

Plastic packaging

Overview

Reduction in virgin plastic packaging of own brand products (by weight grams per £ own brand sales) against FY20 base.

Scope

This metric includes plastic product packaging for all own brand products (primary packaging) plus plastic sales packaging (instore carrier bags and web delivery packaging).

This metric excludes the following:

- Secondary packaging – used to display, protect or collate products in store. For example, cardboard boxes or trays
- Tertiary packaging – used for shipment and delivery of stock into distribution centres. For example, pallet boxes or totes
- Packaging used in our coffee shop products
- Materials in packaging which are not plastic

The reduction in virgin plastic for this metric can be achieved either by removing virgin plastic from packaging or replacing virgin plastic with recycled content (if recycled content is greater than 30%).

On 3 May 2022, Dunelm (Soft Furnishings) Ltd acquired the trade and assets of Sunflex, a division of Hunter Douglas (UK) Limited. Due to the timing of this acquisition, this metric for FY22 excludes any data in relation to the Sunflex business.

Methodology

Data collection

We use internal data on plastic packaging weights and recycled content of products which has been collated from suppliers, as well as data from our two sales packaging suppliers to calculate this metric.

Data estimates

Only packaging which includes more than 0.1g of virgin plastic is reported by suppliers and therefore reflected in calculations.

Where product recycled content information is not available, it is assumed there is no recycled content included. Also recycled content is only included if suppliers have documentary evidence to support.

In the calculation of this metric, all plastic packaging weights for the FY20 baseline and up to Q3 data for FY22 were assumed to be virgin plastic. Actual data has therefore been incorporated into the calculation from Q4 FY22 on, with the improved availability of recycled content and actual virgin plastic packaging data.

Sales packaging data is based on volumes which have been supplied rather than utilised however there is minimal stock held at the warehouses.

For imports products there will be tertiary packaging weights included in the calculation (which are intended to be out of scope) as the data available does not separate these out.

Professional judgement has been applied to the packaging weight of products, if deemed necessary. Where anomalies were identified, adjustments were made to ensure reasonableness, with less than

1% of products being adjusted in the current year and baseline calculations. Where packaging data is unavailable, weights have been assessed using similar products. It is expected that the adjustments required will reduce in future years to reflect the continued work with suppliers as a result of enhanced external reporting requirements.

Calculations

For each reporting period, plastic packaging weights of each product are applied to the sales quantity to calculate the total primary packaging weight. Where available the proportion of recycled content is excluded (if at least 30%) from the total plastic weight as a reduction.

Sales packaging weights and recycled content are included based on information from our two sales packaging suppliers on what has been supplied in the period.

(Plastic packaging grams per own brand product - recycled content %) * own brand sales quantity =
Primary packaging grams

(Plastic sales packaging grams per item - recycled content %) * supplied quantity = Sales packaging
grams

$$\frac{\text{Total primary + sales packaging grams}}{\text{£ own brand sales}} = \text{Total own brand plastic packaging grams per £ own brand sales}$$

Baseline year

Based on data in the FY20 financial year.