

### **Foreword**

# Contents



This is the second combined corporate responsibility report that pulls together the wide range of activity undertaken by the SPAR focussed divisions of A.F. Blakemore & Son Ltd.

While the convenience sector remains a very challenging environment we continue to grow and innovate whilst demonstrating the values that lie at the heart of our family business.

We believe that the support that we provide to our independent and companyowned SPAR estate is second to none and this has been illustrated this year with a number of high profile awards going to some of our leading retailers.

The Retailer of the Year Award went to SPAR Parkfoot at the Convenience Retail Awards 2014 and High Noon Stores, was crowned Independent Retail Chain of the Year at the Grocer Gold Awards.

A.F. Blakemore has itself also collected significant corporate responsibility recognition this year as part of the prestigious Business in the Community Awards for Excellence. Blakemore Fine Foods, which connects quality British producers with customers, was the overall winner in the Enterprise Growth category while the A.F. Blakemore educational programme collected a Big Tick Award along with Blakemore Logistics which received the same level of recognition in the Sustainable Products & Services category.

We have also made great progress with our behavioural based leadership development programme Leading the Blakemore Way that is now being rolled out to the next level of middle managers across the company.

These are all great achievements and ones which I am confident we can build upon further in 2014/15 and beyond.

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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 7,900 people with a turnover in excess of £1.3 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 loval 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

# the blakemore way

#### **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 Statistics** 2013/14

£1.3 billion

Turnover

**SPAR Distribution Depots** 

7,962

8,313

**Total Number of Employees** 

**Employee Volunteering Hours** 

£570,212

**Charitable Donations** 

**Company Owned SPAR Stores** 

54,767CO<sup>2</sup>t\*

**Independent SPAR Stores** 

**Carbon Footprint** 

\*Estimated figure based upon fuel used across our national distribution operation and electricity usage within our stores, depots and offices of the divisions included within this report.

# **Divisions**

### blakemore



Blakemore Retail is A.F. Blakemore's company owned stores division. The business operates a chain of 316 SPAR convenience stores spanning across England and Wales, all of which provide essential services to local communities. Blakemore Retail employs more than 5,600 people and has

## blakemore logistics



Blakemore Logistics supplies all of A.F. Blakemore's 944 independent and company-owned SPAR stores across England 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 796 staff across its distribution, warehouse and recycling operations.

### blakemore trade partners



Blakemore Trade Partners serves the independent SPAR estate of A.F. Blakemore. 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 133 people at its offices in Great Bridge, West Midlands and Talbot Green, South

### blakemore



Blakemore Design & Shopfitting is A.F. Blakemore's own shopfitting 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 23



The A.F. Blakemore Group also encompasses Blakemore Property and Creative Print. Our property division deals with site acquisition and development and Creative Print provide printing services for all departments and stores as well as trading externally.

In addition, all areas of the business receive support from the company's Central Function departments. These encompass Finance, HR, IT and Management Services and employ more than 220 people

## Our Policies

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

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:



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

#### **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:**

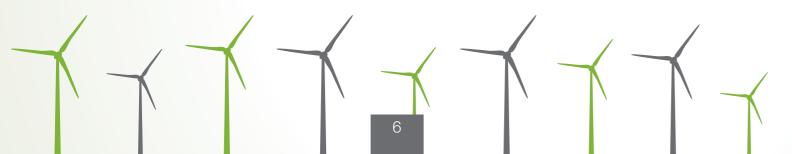
"We will give great service to all our customers and add value to our trade partners."

- 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 2014



#### **People with Potential**

In 2013, 20 budding leaders from across Blakemore Logistics took part in an interactive assessment day to identify future talent across the business.

The aim of the assessment is to highlight future team leaders and workplace trainers by tasking applicants to take part in a number of leadership and behavioural exercises designed to highlight the attributes typical or good leaders.

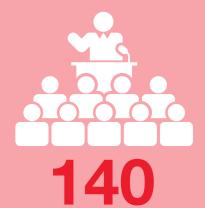
Of the applicants assessed, three were identified as team leaders and will spend 12 months gaining the essential knowledge and experience needed as a new team leader.

The way we maximise staff potential and their contribution to the company's success.

Workplace



Total Number of Blakemore Retail Training Units Delivered



Colleagues attended Leading the Blakemore Way courses in 2013/14



4,659

Total Number of Colleagues Engaged in Blakemore Retail Period Training



Members of staff have participated in staff social events



Colleagues attended internal ILM programmes in 2013/14



**78**%

Blakemore Retail Staff Survey Satisfaction Rate 2013/14



#### **Maximising Staff Potential**

A.F. Blakemore is committed to maximising staff potential and this is the central theme of its training and learning & development programmes.

There has been a huge focus upon leadership development in recent years and this has been delivered through our bespoke Leading the Blakemore Way programme.

This focusses upon the attitudinal state of leaders and the impact this has upon themselves, their colleagues, customers and overall business results.

2013/14 has seen all of our directors and senior team attend an Advanced Leading the Blakemore course with 15 of our middle and senior managers attend external three-day courses.

In addition to this the company also has an internal Leading the Blakemore Way training team who have delivered internal two-day courses to 91 junior managers and specialists. The roll-out will be expanded further 2014/15 with courses taking place

A.F. Blakemore is also an Institute for Management & Leadership (ILM) accredited centre and delivers in-house programmes across the company.

ast year 21 colleagues attended an ILM Effective Team Member course (Working the Blakemore Way,) 10 colleagues attended. In ILM Level 2 Team Leader programme with five attending an ILM Level 3 Diploma in First Line Management.

#### **Voluntary Turnover**



#### **Recognising Long Service**

A.F. Blakemore recognises and rewards the loyalty and commitment of our workforce through the company's long service scheme.

Since the scheme was launched in 2004, the company has donated more than £1.5m to around 9,500 long serving members of staff

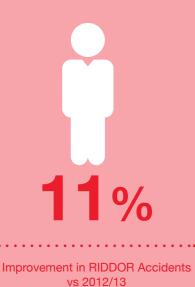
Those who have exceeded the 25 year milestone are given an extra four weeks' paid sabbatical leave.



#### **Blakemore Retail Health & Safety Statistics:**

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

Index of accidents per 100,000 employees





67%

Reduction against 5 year average



less accidents than the HSE National Average for Retail\*

\*Published by HSF October 2013

#### **Staff Social Events**

During 2013/14 a total of 2,643 people have taken part in a whole host of social activities as part of A.F. Blakemore's social events programme.

Events such as the Kids Christmas Party, fishing competition, pool night and annual fun days have all been attended by employees, family and friends across the business.



#### **Workplace Awards & Accreditations:**

#### **Blakemore Retail:**



#### **Blakemore Logistics & Trade Partners:**



#### **Blakemore Logistics:**







#### Some of our key targets for 2014/15 include:

Launch a Cycle to Work scheme across the business in an attempt to improve the health & wellbeing of our employees.

Introduce an AFB group performance review process, aligned to Leading the Blakemore Way, and ensure all employees receive an annual review.

Launch a group wide staff survey and ensure that results are communicated to the workforce and action plans are put in place.

Introduce a new team brief process for Blakemore Logistics.

Continue to monitor and report upon turnover and aim for less than 30% (Retail)

## Marketplace Report 2014



#### **Grocer Gold Awards 2014**

High Noon stores picked up the Grocer Gold Independent Retail Chain of the Year 2014

The multi- site forecourt and convenience operator picked up the award in recognition of its successful sales and profit performance, expansion programme, and customer business and employee initiatives.

High Noon Stores Managing Director Gordon Miller commented:

Blakemore Trade Partners and SPAR have really helped us to grow our business. We've benefitted from range and planogram assistance, bespoke promotional activity, national TV marketing and operational support. Blakemore's have also provided funding for store development and assisted us by suggesting potential sites for consideration.



Number of Blakemore Retail stores who have community boards installed



Donations made to good causes via the Blakemore Foundation Independent Retailer Scheme

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







#### **SPAR Parkfoot Pick up Host of Industry Awards**

SPAR Parkfoot picked up six industry accolades over the last 12 months at the Convenience Retail and Forecourt Trader award ceremonies.

The independently owned store in West Malling, Kent was recognised for its dedication to top quality produce, great service and energy efficiency.

Through major investment and commitment to the highest retailing standards, SPAR Parkfoot has shattered the perception of garage forecourt stores as a simple petrol to up and snack stop. The site was rebuilt and extended last year with the sole purpose of becoming the destination food store in the area, and since the refit sales are up 60%. This is a particularly impressive feat considering that the shop is surrounded by competition from major supermarkets.

SPAR Parkfoot was recognised with the following awards

#### **Convenience Retail Awards 2014:**

- Convenience Retailer of the Year
- Best Independent Convenience Store
- Best Chilled Food Retailer

#### Forecourt Trader of the Year 2013:

- Best Customer Service
- Best Display of Chilled Food
- London & South East (2.5 million litres per annum plus)

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#### **High Street Champion**

**BITC High Street Champions is a response** to the need to transform town centres. Successful high streets require collaboration between the community, local authority and local business leaders.

"No one group holds the solutions and it is only through working together and thinking innovatively that we will see the change we require. We are delighted that A.F. Blakemore has seconded Jerry Marwood to help further this important initiative.



#### **Blakemore Retail Mystery Shopper Results:**



83.0%

80.6%

SPARkling Service Score

SPARkling Store

Overall Rating



#### **Guild Academy Apprenticeship Success**



#### **Committed to Supporting Independent Retailers**

#### Some of our key targets for 2014/15 include:



Engage five independent SPAR retailers in community volunteering.



Support 70 independent SPAR retailers through the Blakemore Foundation ndependent Retailer Scheme.



Establish and roll out a plan to install SPAR Differentiation community notice boards in independent stores.



Seek customer feedback of the SPAR Differentiation community notice boards vithin our Blakemore Retail stores through the Mystery Shopper programme.

# Community Report 2014



#### **Senior Leaders Create Classroom for Pupils**

Senior leaders from across Blakemore Retail and Logistics joined forces in November to create an outdoor learning space for pupils at Cheslyn Hay Primary School. The team cleared a large area of trees, bushes and nettles to encourage pupils to use the wildlife area as an educational area.

Head Teacher Sharon Maiden said:

The area has tremendous potential and the pupils over the next weeks and months will be asked to share their ideas for this exciting venture.







6%

**Total Volunteering Hours** 

Total Employee Volunteers

Workforce Engaged in Volunteering

Statistics relate to the divisions included within this report



#### **Collaborative Working with Higgs & Sons**

Higgs & Sons worked together to create a seaside paradise for pupils at Hob Green Primary School in Stourbridge.

Higgs & Sons Partner, Nyree Applegarth commented:

We were really keen to help out with this gardening project and put our green fingers to good use. The area of land we transformed was very sparse and provided little by way of inspiration for the children to learn and develop. We wanted to provide the pupils from Hob Green Primary with a sensory area that enables them to enjoy a bright, colourful seaside space, even if the sea is many miles away.

# The way we make a significant positive contribution to the community



#### **Big Tick Success**

In 2014, A.F. Blakemore's Education Matters programme was awarded with a Business in the Community Big Tick in the Education category. In addition to this success, the programme was also shortlisted for the overall category winner.

Following on from this, SPAR Upton Assistant Manager Laura Horsefield was awarded the title of Employee Volunteer of the Yea at the Business in the Community North West Responsible Business Awards 2014.



Education Category



35,273

Members of the Community Supported



114

Community Projects Undertaken

the state of the s



#### **Blakemore Foundation Independent Retailer** Scheme

In 2013 the Blakemore Foundation launched its Independent Retailer Scheme which aims to recognise the wide range of community activity independent retailers undertake with a £150 match fund donation. Since the scheme began, the Blakemore Foundation has made 36 match fund donations through the scheme.

Burn's & Co's SPAR Malvern Springs Service Station donated £428 to St Richard's Hospice through the stores open event on 12 July 2013 following a major refit of the store. Included in this donation was a £150 match fund via the Blakemore Foundation Independent Retailer Scheme



Total NSPCC/ChildLine donations





£102,910 £342,354

Blakemore Foundation Value of donations

1,868

**Number of Donations** 



#### **Employees Use Pedal Power to Raise Funds**

England and Wales racking up a combined total of 5,500

cluding Macmillan Cancer Support, ChildLine and Bristol

#### **ChildLine Fundraising**

Blakemore Retail is a proud supporter of ChildLine and over the last 12 months has raised £342,354 for the ChildLine Schools Service which goes into primary schools to help children understand what abuse is and where to go if they need to talk

such as bike rides, bake sales, sponsored walks, parachute jumps and fancy dress days.





#### **Regeneration Projects**

During 2013/14 a total of 41 regeneration projects have taken place supporting community centres, schools, food banks and churches. Projects like these are a great way to build relationships and improve team spirit as well as giving team members an opportunity to take skills learnt back to the workplace.

In June 2013, seven members of staff from Blakemore Logistics' depot in Talbot Green carried out a makeover of the Rhondda Short Breaks Centre run by Action for Children. A volunteer commented:

It's very rewarding to be able to support disadvantaged groups in your local area; I worked with a fantastic group of people and this event has allowed us to promote A.F. Blakemore in the community.



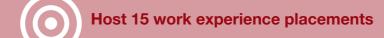
#### **Store Hosts School Study Tours**

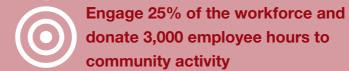
the world of work. Year one students were given a guided tour around the store and had the chance to set up their ery own pretend shop complete with till and baskets llowing pupils to perfect their customer service skills.



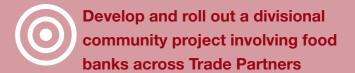
#### Some of our key targets for 2014/15 include:

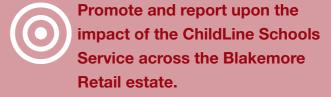












# **Environment Report 2014**

# The way we acknowledge and minimise our environmental impact

#### **Schools Environmental Challenge**

A.F. Blakemore's recycling centre is a great way to educate young people about the benefits of recycling. In 2013, the centre opened its doors to 50 young people as part of the A.F. Blakemore Environmental Challenge in partnership with Walsall Council.

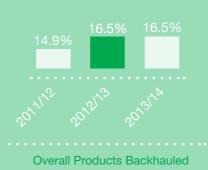
Pupils were invited to take a tour around the recycling centre, speak to members of the Logistics team about their job roles and compete in a number of environmental based challenges.



## Blakemore Logistics Environmental Performance 2013/14:







CO<sub>2</sub>
3.73%

Reduction in CO<sub>2</sub> tonnes used across Blakemore Retail as a result of energy efficiency initiatives



Reduction in energy consumption following replacement lighting installed in Hastings





#### **Recycling Supports Community**

A.F. Blakemore is committed to supporting the communities it serves by providing independent SPAR retailers and small businesses access to their recycling service / facility in an attempt to reduce environmental impact associated with landfill.

The recycling service includes either collecting or receiving ecyclable materials i.e. cardboard, aluminium / metals, paper and plastic from SPAR retailers and local businesses at A.F. Blakemore's purpose built recycling centre in Willenhall.

The service has recently been enhanced for SPAR retailers to include food waste within its primary packaging which is collected and forwarded to a local Anaerobic Digestion Plant for generating biofertilisers, biogas and electricity for the national grid.

Whilst there is an associated cost with the recycling centre he company strongly believes that providing sustainable solutions for its customers, trade partners and communities is paramount for generations to come.

The service was originally established in 2012 and there are now 23 organisations from the Walsall Borough utilising the facility.

Dave Moran, Owner and Manager of Strike Electrical Distributors said:

A. F. Blakemore's cardboard, plastic and paper recycling service has made it really easy for my business to recycle its waste and drive down its environmental impact.



IM KM

10%

**6.4%** 

reduction in delivery miles

reduction in the size of the delivery fleet

Overal reduction in energy consumption



#### **Sustainable Logistics - Reducing the Impact on the Environment**

Aiding Blakemore Logistics in improving its efficiencies is investment of twenty new urban delivery double deck trailers. The trailer fleet ranging from 8.4 to 11 metres are able to deliver between 47 and 66 cages (versus 33) respectively in multi-temperature compartments.

#### **Logistics Managing Director, Barry Davies said:**

I am really proud of what two family businesses (Gray Adams & Blakemore) have achieved by working together to lead the way in the convenience sector. Being the first in the UK they have turned a few heads as people look on with interest. They are a great asset to our Blakemore fleet and demonstrate our continued commitment to delivering a sustainable logistics solution. During key trading periods some stores are able to fill an entire trailer. There are also benefits in utilising these trailers for multi-drop long distance deliveries.

Since implementing and developing its dynamic routing and scheduling system there has been a reduction in one million food kilometres thus reducing the carbon footprint. The implementation of the new Warehouse Multi Depot System (scheduled to be completed by the end of the year) across our facilities also allows the routing to be scheduled centrally enabling our delivery fleet to reduce its carbon footprint.

#### Logistics Manager, Marc Deakin said:

Our delivery volumes can fluctuate by as much as 30 per cent on a weekly basis. This dynamic system enables us to accomodate these changes more efficiently whilst achieving significant benefits.

Blakemore Logistics continues to focus on its environmental credentials and working with suppliers / trade partners is currently trialling the following technologies with the focus on reducing the carbon footprint further:

- Euro VI engines on behalf of Daf, Mercedes, Renault, Scania & Volvo
- Cryogenic Refrigeration Units for its vehicle and trailers to eliminate the use of diesel energy systems. Using CO2 refrigera
  means that the systems are cleaner, quieter and more efficient providing reduced noise pollution, none polluting NOx or
  particulate emissions





Sustainable Products and Services
Category

#### **Business in the Community Awards Success**

In 2014, the Blakemore Logistics Sustainability Programme was recognised with a Business in the Community Big Tick Award in the category of Sustainable Products and Services.

The award recognised the work undertaken to reduce the environmental impact of both its distribution operation and the reta estate it serves. Since 2010/11 the division has achieved a 7.2% reduction in CO2 emissions and 6.4% reduction in energy usage

In addition to this, the programme was shortlisted for a national Business in the Community category award



### 54,767CO2t

Carbon Footprint based upon fuel used across our national distribution operation and electricity usage within our stores, depots and offices of the divisions included within this report

#### Some of our key targets for 2014/15 include:





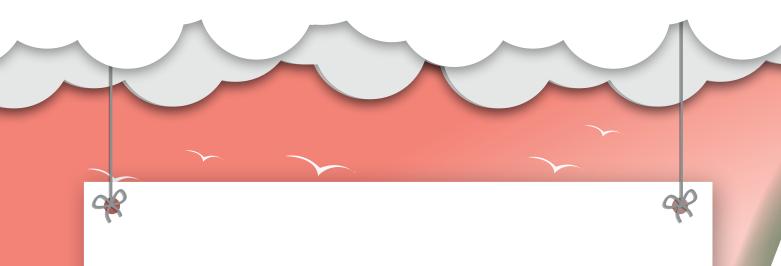
Reduce supply chain food miles by optimising slow moving depots and increasing backhauling.



stings

Engage more customers to the Blakemore Logistics Recycling Scheme.

23



blakemore retail

blakemore with trade partners

blakemore logistics

blakemore design & shopfitting blakemore property

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