

key performance indicators

Our CR key performance indicators (KPIs) are part of our Steering Wheel management process (see page 8). We measure and report internally on performance against each KPI every quarter and performance is reviewed by the CR Committee.

KPI	2005	HOW WE PERFORMED	BELOW TARGET	ON TARGET	EXCEEDED EXPECTATIONS	KPI FOR 2006	PAGE
Economy: Regeneration	To open 3 partnerships stores, initiate 6 new partnerships and create 1,000 jobs and training positions with Tesco for the long-term unemployed in regeneration stores.	Although we completed two large-scale regeneration partnerships at Stockport and Dumfries, and a smaller scheme at Stafford, delays in the Planning Consent process held back other schemes, so we did not meet our target of creating 1,000 jobs and training positions for the long-term unemployed in regeneration stores.				To open 3 partnership stores, initiate 6 new partnerships and create 1,000 jobs and training positions.	18
Economy: Supply chain labour standards	To carry out ethical assessments of 100% of our high-risk own-brand suppliers.	We achieved our target by carrying out 253 assessments of our high-risk own brand suppliers.				To carry out ethical assessments of 100% of our high-risk own-brand suppliers.	22
	To train 100% of our high-risk own-brand suppliers.	We met our target by training 100% of our high-risk own-brand suppliers.				To train 100% of our high-risk own-brand suppliers.	22
	To ensure all Commercial teams have received training on supply chain labour standards.	All Tesco Commercial teams have received training on supply chain labour standards.				To ensure all Commercial teams have received training on supply chain labour standards.	22
Economy: Local sourcing	To maintain at least 7,000 regional and local lines and to increase the number of Welsh lines to 1,000 by the end of 2005.	We maintained 7,000 regional lines and have to date increased the number of Welsh lines to 670.				To maintain at least 7,000 regional and local lines.	26
Society: Charitable giving	To donate a value equal to 1% of our pre-tax profits to charities and good causes through donations, time and gifts in kind.	We exceeded our target by giving 1.1% of pre-tax profits.				To donate a value equal to 1% of our pre-tax profits to charities and good causes through donations, time and gifts-in-kind.	29
Society: Computers for Schools	To increase the cumulative value of computer equipment supplied to schools to £92m.	We met our target. Since the start of the scheme £92m of computer equipment has been supplied to schools.				To increase the cumulative value of computer equipment supplied to schools to £100m.	32
	To increase the number of schools participating to 24,500.	We exceeded our target with 25,221 schools participating.				To increase the number of new schools participating by 1,500.	32
Society: Race for Life	To help recruit 350,000 women to participate.	We exceeded our targets with over 409,000 women taking part.				To help recruit 425,000 women to participate.	30
	To get 15,000 Tesco staff to participate.	We exceeded our target with 18,752 Tesco staff taking part.				To get 20,000 Tesco staff to participate.	30
	To help raise sponsorship to £20m.	We met our target by helping to raise over £20m in sponsorship.				To help raise £23m.	30
Society: Employee retention	To exceed 80% retention of experienced staff.	81% of our experienced staff stayed with us throughout 2004/05.				To exceed 80% retention of experienced staff.	35
Society: Employee training	95% of retail staff to be trained to Bronze level.	95.4% of our retail staff achieved Bronze level.				95% of retail staff to be trained to Bronze level.	35

New KPIs

KPI	KPI FOR 2005/06
Inclusivity and diversity	No statistical difference by age, sex or ethnicity in answer to the staff Viewpoint survey question 'I look forward to coming to work'.
Healthy living	To have 2,000 products subject to new nutritional signposting.
	To increase the number of Healthy Living Club members from 220,000 to 500,000.
International Corporate Responsibility	To hold workshops for our International businesses.
	Our businesses to have a CR strategy with performance measured in their Steering Wheel.

Data verification

Verification of the data used for the KPIs is carried out using independent sources where possible. These include market share data, independent surveys, utilities and services bills, inventories and audits for the Emissions Trading Scheme and Climate Change Levy Agreement, and audits and compliance schemes for packaging waste. Where these are not available, internal budget controls are used.

KPI	2005	HOW WE PERFORMED	BELOW TARGET	ON TARGET	EXCEEDED EXPECTATIONS	KPI FOR 2006	PAGE
Environment: New store development	To develop 90% of new stores on brownfield sites.	We exceeded our target, with 100% of all new developments on brownfield sites.				To develop 90% of all new stores on brownfield sites.	19
Environment: Energy efficiency	To reduce energy consumption by 4.44kwh/ft² which equates to a 3.6% reduction.	We achieved our target – actual performance saw a reduction of 4.75kwh/ft², which equates to a 3.9% reduction.				To reduce energy consumption by 4.85kwh/ft², which equates to a 5% reduction.	44
Environment: Water consumption	To reduce water consumption from 1.42m³/m² to 1.32m³/m², which equates to a 7% reduction and saves 119,905m³ of water p.a.	We achieved our target to reduce water consumption to 1.32m³/m², which equates to a 7% reduction.				To reduce water consumption from 1.32m³/m² to 1.1m³/m², which equates to a 7.6% reduction and saves 493,793m³ of water p.a.	46
Environment: Vehicle efficiency	To achieve a 2.5% increase in the volume of products delivered per litre of fuel consumed.	We exceeded our target by over 10%.				To achieve a further 2.5% increase in volumes of products delivered per litre of fuel consumed.	47
Environment: Landfill avoidance	To monitor landfill avoidance. 65% of waste to be recycled.	We exceeded our target. 65.2% of waste was recycled.				To recycle 68% of waste.	48
Environment: Green trays	To increase the number of re-usable green tray trips by 10%.	We have increased the number of trips by 7%, just missing our target due to seasonal increase and issues with the availability of trays.				To increase the number of re-usable green tray trips by 10%.	50
Environment: Nature's Choice	To register all growers to Nature's Choice by 2006/07.	This was the first year of a three-year programme to register all growers to Nature's Choice by 2006/07. The registration of growers is prioritised by country. In 2004/05 we achieved registration of 6,000 farms in 41 countries, which is equivalent to approximately 80% of growers.				To register all growers in countries prioritised for the second of the three-year programme. To remain on target to ensure all growers are registered to Nature's Choice by 2006/07.	51
	80% of supply-base to comply with Nature's Choice standards by 2005.	This was the first year of a three-year programme to achieve 100% of suppliers complying with Nature's Choice Standards by 2006/07. The audit programme is prioritised by country. This year we achieved our target for 80% of the supply-base to be compliant to Nature's Choice standards.				To audit suppliers in countries prioritised for the second of the three-year programme. To remain on target to ensure 100% of suppliers comply with Nature's Choice standards by 2006/07.	51
	To review all pesticides used by growers audited in year 1 by the end of 2004/05.	This was the first year of a three-year programme to review pesticide uses by all growers by 2006/07. Pesticide reviews were again prioritised by country. This year we achieved our target, reviewing all pesticides used by growers audited in year 1, of these, 190 uses were removed and extra controls put in place for another 570.				To review all pesticide uses of growers audited in year 2. To remain on target to ensure all pesticides used by growers are reviewed by 2006/07.	51
Environment: Wildlife Choice	Wildlife Choice website to be launched.	We are on track to launch the Wildlife Choice website in the summer of 2005.				To launch the Wildlife Choice website in summer 2005.	52
	Full review of project to be undertaken in October 2004.	A review was carried out in October 2004.					52
Environment: Organic food	To be the number 1 UK supermarket for organics, as measured by Taylor Nelson Soffres (TNS) data.	We achieved our target, with a 27% market share.				To remain the leading supermarket for volume of organics as measured by Taylor Nelson Sofres (TNS) data.	53