

blakemore
..... retail

blakemore
... trade partners

blakemore
..... design & shopfitting

blakemore
..... logistics

blakemore
... heart distribution



Foreword



This publication showcases the many ways that the SPAR focussed divisions of A.F. Blakemore live the values outlined in the Blakemore Way.

The importance of developing a responsible and sustainable business is central to the ongoing success and long-term strategy of A.F. Blakemore and this ethos is reflected within our corporate responsibility programme.

Key statistics and best practice case studies relating to our Retail, Trade Partners, Logistics, Design & Shopfitting and Heart Distribution divisions are included within this report in addition to the work of our property team and central functions.

A.F. Blakemore remains a family owned business and we are therefore perfectly placed to support and develop partnerships with the hundreds of other family businesses that operate across the SPAR Meridian & Welsh Guild.

The SPAR retail stores that we either own or serve are proven hubs for local employment, customer services and community engagement and we will continue to focus upon these areas to differentiate our position in an increasingly competitive marketplace.

Peter Blakemore

**Managing Director
A.F. Blakemore & Son Ltd**

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Welcome to A.F. Blakemore & Son



A.F. Blakemore & Son Ltd is one of the largest and most forward thinking family-owned businesses in the UK. The company began life in 1917 as a counter service grocery store, and has grown from these humble beginnings into a company that now employs more than 7,600 people with a turnover in excess of £1.1 billion.

Food and drink has always been the lifeblood of A.F. Blakemore and our business now entails retail, wholesale, distribution and shop fitting operations amongst our divisions.

A.F. Blakemore is the largest SPAR distribution centre in the UK and also the leading member of the Landmark Wholesale group.

Underpinning this growth is the company's values statement, The Blakemore Way. This highlights what A.F. Blakemore stands for and the way that the company has always done and will continue to do business.

A.F. Blakemore is committed to developing a loyal and dedicated workforce that is focused upon excellent customer service and behaving with integrity.

The company has always strived to build partnerships with suppliers and trade partners while never underestimating the role that it plays within the communities it serves.

Our Purpose:

To grow a family business in ways that are profitable and sustainable for the benefit of our staff, customers and community

Our Values:

- Maximise staff potential and their contribution to the company's success
- Give great service to all our customers and add value to our trade partners
- Make a significant, positive contribution to the community
- Attain excellence in everything we do
- Behave with honesty and integrity in all our relationships

Company Headline Stats 2012/13

£1.1billion

Turnover

75%

Employee Satisfaction Score

5

SPAR Distribution Depots

4,287

Employee Volunteering Hours

320

Company Owned SPAR Stores

£535,644

Charitable Donations

661

Independent SPAR Stores

55,220 CO₂t*

Carbon Footprint

* Estimated figure based upon fuel used across our national distribution operation and electricity usage within our stores, depots and offices.

Our Divisions

blakemore retail



Blakemore Retail is A.F. Blakemore's company-owned stores division. The business operates a chain of more than 320 SPAR convenience stores spanning across England and Wales, all of which provide essential services to local communities. Approximately 60 of these stores also operate in-store post offices. Blakemore Retail employs more than 5,600 people and has its headquarters based in Willenhall.

blakemore logistics



Blakemore Logistics supplies all of A.F. Blakemore's 980 independent and company-owned SPAR stores across England and Wales. Chilled, ambient and frozen goods are distributed from the division's headquarters in Willenhall as well as Talbot Green and Hastings depots. Blakemore Logistics employs more than 750 staff across its distribution, warehouse and recycling operations.

blakemore ... trade partners



Blakemore Trade Partners serves the independent SPAR estate of A.F. Blakemore & Son Ltd. It is a trading, marketing and sales support function that looks after all stores located across SPAR UK's Meridian & Welsh Guild, the largest guild of retailers within SPAR UK. Blakemore Trade Partners employs more than 110 people at its offices in Great Bridge, West Midlands and Talbot Green, South Wales.

blakemore ... heart distribution



Heart Distribution is a unique food and drink distribution network that connects regional producers with their customers. The operation makes local food and drink more accessible to trade buyers by consolidating orders and deliveries and increasing efficiencies in the distribution process. Based in Willenhall, Heart Distribution directly employs nine people but also utilises the operational expertise of Blakemore Logistics.

blakemore design & shopfitting



Blakemore Design & Shopfitting is A.F. Blakemore's own shop fitting company that specialises in the design and refurbishment of retail stores. The division works closely with Blakemore Trade Partners to tailor its offering especially to meet the needs of SPAR retailers. The business is based at A.F. Blakemore's headquarters in Willenhall and employs 30 people.

blakemore property

blakemore ... creative print

The A.F. Blakemore Group also encompasses Blakemore Property, which deals with site acquisition and development, and Blakemore Creative Print, the company's very own print department, which provides printing services for all A.F. Blakemore departments and stores as well as trading externally.

All of A.F. Blakemore's divisions receive additional support from the company's central function departments. Employing more than 220 people, these encompass Finance, HR, IT and Management Services.

Our Policies

A.F. Blakemore & Son Ltd Group Safety, Health and Environmental Policy Statement

The management of A.F. Blakemore & Son Ltd; incorporating all areas of the business and subsidiary companies (The Company), regard the promotion of safety, health and environmental protection measures as an absolute requirement for management and employees at all levels.



The company has made a commitment to:



Our Policies



Comply with current and forthcoming legislation in regards to matters that relate to health and safety or the environment.



Take account of the views of its stakeholders when formulating and reviewing its policies and procedures.



Take all reasonably practicable steps to eliminate or otherwise reduce to an acceptable level, risks of injury and ill health to its employees, customers and others who may be exposed to such hazards.



Prevent pollution and ensure effective control of the aspects of its business that could impact upon the environment.



Develop and maintain occupational safety, health and environmental management systems that are compatible with the BS EN OHSAS 18001 and ISO 14001 standards and implement them across all sectors of its business.



Set clear targets to ensure continual improvement within its management systems and the performance of its undertaking.



Provide employees with suitable and sufficient information and training in order that they are able to carry out their responsibilities in a manner consistent with this Group Policy.



Ensure that this policy is effectively communicated to all persons that are employed by or otherwise undertake activities on behalf of The Company.



Primary responsibility for setting objectives and reviewing performance resides with the Managing Director and the Board of each division of the company.



A copy of the Group Safety, Health and Environmental Policy Statement shall be clearly displayed at each of the premises occupied by The Company. A copy of the Company's Policy Manual is kept in the Senior Manager's office and will be made available to interested parties upon request.



This Group Policy Statement shall be reviewed annually by the Main Board or more frequently as circumstances require.

A.F. Blakemore & Son Ltd - Corporate Responsibility Policy

A.F. Blakemore & Son Ltd is committed to responsible business practice. This commitment is demonstrated through the company's corporate responsibility programme and purpose, as outlined in the organisation's values statement – The Blakemore Way:

“To grow a family business in ways that are profitable and sustainable for the benefit of our staff, customers and the community.”



Our Workplace Objectives:

“We will maximise staff potential and their contribution to the company's success.”

- Monitor key workplace indicators such as staff absenteeism, turnover and satisfaction.
- Fully induct, appraise and develop our staff and measure the value of our training.
- Create a working environment that supports and promotes the health, safety and wellbeing of staff.
- Establish two-way communication channels with our staff such as consultation groups and surveys.
- Promote diversity and equality in the workplace via recruitment, staff development and work practices.



Our Community Objectives:

“We will make a significant, positive contribution to the community”

- Use the skills of our staff to support education, employability and enterprise in the communities we serve.
- Promote community engagement across our workforce and listen to the views of staff in relation to the good causes that they want to support.
- Maximise the resources of the Blakemore Foundation to help us achieve our community objectives.
- Measure, evaluate and report upon the inputs, outputs and impacts of our community activity.
- Use community activity to engage and inspire our customers, suppliers and other external stakeholders.



Our Marketplace Objectives:

“We will give great service to all our customers and add value to our trade partners.”

- Engage with suppliers and customers to generate positive environmental, social and business outcomes.
- Provide a great service to our customers by responding to their needs and measuring our service levels.
- Diversify our products and services to support new and underserved markets.
- Support local and small suppliers.



Our Environment Objectives:

“We will acknowledge, measure and minimise our environmental impact”

- Undertake activity to minimise waste in our operation.
- Minimise our impact upon climate change by improving efficiencies in fuel and energy usage.
- Help suppliers and customers minimise their environmental impact.
- Measure and minimise the carbon footprint of our organisation.

Workplace Report 2013

Key Survey Results:

100%

I behave with honesty & integrity in all my work relationships
(Trade Partners)

91%

If I make a mistake my manager will talk to me constructively about where I went wrong
(Retail Assistants)

86%

I would recommend Blakemore Retail to a friend as a great place of work
(Retail Assistants)

85%

The company makes a significant positive contribution to the community
(Central Functions)

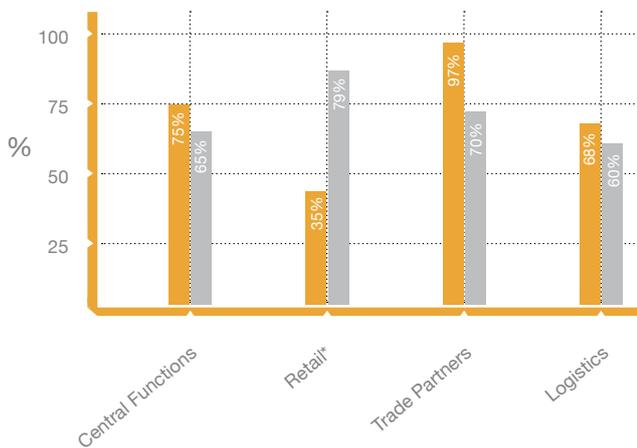
84%

I try hard to attain excellence in everything I do
(Logistics)

Staff Survey Results 2012/13:

* Blakemore Retail complete a separate survey to other divisions listed

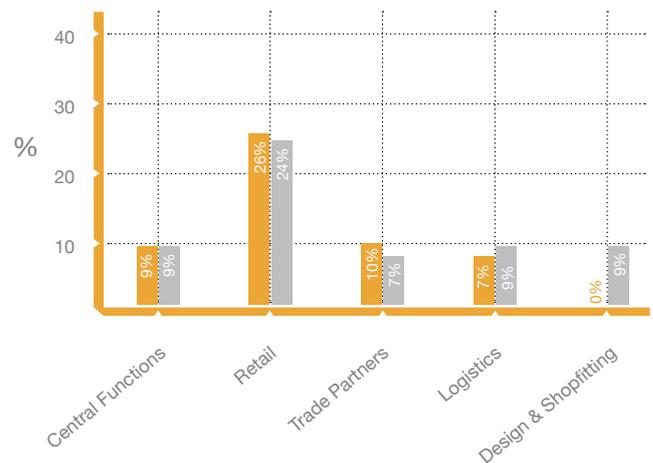
■ = Response Rate ■ = Satisfaction Rate



Voluntary Leaver Stats:

Absence stats for 2012/13 (sickness cost as a percentage of total wage cost) = 1.77%

■ = 2011/12 ■ = 2012/13



“The way we maximise staff potential and their contribution to the company’s success.”

Health & Safety Stats:

RIDDOR Accident Reports (incidents notifiable to the HSE National Incident Centre):

Retail:

Logistics, Trade Partners, Central Functions:

44 %
reduction from 2011/12

48 %
reduction against five-year average

58 %
reduction from 2011/12

42 %
reduction against five-year average

Index of accidents per 100,000 employees

Training Stats:

Blakemore Retail Academy training stats 2012/13:

59,720
units of training have been delivered

4,185
members of staff have received training

712 participants on courses organised across our Logistics, Trade Partners and Central Function divisions

Blakemore Retail achieved IIP Bronze Accreditation in 2012:

Investors in People Practitioner Kathryn Shepherd commented:

“The implementation of The Blakemore Way has been hugely successful and has supported Blakemore Retail in the achievement of bronze accreditation.

“This is all the more notable due to the large number of employees spread over such a large number of sites. It is testament to the commitment of the company and its managers in delivering The Blakemore Way.”

Other Workplace Awards & Accreditations:

Blakemore Logistics:



Blakemore Logistics & Trade Partners:



INVESTORS IN PEOPLE | Silver

Employee Engagement



A.F. Blakemore has developed a longstanding culture built upon listening and responding to colleagues in relation to how we can develop and improve our business.

Some key activity undertaken across this area in 2012/13 includes:

- A continuation of annual Staff Surveys across the business. Results are discussed at senior management level with action plans communicated and acted upon across the business.
- Blakemore Retail has a longstanding Staff Consultation group firmly established across its estate. Meetings take place in each of the four Blakemore Retail regions and provide staff with the opportunity to raise any questions or ideas to Managing Director Geoff Hallam. The group is made up of representatives from all areas of the company and its purpose is to give all employees a voice regardless of where they work or what position they hold.

- Trade Partners has introduced full team “away days” that take place three times a year to update colleagues on strategy, performance and future initiatives. The sessions also give staff the chance to contribute ideas on ways to improve the business.

- Three Finance & IT Improvement teams have been set up to utilise the knowledge and skills of team members to help improve key processes across the business. Cross-function teams have been set up to look at indirect incomes, improve the handling of customer invoices and establish a robust system of managing customer payments. Facilitated meetings took place once a month over a six-month period with recommendations presented to management teams.

Maximising Staff Potential



A.F. Blakemore is committed to nurturing and developing its workforce by providing the correct skills for the job as well as supporting its employees through their career path at A.F. Blakemore.

More than 4,750 colleagues from across our Retail, Logistics, Trade Partners and Central Functions have participated in training during 2012/13. Much of this training has been focussed upon key workplace skills.

In addition the company has also undertaken a number of flagship learning & development programmes to develop the leadership techniques required to develop a sustainable business for the future.

Leading the Blakemore Way:

To support and embed the Blakemore Way further across the business, the company has developed a bespoke leadership development programme entitled Leading the Blakemore Way.

The programme has been designed with a clear purpose to develop leadership attitudes, skills and capability to lead the Blakemore Way effectively and enjoyably.

Leading the Blakemore Way was introduced to the company's senior management team in 2009 and has been cascaded down the business in subsequent years.

This ongoing process is aimed at helping leaders to work more effectively across

divisions, developing people, engendering customer loyalty and creating sustainable long-term growth across the whole organisation.

Empowering the Sales Account Managers:

Techniques learned within Leading the Blakemore Way have been embedded within a pilot development programme aimed at the Trade Partners sales team.

A trial of the new Empowering the Sales Account Managers programme has been launched with eight members of the sales team and will continue during 2013/14.

The programme has been used to develop the team and their roles into Business Development Managers who therefore have a more strategic approach to their ongoing commercial relationship with independent retailers.

Techniques related to leadership behaviours, attitude, active listening and holding effective conversations have all formed key parts of the training.

Community Volunteering Supports ILM Level 2 in Team Leadership:

A nationally recognised qualification aimed at developing future leaders has been rolled out across the business that uses the skills learnt from community activities to further embed the qualification.

The Institute of Leadership & Management (ILM) Level 2 certificate in Team Leadership looks to develop first line management capability across the business with a strong emphasis upon the company's values, the Blakemore Way.

Delegates were chosen via an open application process with 20 colleagues participating in a full assessment day to identify leadership capabilities.

As part of the qualification, five employees from the Blakemore Logistics team led joint community garden projects at Caldmore Housing, in Walsall and Darlaston Community Hub.

The company has evidence to show that the experience of team leading a community volunteering project provides an opportunity to practically apply leadership skills such as delegation, planning, communication and budgeting.

The programme will be repeated in 2013/14 with 36 delegates from across the wider A.F. Blakemore group participating.

Celebrating Long Service



workplace report



A.F. Blakemore recognises and rewards the great work and commitment of our colleagues through the company's long service scheme.

Since the scheme was launched in 2004, A.F. Blakemore has donated around £955,000 to more than 8,000 long serving members of staff.

Those who have exceeded the 25 year milestone are given an extra four weeks' paid sabbatical leave.

The aim of this is to reward staff with a well-earned break and provide them with the chance to do something that they have always dreamed of.



Staff Social Events



Over the last 12 months more than 2,500 people have engaged in a whole host of social activities as part of A.F. Blakemore's social events calendar.

A total of 373 employees have participated in events such as clay pigeon shooting, 5-a-side football and the annual Kids Christmas Party.

In addition to this Blakemore Retail hosted their annual Alton Towers Fun Day which saw 2,200 members of staff, family and

friends attend as part of the division's staff benefits package, Your Care Programme.

HR Business Partner, Rob Clement commented:

"It's been great to see participation from employees from all areas of the business this year, especially from our newer sites in Hastings and Talbot Green along with the former Waynes estate.

"We hope to roll out a bigger and better calendar of events for 2013/14 which will include go-karting, a night at the dogs, ten pin bowling and an Alton Towers trip."

Key activities to have taken place:

- Clay pigeon shooting
- 5-a-side football
- Alton Towers Fun Day
- Kids Christmas Party



Marketplace Report 2013

2012/13 Marketplace Awards Success:

CTP Awards:

blakemore
..... retail

WINNER

Best Managed Convenience Chain
as Voted by Shoppers

ctp awards
2012

Business in the Community Awards:

blakemore
...heart distribution

Big Tick - Responsible Supply Chain

Re-accreditation
BIG TICK
2012
BUSINESS IN THE
COMMUNITY

Retail Industry Awards:

2012
Retail
Industry
AWARDS

Winner

Blakemore Retail
SPAR Elton
Company Owned
Community Store of the Year

Winner

James Graven
SPAR Littleport
Most Sustainable Individual
Store of the Year

Commended

A.F. Blakemore & Son Ltd
Fresh Produce Retailer
of the Year

“The way we give a great service to all our customers and add value to our trade partners.”



4.27/5

Average Food Hygiene score across Blakemore Retail estate



86%

Average Mystery Shopper score across Blakemore Retail estate



46%

increase in unique visitors to our website from 2011/12 to 2012/13



27%

increase in overall page views to website from 2011/12 to 2012/13

Re:refresh Awards:

Winner

A.F. Blakemore & Son Ltd
Produce Convenience
Retailer of the Year

BBC Food & Farming Awards:

Winner

Conrad Davies
EUROSPAR Dolgellau
Best Local Retailer

International Convenience Retailer of the Year Awards:

Shortlisted

James Brundle
SPAR Walthamstow
International Convenience
Retailer of the Year

Establishing Our Point of Difference in the Community



marketplace

SPAR brings independent retailers together to allow them to benefit from increased buying power and a strong brand.

The SPAR stores across the Meridian & Welsh Guild represent a network of retailers who are committed to serving the needs of their local communities.

This ethos has been defined within the SPAR UK Differentiation project which emphasises the unique position of our SPAR stores and the central role that they play in the community.

The programme is built upon SPAR's Five Pillars of the Community:

1. Business Ownership
2. Local Products
3. Community Services
4. Good Deeds
5. Sustainability

1. Business Ownership

As a family business A.F. Blakemore understands the needs and values of our SPAR independent store estate and is committed to achieving mutual success alongside its retail customer base.

Our SPAR stores do not just employ local people but the vast majority are either owned or managed by people who live in the communities that they serve.

Many of our SPAR retailers have been familiar faces in their local communities for a long time, building positive relationships over a number of years to create a culture built upon local knowledge and community engagement.

2. Local Products

Many of our SPAR stores are champions of local and regionally sourced products. This approach supports other local businesses and reflects local and regional tastes, flavours and identity.

A great example of a SPAR retailer who has embraced local food is Conrad Davies, who owns three SPAR stores in north Wales.

In 2012 Conrad was crowned Best Local Retailer in the BBC Food and Farming Awards.

Conrad commented:
 "My passion is sourcing and selling local products. We're putting Welsh food and drink on the map and playing a huge part in pushing local suppliers into a bigger network and I think this is really important."



3. Community Services

The role of SPAR goes way beyond that of a traditional convenience store. Many of our stores provide a range of additional services such as Post Offices, PayPoint, Payzone and mobile top-ups.

The services on offer were extended further in 2012 when Blakemore Retail piloted a scheme to introduce Amazon collection lockers in nine of their stores.



4. Good Deeds

There are numerous examples of how SPAR stores across the Meridian & Welsh Guild have undertaken good deeds.

This includes fundraising for local good causes along with SPAR's Charity of the Year the NSPCC Childline, volunteering activity and in-kind donations in the form of food & drink from stores.

Our stores understand the issues in their local communities because they are part of these communities and we are committed to expanding the range of community work that we undertake.



5. Sustainability

Environmental awareness and the concept of sustainable retailing has become an increasingly important concept.

A.F. Blakemore & Son Ltd is committed to acknowledging, measuring and minimising its environmental impact and is keen to assist the retailers it serves to do the same.

Two key examples of how this works in practice has been through Blakemore Design & Shopfitting showcasing the latest thinking in energy efficient in-store design while the Blakemore Recycling Centre allows stores to backhaul their waste and therefore reduce the amount sent to landfill.



The SPAR Differentiation programme will showcase the great work that takes place across the SPAR estate and devise new ways to promote this work to staff, customers and their local communities.

Blakemore Retail piloted one of SPAR's new look Differentiation stores at Olton, in south east Birmingham. The store features a whole host of customer messages that showcase the great work that the store does to support charities, the local community and the environment.

Look out for more Differentiation stores across the Meridian & Welsh Guild in 2013/14.

Guild Academy Helps Boost Standards across SPAR Estate



The Guild Academy provides practical training solutions to SPAR stores across the Meridian & Welsh Guild to help retailers compete against the major multiples.

The Academy provides a great example of how A.F. Blakemore works in partnership with its retail customer base to develop long-term, mutually successful business relationships.

All training content is designed specifically for SPAR retailers and is aimed at all levels of management and staff. Courses are practical and interactive, and are constantly reviewed to ensure that they meet retailers' requirements.

The Academy provides independent SPAR retailers with access to a team of professional retail trainers who are able to provide training across a range of venues.

Over the past 12 months The Guild Academy has developed two new programmes especially for store managers and owners.

The first is aimed at supporting new retailers during their first few months. The New Retailer Support Programme is delivered in-store (approximately eight days over six months) by a designated trainer and is designed to complement the existing Retailer Induction and Account Manager support.

The second programme is a variation of the first but is focused on helping existing retailers further develop their own skills or begin developing a manager for the future. The Retailer Mentoring Programme is flexible and can be tailored to suit individual needs.

Courses currently on offer to SPAR retailers via the Guild Academy include:

- BIIAB Level 2 APLH – Award for Personal Licence Holders
- Level 2 – Emergency First Aid at Work
- CIEH Level 2 – Food Safety
- Managing through Motivation & Delegation
- Principles of Active Selling
- Principles of Health & Safety in a Retail Environment
- Principles of Loss Prevention
- Principles of SPARKling Service & Merchandising
- To Sell or Not To Sell
- Preventing Theft & Violence in the Workplace

Coming Soon

- People Management
- Principles of SPARPoS
- Produce Workshop

Heart Distribution Marketplace Sustainability in Action



Heart Distribution was established in 2007 and helps quality Midlands based food and drink producers get their goods to the marketplace in a more efficient and sustainable way.

The service makes local food and drink more accessible to trade buyers by consolidating orders and deliveries and means that customers no longer have to deal with multiple suppliers and invoices.

Far from being a typical wholesaler or logistics operator, Heart Distribution has turned its back on the traditional distribution model and has focussed upon the needs of producers.

The Heart Distribution ethos is built upon supplier partnership and this can be seen in the network of six distribution hubs established across the Midlands counties. These hubs are owned by existing producers, who have allowed other producers within the network to use their facilities for storage.

Producers deliver goods into the hubs when they are passing before Blakemore distribution vehicles collect for order consolidation at its central site at the Longacres Industrial Estate.

Heart's commitment to sustainable distribution was taken a stage further in 2012 following a review of delivery routes. This exercise was followed up with customer and producer consultation to help improve efficiencies and reduce the environmental impact of the distribution process.

Consumer Panels have also been introduced in 2013 that invite some of the network's largest independent retailers to sample products and provide feedback. This allows producers to understand more about products, packaging, pricing and market position and customers to learn more about our producers.

The overall impact of this work is to promote small business, promote quality regionally sourced food, reduce food miles and build partnerships and relationships across the food supply chain.

This approach has resulted in Heart Distribution receiving Business in the Community Big Ticks in the Responsible Supply Chain category in 2011, 2012 and 2013.



Join the Heart Distribution network of more than 1,000 Twitter followers @HeartLocalFood

blakemore
heart distribution

Creating Sustainable Community Stores



A.F. Blakemore is committed to establishing sustainable stores that support the needs of their customers and the wider community.

The Blakemore Design & Shopfitting team is always looking for new and innovative ideas in store design with a specific focus upon helping stores understand and reduce their energy usage.

The shopfitting specialists recently completed a major refurbishment of Justin McIlveen's SPAR store in Rhos-on-Sea, which has resulted in a dramatic reduction in the store's energy usage.

The energy savings came despite the store's requirement for a new food-to-go concept, which includes freshly prepared sandwiches, hot savouries and coffee. Previously the installation of these food-to-go features would have required an electrical upgrade.

However, instead Blakemore Design & Shopfitting fitted low energy refrigeration cases that include LED lighting, energy efficient EC fans and frameless doors. As part of the installation the team also designed a low energy compressor pack which enabled the store to reduce energy consumption by up to 50%.

Further energy savings were gained by adding doors to the hot food display case, again halving the energy requirement.

Blakemore Retail is leading the way in utilising energy efficient technology when opening new or refitting existing sites.

During the 2012/13 financial year the division opened new stores in Rowley Regis, Gainsborough, Hay Lane, in Coventry and Taylors Lane, in Cleethorpes. Each of these have been fitted with energy efficient equipment such as chiller and hot food cabinet doors, EC fans, timers, low energy refrigeration, light sensors in rear areas and efficient lighting in the sales areas.

In addition to its commitment to energy efficiency, A.F. Blakemore also helps its SPAR estate reduce its environmental footprint through the backhaul of waste from stores to the company's recycling centre.

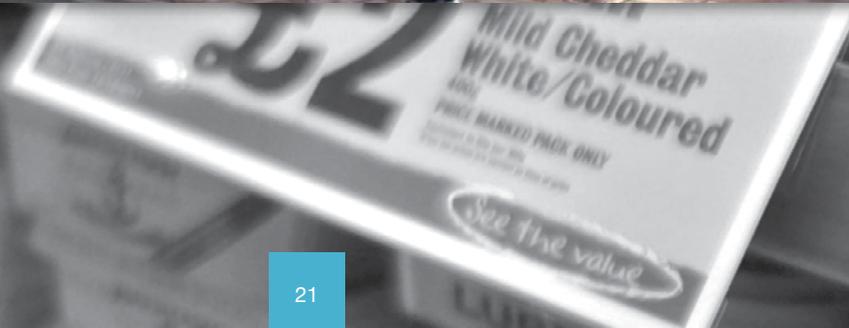
Waste to be recycled is returned via a backhaul process that has already been successfully rolled out across the Blakemore Retail estate. An increasing number of independent stores are now making the most of this opportunity.

All a store is required to do is segregate the waste in-store into specific recycling bags. A.F. Blakemore has designed a frame that sits within a roll cage to hold four bags open, for collection via a delivery driver.

This not only helps stores reduce their environmental impact but can also provide a financial benefit to retailers of more than 50%.



saves the same



Community Report 2013



£ 315,777

Blakemore Retail Donations to the NSPCC's ChildLine Service in 2012/13

Blakemore Foundation:

Amount Donated

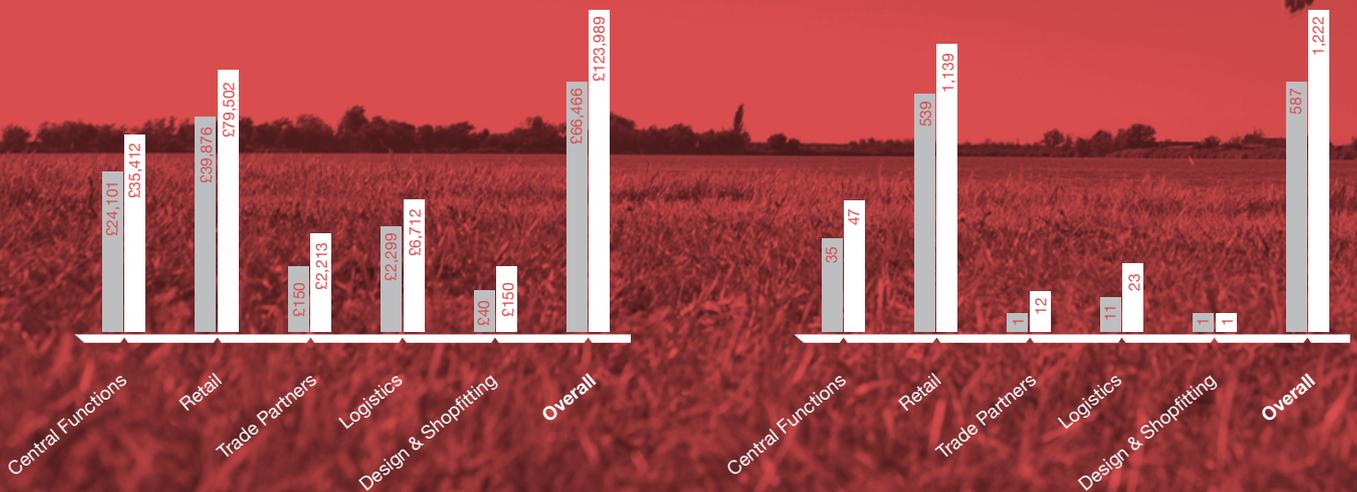
Number of Donations

■ = 2011/12

■ = 2012/13

■ = 2011/12

■ = 2012/13



community

“The way we make a significant, positive contribution to the community”

Employee Volunteering:

Employee Volunteers



Employee Hours



16,854

Members of the Community Supported through Volunteering



64

Number of Volunteering Projects Undertaken



A.F. Blakemore & Son Ltd

Business in the Community Big Tick (Supporting Education Category)

Over the last 12 months more than £439,000 has been donated to 1,222 good causes across the company's trading area with £123,989 coming from the company's charitable trust, the Blakemore Foundation.

Fundraising events have included car washes, raffles, sponsored bike rides, dress down days and even participation in the annual 'Movember' event.

Charitable giving helps to create a common goal amongst our employees and can help to raise the profile of the business within the community.



Logistics warehouse manager Steve Morgan received a £300 match fund for the Queen Elizabeth Hospital Cancer Centre.



Wyberton SPAR donated goods up to the value of £36 for hot lunches at the Wyberton Youth Engagement Day – Tidy Clean Up.



SPAR Abbots Langley donated bottled water and trophies for the Abbots Langley Tough Ten event.



SPAR Porthcawl donated £200 towards the Tree of Hope charity to help people like Jade Owen who suffers from Diplegic Bilateral Cerebral Palsy.



Sarah Matthews (Bettws) and Laura Bailey (Beddau) raised nearly £1500 for Shape which included two match funds of £300 provided by the Blakemore Foundation.



SPAR Lampeter donated £300 towards Felfinach Nursery.



Area Manager Ruth Mutton donated £150 towards the Doncaster 72nd Brownies.



SPAR Lampeter donated £600 towards the Lampeter Beavers following a match fund donation.



SPAR Bargoed donated wrapped selection boxes to the kids at the Royal Gwent Hospital on Christmas Eve.



SPAR Treherbert raised £1,075 including match funding following the store's fundraising in aid of Macmillan Coffee Morning.



SPAR Crowland donated goods towards a fundraising event in aid of the Royal British Legion.



Area Managers John Kelly & John Dyson donated more than £6,000 to the NSPCC following their annual bike ride event.



SPAR Watford donated £148 towards the Watford Mencap charity.



Finance employees have raised more than £1,034 for two charities, Children in Need and the Wallace & Gromit's Children's Foundation.

NSPCC's ChildLine service



community

A.F. Blakemore is a proud supporter of the NSPCC's ChildLine service and over the last 12 months has raised more than £330,000 to support the phone and online service for children and young people.

A fantastic £315,777 was raised by Blakemore Retail alone with employees supporting ChildLine through in store fundraising initiatives such as raffles, bake sales and fancy dress days alongside seasonal events such as Name the Easter Bunny and Letter from Santa.

Top fundraising stores were:

1. Tenbury Wells- £5,409.95
2. Birmingham University- £3,651.44
3. Machynlleth- £3,554.56
4. Broomhill- £3,018.07
5. Wyberton- £2,594.51

In addition to this, A.F. Blakemore employees, customers and suppliers contributed a massive £14,250 through the SRS Trade Show raffle and SPAR Charity Golf Day.



Community Volunteering



A.F. Blakemore employees are encouraged to make a significant, positive contribution to the community through a wide range of volunteering activities including practical regeneration projects, study tours, reading volunteering and employability sessions to name but a few.

Over the 2012/13 financial year, a total of 2,577 employee hours were donated to community activities across 64 individual projects.

Practical Regeneration Challenges

Practical regeneration activities allow employees to work as a team to complete an activity such as creating a sensory garden or painting a classroom.

Over the last 12 months 24 individual regeneration projects have taken place supporting organisations including schools, churches, care homes and refuges.

Team activities such as these are a great way to help foster team spirit and boost the reputation of the company in the community.



Store: Kirkgate
Area Manager: Carlyne Barker
Volunteers: 4
Hours: 32
Project: Volunteers completed a gardening project with Salisbury Court Care Home.



Division: Payroll
Hours: 62
Volunteers: 11
Community group: Thomas Blake Memorial Garden
Description: The team of volunteers from Willenhall and Talbot Green helped tidy up the garden in Ross On Wye.



Department: Accounts
 Hours: 94
 Volunteers: 12
 Community group: Electric Palace
 Description: The team of volunteers painted the youth drop in kitchen and relaxation room.



Department: Accounts
 Hours: 52
 Volunteers: 6
 Community group: Action on Hearing Loss
 Description: The volunteers painted a training room and kitchen.



Department: Accounts
 Hours: 75
 Volunteers: 9
 Community group: Old Dudley School site
 Description: The team of volunteers collaborated with Barclays to transform an exhibition hall within the social enterprise.



Department: HR
 Hours: 105
 Volunteers: 12
 Community group: The Haven
 Description: The HR crew helped regenerate a communal garden and playground in the women's refuge.



Division: Logistics
 Hours: 547
 Volunteers: 41
 Community group: Caldmore community
 Description: As part of ILM a team of 4 team leaders transformed a large piece of land into a useable space for the whole Caldmore community.



Division: Logistics
 Hours: 44
 Volunteers: 5
 Community group: Caterpillars Nursery
 Description: The team of volunteers fitted a large fence which had been destroyed in the bad weather and gave it a lick of paint.



Division: Logistics
 Hours: 148
 Volunteers: 9
 Community group: Federation House
 Description: A small courtyard area in Darlaston used by several community hubs was transformed into a useable area.



Division: Trade Partners - Marketing
 Hours: 93.5
 Volunteers: 9
 Community group: Gilfach Goch
 Description: The team from Talbot Green and the West Midlands helped brighten up a children's area on the housing estate.



Store: Bargoed
 Area Manager: Gail Crowley
 Volunteers: 5
 Hours: 36
 Project: A gardening project was completed with St John Ambulance.



Store: Much Wenlock

Area Manager: Donna Cooper

Volunteers: 6

Hours: 12

Project: The store donated, erected and decorated a Christmas tree for the residents of Whetland Care Home.



Store: Broomhill

Area Manager: Ruth Mutton

Volunteers: 4

Hours: 46

Project: The volunteers created a rooftop garden in Western Park Hospital.



Store: Brumby Corner Post Office

Area Manager: Kelly Loxley

Volunteers: 4

Hours: 38

Project: The post office team painted a large room in Wesley Youth Club.



Store: Crewe

Area Manager: Gareth James

Volunteers: 6

Hours: 39.5

Project: The large hall in Cheshire Academy of Sports and Art was painted by the team of volunteers.



Store: Felixstowe Post office and Store

Area Manager: Carl White and Kelly Loxley

Volunteers: 4 (2 store, 2 Post Office)

Hours: 35

Project: The collaborative team created a garden at Colenis Junior School.



Store: Great Darkgate

Area Manager: John Kelly

Volunteers: 8

Hours: 77

Project: The team of volunteers completed two painting projects with Llwyn Yr Aros School.



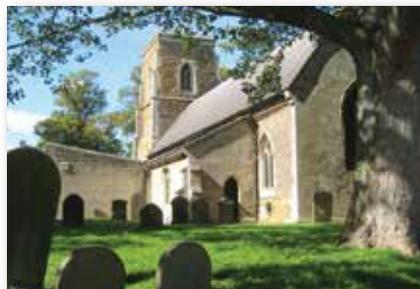
Store: Watton

Area Manager: Mark Wilkinson

Volunteers: 3

Hours: 12

Project: The volunteers joined the Watton community in clearing up and gardening areas of Watton.



Store: Keelby

Area Manager: Carolyne Barker

Volunteers: 1

Hours: 10

Project: A volunteer from Keelby SPAR joined a community gardening event with St Bartholomew Church.



Division: BDS and Property

Hours: 35

Volunteers: 5

Community group: Willenhall E-Act Academy

Description: The team of volunteers painted several corridors in the school.



Store: Barton
 Area Manager: Carlyne Barker
 Volunteers: 11
 Hours: 87.5
 Project: The team completed a gardening project with Tofts Road Day Centre.



Store: Stannington
 Area Manager: Ruth Mutton
 Volunteers: 4
 Hours: 29
 Project: The volunteers joined other local businesses to help tidy up and garden areas of Stannington in support of Action on Stannington.



Store: Stonydelph
 Area Manager: Sam Tomlinson
 Volunteers: 5
 Hours: 46
 Project: An area outside a local church was transformed into a garden area.



Division: Blakemore Retail - Fresh Foods Team
 Volunteers: 9
 Hours: 161
 Project: The Fresh Foods team painted several rooms in Rowley Regis Care Home.

Reading Volunteering

Over the last 12 months four employees from Blakemore Trade Partners and Central Function have supported the Business in the Community Read to Succeed programme.

The programme aims to increase a pupils reading age by at least six months by spending one hour per week for 12 weeks reading with a group of pupils.

Employees worked with more than 30 pupils at two primary schools across the Black Country for 12 months.

“Reading volunteering has been a real eye opener for me. Not knowing exactly what to expect I entered into the scheme with much trepidation, but after being introduced to the children I was to read with that soon faded away.

“I have worked with two of the four pupils for a year now and we have built up a really good rapport. One of the pupils even brings in his own books from

home to read because he thought ‘you might enjoy this one’.

“The pupils look forward to the sessions and I believe they have all benefited from the time we have spent together.

“All in all I have found the experience very enjoyable, I look forward to the sessions as much as the pupils do. Always the best hour of the week, great fun.”

Blakemore Trade Partners’
Regional Sales Director,
Rob Davis



Employability

A.F. Blakemore's award winning education programme aims to support schools by providing young people with valuable employability skills via activities such as study tours, practice interviews and CV writing workshops.

Over the 2012/13 financial year, 14 practice interview sessions and eight study tours

have taken place across the business giving students a first-hand insight into the world of work, often inspiring future careers and supporting the school curriculum.

Blakemore Logistics' flagship Road Safety Week saw more than 500 primary school children from across the West Midlands learn about the rules of the road

through a live vehicle demonstration and presentations from the West Midlands Fire Service.

Here is a snapshot of some of the events that have taken place:



Division: HR – Logistics – Trade Partners – Heart – Trading
 Hours: 88.5
 Volunteers: 15
 Community group: St Thomas More Business & Enterprise College
 Description: Practice Interviews.



Division: Logistics and Trade Partners
 Hours: 165.5
 Volunteers: 11
 Number of pupils: 500
 Community group: 8 primary schools
 Description: Road Safety Week.

community



Division: Logistics
 Hours: 28
 Volunteers: 2
 Community group: Stay Safe with Saddlers
 Description: A lorry was taken to a football stadium for primary school pupils to be shown around.



Division: Logistics
 Hours: 18
 Volunteers: 3
 Community group: 6 primary schools
 Description: Enviromental Challenge.



Division: HR - Trade Partners - Logistics
 Hours: 86
 Volunteers: 16
 Community group: IDG
 Description: A week was spent across Hastings, Talbot Green and Willenhall offering a behind the scenes tour of food distribution. The days consisted of study tours, presentations on the company, CV building, practice interviews, and attitude for the workplace workshops.

Collaborative Action in Our Communities



A.F. Blakemore is committed to working alongside its business partners to achieve collaborative action in its communities.

An example of this in action is A.F. Blakemore's finance department joining forces with Barclays to regenerate a community hall in Wolverhampton.

A total of 22 volunteers from across both businesses spent a day painting the hall of The Old School social enterprise hub on Dudley Road.

The hall will be used for external events to help generate an income that can be invested back into the development of the hub.

The project formed part of an ongoing commitment made by businesses across the region to support the Wolverhampton Transforming Local Infrastructure initiative in a variety of ways, from regeneration to professional advice.

Social Enterprise Manager David Miles commented,

"Thank you so much for everybody's efforts."

"The room looks so much brighter and fresher – it's made a huge difference. Hopefully we can start renting out the room to functions and start generating an income."

A.F. Blakemore's Community Affairs Officer, Liz Bell, commented,

"It is the first collaborative project we have done with Barclays and the end results were fantastic. All the staff involved from both businesses had a brilliant day and gained a lot from the experience."

"I can't wait to find out the long term impact that the project has had and look forward to our next collaborative project with Barclays."

Environment Report 2013



2,887,234 kWh

Reduction in electricity used across Blakemore Retail store estate during 2012/13

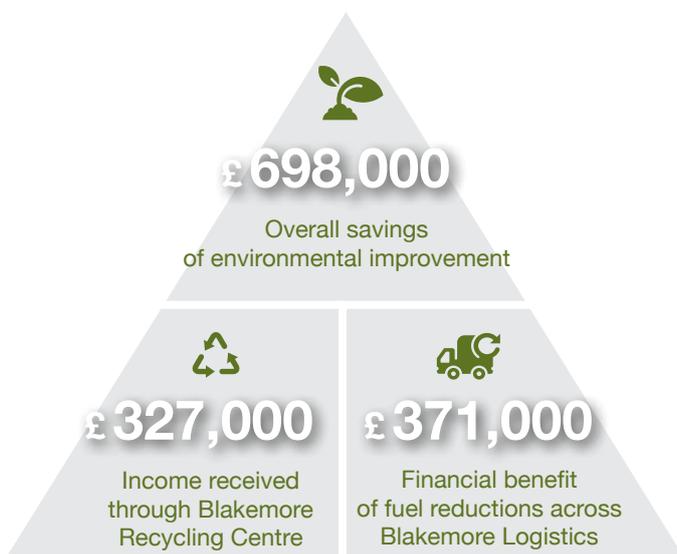


40%

Reduction of like-for-like electricity used at Blakemore Retail "eco-stores"

environment

Environmental Performance across Blakemore Logistics 2010-2013:



Overall Waste Recycled:



Overall Products Backhauled*:



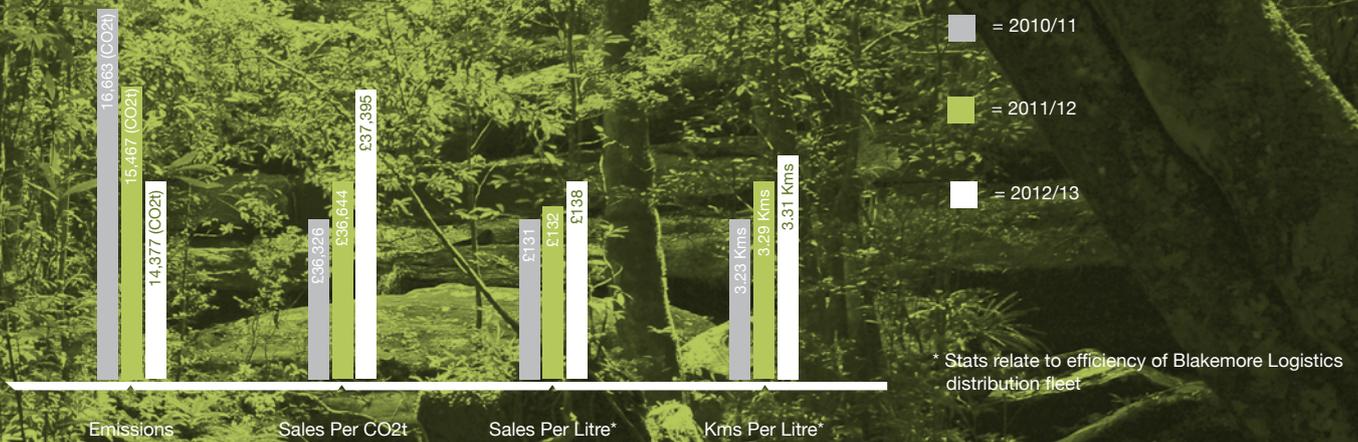
** Overall cases brought into distribution operation backhauled from suppliers

“The way we acknowledge and minimise our environmental impact”



317,869 kWh

Reduction in electricity used across Blakemore Logistics operation during 2012/13



Awards & Accreditations:



**Blakemore Logistics
West Midlands Carbon Reduction Award
Winner at Business in the Community
Awards 2012**



**ISO 14001
Environmental
Management
System**

Energy Efficiency Matters



The introduction of a senior energy committee has played a key role in establishing a strategic approach to energy efficiency across the company.

The Group Energy Committee comprises key directors and senior managers from across the business and has undertaken a wide scale review of energy management across the organisation.

A new energy audit and consumption reporting process has now been introduced and external advice has also been sought from outside consultants.

A wide range of equipment has been introduced to new and refitted stores including LED lighting, energy saving doors on chillers and hot food cabinets, and electronic timers on refrigeration units to minimise unnecessary energy usage. This work has resulted in a reduction in energy usage across the Retail estate of 2,887,234 kWh.

The roll-out of energy efficient lighting and refrigeration has also continued across the Logistics operation to support a 3.9% reduction in energy usage, representing an overall saving of 317, 869 kWh.

environment

Fuel Efficiency Improvements Continue

As a national distribution operation that serves almost 1,000 SPAR stores across England & Wales, Blakemore Logistics places fuel efficiency at the centre of its environmental strategy. Over the past few years a wide range of activity has been introduced including the Blue Tree fuel management system, fuel additives and a 53 mph speed limit to vehicles.

Key activity in this area during 2012/13 includes:

- Structural changes to the logistical operation that include a consolidation of the frozen food warehouse and the introduction of outbase depots at Telford and Alfreton.
- A re-routing exercise in the south with early indicators pointing towards a potential £250,000 operational saving.
- Driver SAFED training to support safer and more efficient driving. Overall 85% of the northern fleet drivers have been trained and a new driver trainer has been appointed in the south.

Ongoing fleet improvements with investments in new fuel efficient vehicles. Over the past 12 months Blakemore Logistics has invested in 12 new HGV's and eight urban double deck trailers. At the same time the company has reduced the size of its fleet to reflect the efficiency savings in route planning. The Logistics fleet now includes no vehicles manufactured before 2005.

All this activity has made a huge impact in 2012/13 with the company recording a 7.6% reduction in kms travelled and a 9.8% improvement in the litres of fuel used.

In addition to this the company also works closely with suppliers to reduce the amount of vehicles on the road. To support this, the company has increased the total amount of stock backhauled from suppliers from 14.9% of total goods in 2011/12 to 16.5% in 2012/13.

Recycling Centre Supports Community



A.F. Blakemore's pioneering recycling centre not only helps reduce the environmental impact of the company and its retail customer base but is increasingly being used as an important community resource.

At a time when landfill capacity is reducing and landfill tax has increased to £72 per tonne, A.F. Blakemore has developed an alternative sustainable option for the majority of waste streams across the distribution process.

The centre represents a £750,000 investment by A.F. Blakemore and provides facilities for stores to return paper, cans, bottles, soft plastic and packaged food.

Cardboard, polyplastics, aluminium, paper and glass are all processed at the recycling centre with waste food processed at an anaerobic digestion plant, which generates biogas to supply the National Grid and agricultural supplements.

Waste to be recycled is returned via a backhaul process that has already been successfully rolled out across the Blakemore Retail estate. An increasing number of independent stores are now making the

most of this opportunity along with 32 external customers.

The centre has also been used for numerous study tours for local business leaders and educational organisations.

An example of this is the company's annual Environmental Challenge that has run in conjunction with Walsall Council to educate school children of the benefits of recycling.

In 2012 the facility hosted 36 pupils from across the Walsall borough to compete in the competition.

Pupils were invited to take a tour around the recycling centre, speak to members of the Logistics team about their job roles and finally compete in a number of challenges based around the life cycle of waste products.

The highlight of the day was the challenge itself, where pupils were tasked with constructing a structure out of recyclable materials in small teams and creating a poster illustrating the life cycle of a waste product that comes through the recycling centre.

**Vicky Bloor,
Walsall Council Environmental Officer**

"The Year 6 Environment Challenge was ideal for us as a council to promote the benefits of recycling but to also be part of the showcase of a very successful local business.

"The true benefit of study tours at A.F. Blakemore is the children being tasked with 'real' problems that industry faces and being given the opportunity to come up with solutions to aid their amazing recycling processes.

"A.F. Blakemore is an outstanding example of a forward thinking community led business and offer these unique and exciting opportunities to young people in their area."



Key Targets for 2013/14



Workplace:

- Launch a new strategic health & wellbeing programme across the estate.
- Launch an e-newsletter and Staff Zone to help improve colleague communications.
- Investigate and develop a cross-divisional colleague engagement survey focussed upon the company values.
- Pilot a new performance development review built around the behaviours highlighted within Leading the Blakemore Way.



Marketplace:

- Extend the Blakemore Foundation charitable trust to independent SPAR retailers across the Meridian & Welsh Guild with a view to gaining 100 applications in 2013/14.
- Install SPAR Differentiation material in 20 Blakemore Retail and 20 independent SPAR stores across the Meridian & Welsh Guild.
- Launch a new Mystery Shopper scheme across the Blakemore Retail estate.
- Promote core corporate responsibility activities such as community engagement, recycling, energy efficiency and local products to independent retailers during the 2013 SPAR Retail Show.





Community:

- Launch a new Community Strategy across the estate and capture the inputs, outputs and impacts of all community engagement activity including employee volunteering, fundraising, work experience and the Blakemore Foundation.
- Develop stronger links between A.F. Blakemore community activities and those undertaken by our independent retail base and key trade partners and suppliers.
- Launch a new Blakemore in the Community web and social media platform.
- Undertake at least one employee volunteering activity in each Blakemore Retail area.



Environment:

- Maintain the ISO 14001 EMS across the Blakemore Logistics operation.
- Increase the waste recycled across the Blakemore Recycling Centre from 95.3% to 96%.
- Improve the efficiency of our vehicle fleet from 3.31 kms per litre to 3.35 kms per litre.
- Increase the levels of returnable packaging handled by the business from 16.3% to 18%.

blakemore
..... retail

blakemore
... trade partners

blakemore
..... design & shopfitting

blakemore
..... logistics

blakemore
... heart distribution

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