in landfill, together with Terracycle and Maybelline, we've placed recycling stations in stores to help our customers dispose of old or unused products.

Our partnership with Terracycle makes us the first UK retailer to provide our customers with a solution to recycle empty medicine blister packs in store, thanks to the 'Little Packs, Big Impact' recycling initiative.

With a month-long trial taking place in 10 Superdrug pharmacies, the initiative will be rolled out further across all of our 200 pharmacies by January 2021.

The recycling initiative also helps us raise money for our charity partner, with every kilo of blister packs recycled, Terracycle will donate £1 to Marie Curie.

This collaboration with recycling innovators Terracycle and pharmaceutical company Sanofi sees the introduction of a unique technology that converts blister packaging into reusable raw materials for new products to be made - preventing empty packs spending a lifetime in landfill.



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Our Planet



RECYCLE YOUR MAKE-UP WITH  
MAYBELLINE  
NEW YORK

Superdrug ☆



# Our Planet - Own Brand

Our Planet



**With a passion for new ideas, and continually challenging ourselves to think differently, we develop and improve over 1,000 products each year.**

I'm responsible for the quality of our Own Brand products at Superdrug, that means everything from making sure it's a great experience when they're used, to the right choice of packaging for the most responsible disposal of them when they are finished. As a team we are focused on making the right product choices for us and our customers. Whether that's making decisions on the ingredients we use, the suppliers we partner with, or how we respond to established as well as emerging concerns.

Building our great brands gives our customers even more reasons to shop with us, and to come back again and again. And they are fundamental to our business's growth plans, by 2025 will be a quarter of all our sales. We have always prided ourselves on great value for everyday essentials, so we are prioritising making more responsible choices on the things that our customers buy most frequently. This is really where we can make the biggest difference most quickly.

Look out for some of our big changes coming this year, including starting to move our wipes to being biodegradable, our Pro Care Toothpaste tubes to recyclable, and building on changes that we have already made which will remove more than 43 tonnes of plastic from our packaging in 2021.

I am proud of the achievements that we have already made, and excited about the great commitments that we have in place for the future. Right now, there is an exciting pace to making positive changes, and so many opportunities to think differently about how we develop our products. I am passionate about us making the right choices as a brand and being transparent about the challenges, as well as the opportunities along the way. Plus, it is a dynamic subject where new and exciting possibilities are always just around the corner.

Sarah



Doing Good Feels Super





# Customers at the Heart of Everything we do

**We are passionate about putting our customers at the heart of all our decision making. Regularly checking in with them on what is important, how they feel about new and emerging topics.**

Regularly being in so many of our customers' shopping baskets is a great responsibility when more and more they are looking to us to act responsibly on their behalf, and to reflect their values on important topics. Whether it is about the plastics we use in packaging, or making our products as inclusive as we can, we want to have it covered.

Being inclusive means we want as many people to choose and enjoy our products as possible, for example when we launched B. Cosmetics in 2017, we were market leading in offering a completely suitable for vegan range, at high street prices, at a time when it was still viewed by some as niche.

Our approach has really changed since then, now we try and make everything we do suitable for vegans, and have over 1,600 products which are. For the first time we had a totally vegan Christmas gifting range in 2020. We still have more work to do, but we are well on our way.

We want all of our products to be tried and loved by as many of our customers as possible, so being able to easily choose the products that suit them is something we have worked on.

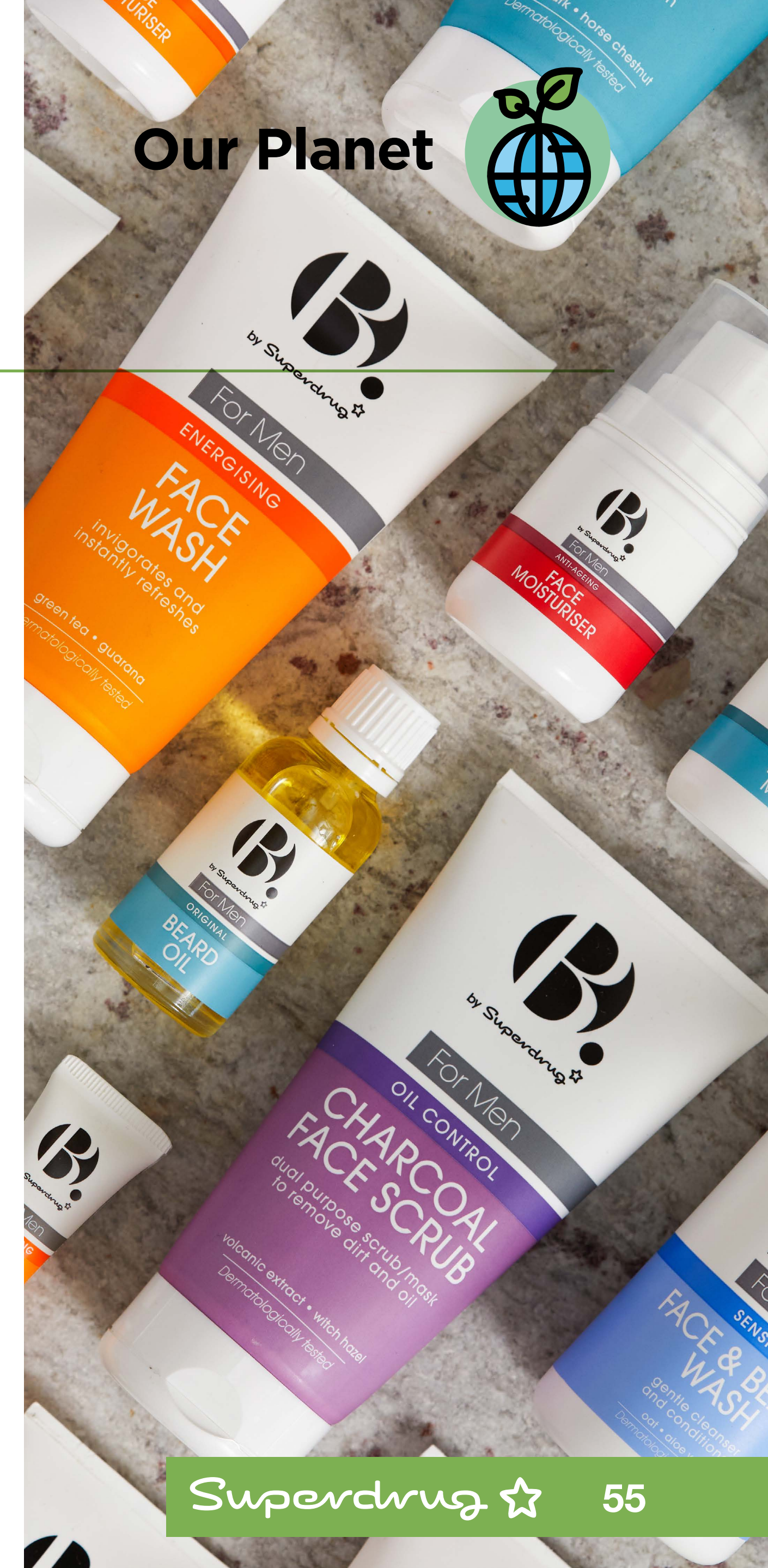
Look out for the icons on our packaging to help customers quickly choose the products that are right for them, whether it's those that meet the standards of Cruelty Free International, are suitable for vegans, fragrance free or dermatologically approved, you'll find the same logo on the product, online, and instore to guide you.



We are so sure that our customers will love all of our products once they try them, that we have a 100% Happiness Guarantee. If customers are not satisfied with their product for any reason, we'll give them a full refund and 25% off their next Own Brand purchase.

Watch out for the progress in sustainability we are making to the products customers buy most often. Great value is in our DNA, and we are working hard to ensure they don't have to pay any more for making responsible choices.

**Our Planet**



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# Disposable Beauty

**We are continually challenging ourselves on the choice of materials we use for our packaging, and the impact it has after use. In 2020 we demonstrated our commitment to change by becoming the first health and beauty retailer in the UK to join the New Plastics Economy Global Commitment.**

As signatories, we are committed to:

- Annual reporting of quantity and type of packaging materials we use
- Eliminate problematic or unnecessary plastic packaging
- Where possible, replacing plastic and specifically materials such as PVC
- Move away from single use towards re-use models by promoting reusable containers with refillable and return schemes
- Where we can't replace plastic, or make the packaging reusable, make sure it can be recycled
- Communicating clearly on pack how to recycle your packaging

There is so much more to come with a different approach to how we package our products. Look out for the great ideas we are also working on, including bigger packs for our customers' everyday favourites, so there's less packaging and more content.

And where we still have work to do, we will have locations in stores so that customers can drop packaging that is harder to recycle, back to us.

## 2025 Targets:

- 100% of plastic packaging to be reusable, recyclable, or compostable
- 100% of the paper and pulp we use in packaging will be certified sustainable



Our Planet





# Conscious Beauty – Responsible Materials

**By 2025 we will achieve nett zero deforestation for all own brand products. We will do this by using only 100% certified sustainable paper and 100% certified sustainable palm oil.**

Over recent years there has been an increasing focus on the use of palm oil in the beauty industry, we want to be part of the movement to support a sustainable approach to the use of palm oil.

In 2020 we joined the RSPO to be part of the positive change in the approach to how the industry source these ingredients.

Our commitment is that by 2025, 100% of the palm oil in our products will be sustainable. Knowing what products contain palm oil is difficult, and we want to make that easier, so starting in 2021 we will be labelling the products containing sustainable palm oil clearly so our customers can make informed choices.

By 2025, all the paper and pulp that we use in our products and packaging will be from certified sustainable sources. We have already made great progress on this commitment, all our Paper Tissues, Paper Towels, Toilet Rolls, Nappies and Absorbent Hygiene products only use paper or pulp that is sourced sustainably.

In 2020 we launched Luna, our first Own Brand range of organic menstrual products, made with organic cotton and plant-based plastics. At the same time, we removed all plastic applicators from Own Brand tampons.

Superdrug is proud to lead the way and be the first health and beauty retailer to discontinue plastic applicators within its Own Brand sanitary products. By 2021 all paper and pulp in feminine hygiene, and incontinence ranges will be sustainably sourced, as well as all the paper and pulp in our wipes.

We are working on lots of initiatives in this area, we've got great plans for how we can do even more to source ingredients that have strong sustainable credentials, some of the things we are exploring include using more ingredients that are naturally derived, and also initiatives to reuse ingredients from the food industry by upcycled food waste, watch this space.

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# Ethical Beauty

Our Planet



**We are passionate about us making the right choices as a brand, recognising that where we choose to do business makes a difference to developing a credible brand, and we love that our customers share our passion.**

We source our products from over 150 countries globally and are committed to strengthening the high standards of ethical compliance as an integrated part of the Superdrug sourcing process for Own Brand products.

We take up independent ethical audits in the regions where it's appropriate to do so and have plans to extend this scheme to all of our Own Brand suppliers, irrespective of location. Where we source products from industries that may be subject to bad practice, we have a non-negotiable position on traceability, to ensure our confidence in the supply chain.

We have a long and established history of offering cruelty free products and launched our Charter Against Animal Testing over 25 years ago.

We have always encouraged the use of alternative testing methods, demonstrated through our work with Cruelty Free International over the past 10 years.

All of our Own Brand formulated products meet the Cruelty Free International standards. Their logo on our products indicates compliance with that standard\*.

*\*This standard applies to formulated toiletries and cosmetics only.*



Doing Good Feels Super






# Our Planet - The Numbers



Product Sustainability Commitments. In 2021 we will start the move to:

 **1,600**  
Vegan products

 **100%**  
biodegradable wipes

 **100%**  
recyclable toothpaste tubes

Packaging Commitments by 2025

 **Net Zero**  
deforestation by 2030

 **100%**  
of plastic packaging  
to be reusable, recyclable  
or compostable

 **100%**  
of paper and pulp we  
use in packaging to be  
certified sustainable

 **43**  
Plans to remove  
43 tonnes of plastic  
packaging in 2021

 **No PVC**  
in our packaging  
by 2025

 **100% MONEY BACK GUARANTEE**  
Unique customer  
100% Happiness  
Guarantee

Worked in Partnership with



**Cruelty Free**  
INTERNATIONAL





# Peter Macnab CEO

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**I have been a member of our Global CSR Committee for several years and seeing the focus that A.S. Watson has led across all business units when it comes to CSR has really inspired me, both personally and professionally.**

We all have a responsibility to do what we can, from supporting our local communities, learning from our employee networks, to being mindful of how we're treating the planet. Seeing our business named one of the 'Leaders in Diversity' and being placed on the Social Mobility Index in 2020 has shone a light on some of the incredible work our teams do.

It's been a rewarding exercise, taking time to reflect on the achievements and milestones we've reached as a business when it comes to our corporate social responsibility. I am however a believer in looking forward, so we are ending our first 'Doing Good Feels Super' reports with some key ambitions for the future.

These won't be our only goals, but they are a great place to start.

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Peter



# Our CSR Goals

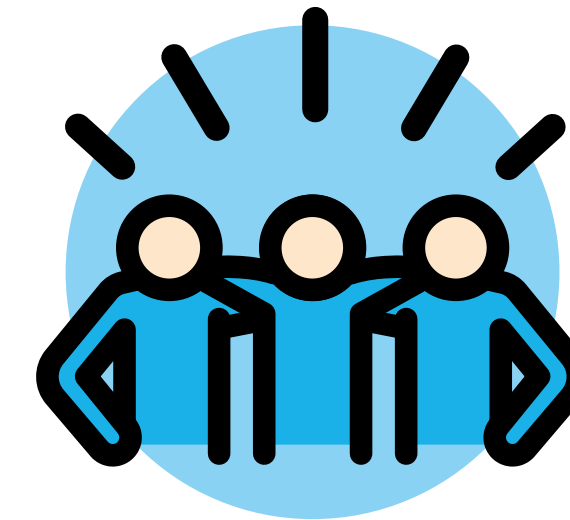
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**We have a responsibility to our teams and customers to take them on this journey with us, as we continue to educate ourselves and in turn our customers in making responsible choices whilst shopping with Superdrug.**



## Our Community

- Raise 10 Million pounds for our charity partner Marie Curie
- Continue to support the communities we operate in to donate essential products to food banks and women's shelters
- Continue to support small and up and coming health and beauty businesses through our open house scheme



## Our People

- Support job opportunities for all in the UK and ROI including 2,000 apprenticeships
- Become a disability confident L2 employer
- Publish our commitments to support BAEM Customers and Colleagues, sign up to the Race at Work Charter choices through workshops and events



## Our Customers

- Explore new sustainable in-store shopping options
- Phase out all recyclable plastic bags to paper
- Support learning and education on making more sustainable choices through workshops and events



## Our Planet

- Work towards 95% of waste generated by Superdrug will be reused, recycled or composted
- Offer customers a reuse and recycle option in store through refill stations, and recycling areas
- All new stores and store refits will now include a sustainability measure to rate their energy efficiency



Corporate Social  
Responsibility at

Superdrug ☆

*Doing Good Feels Super*



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