

Contributing to the United Nations Sustainable Development Goals.

May 2019

Our priority goals.

The Little Helps Plan helps us respond to the global challenges affecting our business, suppliers, customers, colleagues and other stakeholders, from inequality and human rights to climate change and food waste.

The UN Sustainable Development Goals (SDGs) provide a focus for how businesses, governments and civil society can tackle these challenges in order to promote a more sustainable future for all. They have helped to inform our thinking about where we can play a role.

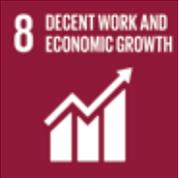
Tesco contributes in different ways and to different degrees to all the SDGs. In line with UN Global Compact guidance, we have identified which goals are particularly relevant to us: where expectations, risks and opportunities for Tesco are greatest, and where we can make the most significant contribution.

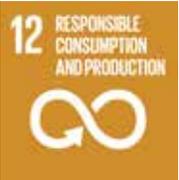
We list these priority SDGs in table 1. For full details on how we identified our priorities and focus areas for the Little Helps Plan, read our summary on www.tescopl.com/materiality.

Goal 12, on responsible consumption and production, is particularly significant for Tesco. We are proud to be members of Champions 12.3, a global coalition of leaders chaired by our CEO Dave Lewis. This group is dedicated to accelerating progress towards achieving the UN Sustainable Development Target 12.3 - to halve global food waste by 2030. We were the first UK retailer to publish data on food waste in our own operations so that we can track our progress against this target. We are now encouraging other organisations, both within and outside our supply chain, to do the same.



Table 1: Priority Goals

SDG	Tesco Target	Tesco Action	Key Data
	<p>Facilitate food surplus donation programmes in all stores in all regions to provide meals to those in need by 2020.</p>	<p>We work closely with food banks and charities wherever we operate to donate good food that would otherwise go to waste. Organisations we have supported have included homeless shelters, after-school clubs, food banks and domestic violence hostels. We also organise regular food collections during festive periods giving our customers the opportunity to join us in donating food to help feed people in need.</p>	<p>62.7 million meals donated Group-wide through our food surplus donation programmes in 2018/19.</p>
	<p>To support all of our colleagues to live healthier lives and help our customers make healthier food choices every time they shop with us.</p>	<p>We want to make Tesco a healthier place to work and shop. We offer a range of physical, mental and financial health and wellbeing services for our colleagues. Working with our Health Charity Partners (Cancer Research UK, Diabetes UK and the British Heart Foundation) we conducted the UK's largest workplace health survey in August 2018. As a result of the feedback from our colleagues, we expanded our offer to include a discounted gym pass for colleagues and their families.</p> <p>During our regular health events for customers we promote 'helpful little swaps' in stores and online, highlighting products lower in sugar, fat or salt compared to the regular alternatives; and lower prices on hundreds of healthier products.</p>	<p>69% of Group colleagues and 55% of UK customers agree that Tesco helps them lead a healthy lifestyle.</p>
	<p>Source 65% of our electricity from renewable sources by 2020 and 100% by 2030.</p>	<p>This year we set out our roadmap to source 100% of our electricity from renewable sources by 2030. We have started this journey in the UK, Ireland and Slovakia where we are already sourcing 100% renewable electricity supported by certificates. Our renewable electricity plan is core to meeting our ambitious science-based climate change targets.</p>	<p>Group-wide, 58% of electricity comes from renewable sources.</p>
	<p>Help our colleagues succeed by providing them with the flexibility, skills and reward to 'get on'.</p>	<p>We want all our colleagues to have the opportunity of a good work/life balance. We continue to promote our flexible working policy and use technology to enable remote working where appropriate. In the UK, we have piloted an app that allows colleagues to see their shifts, manage overtime and request holiday.</p> <p>We are also creating opportunities for colleagues to reskill in areas where demand is likely to increase. We offered 1,265 new apprenticeships in the UK in 2018 in areas such as LGV driving and software engineering.</p>	<p>77% of Tesco colleagues Group-wide agree they have the opportunity to learn and develop.</p>
	<p>Ensure international human rights standards are respected at all our suppliers' sites.</p>	<p>We want to promote better working conditions and sustainable livelihoods for workers and producers in our supply chain. The Ethical Trading Initiative's Base Code human rights standards are fundamental requirements for all our suppliers, wherever they operate. We are also partnering on projects in high risk supply chains to improve working conditions. For example, we are signatories to the Bangladesh Accord and have conducted structural surveys to ensure workers in our supply chain are not at risk from fire, building disrepair or similar concerns.</p> <p>Through our membership of the Consumer Goods Forum (CGF) we are collaborating to eradicate forced labour from our supply chains, including the lower tiers. We helped to design and strongly support CGF's priority industry principles: every worker should have freedom of movement; no worker should pay for a job; and no worker should be indebted or coerced to work.</p>	<p>In 89% of our tier 1 high risk sites in which critical non-conformances were identified in 2018/19, mitigation or remediation processes have been implemented on time.</p>

SDG	Tesco Target	Tesco Action	Key Data
	<p>Help halve global food waste, farm to fork, by 2030.</p>	<p>We have adopted UN SDG 12.3 to help halve food waste from farm to fork. We are proud members of Champions 12.3, a coalition of leaders chaired by our CEO Dave Lewis to accelerate progress on this target. In our own operations we have introduced food surplus redistribution programmes to all our markets to donate food safe for human consumption to local charities and community groups. We have also continued to work with our producers to ensure that we take as much of their crop as possible. This includes better long range planning and stronger commitments to take crop, as well as purchasing unexpected bumper crops caused by the weather. In the UK we have also removed 'Best Before Dates' from over 180 UK fruit and vegetable lines to help stop perfectly edible items being thrown away.</p>	<p>Percentage change in tonnes of food wasted as a percentage of tonnes sold since our baseline year:</p> <ul style="list-style-type: none"> • UK: 3% reduction since 2013/14 • Central Europe: 43% reduction since 2016/17 • Ireland: 0% since 2016/17
	<p>Making all packaging fully recyclable by 2025.</p>	<p>We want to create a closed loop system for packaging so everything can be re-used, recycled or re-purposed. In the UK we have committed to remove the hardest to recycle materials from our Own Brand packaging by the end of 2019 and are working with our suppliers to find alternatives. So far we have removed 2,914 tonnes of hard to recycle materials from our packaging since May 2018. In 10 UK stores, we are also trialling the collection of soft plastics, such as pouches, films, crisp packets and bags, which will be recycled using state-of-the-art technology. This will turn the materials, which were previously unrecyclable, into an oil that can then be used for making new plastic, providing a closed loop system.</p>	<p>83% (by weight) of UK Own Brand packaging meets the 'widely recycled' criteria.</p>
	<p>Reduce absolute carbon emissions from our operations from 2015 levels: 35% by 2020, 60% by 2025 and 100% by 2050.</p>	<p>We have worked with external experts to set science-based targets which are aligned with a 1.5 degree trajectory and enable us to meet our zero-carbon ambition. As one of the largest van fleet operators in the UK we have signed up to the Clean Van Commitment (CVC). The commitment publicly demonstrates our support for the switch to low emission vehicles. To help customers cut transport emissions, we are developing the largest UK retail Electric Vehicle (EV) charging network. In conjunction with Volkswagen and Pod Point, we will roll out over 2,400 EV charging bays across 600 Tesco stores within the next three years.</p>	<p>31% reduction of GHG emissions since 2015/16.</p>
	<p>Sustainably source all our wild fish.</p>	<p>We are committed to supporting truly sustainable fisheries and the protection of marine environments. We are working with the Marine Stewardship Council (MSC) to increase our range of certified sustainable counter, pre-packed, canned and frozen fish. Currently we have a total of 179 MSC-labelled products. This year we published information on our source fisheries through the Oceans Disclosure Project, ensuring transparency of our seafood supply chain.</p>	<p>72% of Tesco UK wild-caught seafood is MSC certified.</p>
	<p>Achieve zero net deforestation in our supply chain by 2020.</p>	<p>We are working to reduce the impact of our beef, soy, palm, dairy, cotton and other key supply chains. We developed our Zero Deforestation Soy Transition Plan in consultation with leading NGOs to help achieve our aim to source all the soy-based animal feed in our UK supply chain from areas verified as having zero deforestation by 2025. 77% of soy used in the supply chain of whole chicken products already meets our Zero Deforestation Soy Transition Plan requirements. We are supporting this with trials of more sustainable sources of animal feed such as algal oil and insect protein.</p>	<p>100% palm oil in UK Own Brand products is certified to Roundtable on Sustainable Palm Oil (RSPO) standard.</p> <p>87% paper/wood in UK Own Brand products are certified by Forest Stewardship Council (FSC), Programme for the Endorsement of Forest Certification (PEFC), or are from a recycled source.</p>

Our contribution to the other goals.

Though our contribution is less significant to the remaining goals, we are committed to ensuring we make a positive impact against all the SDGs. Table 2 shows how we are contributing to the SDGs we have identified as lower priority for Tesco, where risks and opportunities for Tesco are fewer and where the contribution we can make is less significant.

Table 2: Our contribution to the other goals	
SDG	Tesco Action
 <p>1 NO POVERTY</p>	<p>We have identified ‘Sustainable Livelihoods’ as one of the key pillars in our new human rights strategy. Our work with suppliers and other organisations helps raise working standards and ensure living wages for people working in our supply chain. As members of Malawi 2020 we supported the first ever collective bargaining agreement between the Tea Association of Malawi and the Plantation Agricultural Workers Union. This will make workers more aware of the opportunity to join a trade union and help to ensure tea workers receive a living wage by 2020.</p>
 <p>4 QUALITY EDUCATION</p>	<p>We continue to invest in training for our colleagues, so they have the opportunity to ‘get on’ both at work and at home. As our business evolves, we want to make sure our colleagues have the skills they need to succeed in the future. As well as building on their existing skills, we are creating opportunities for colleagues to reskill in areas where demand is likely to increase. In 2018, 1,265 new apprenticeships were offered.</p>
 <p>5 GENDER EQUALITY</p>	<p>In 2018/19 our median gender pay gap was 8.9%. We are taking action to help reduce our gender pay gap and these are focussed in three core areas: supporting and attracting talented women, equipping and empowering our leaders, and sustaining an inclusive culture. Over the last year we have refined our diversity and inclusion strategy, brought more conscious inclusion to our recruitment practices and enhanced our diversity and inclusion training for senior leaders.</p> <p>We also continue to strive towards gender equality in our supply chains. Our partnership with the Ethical Tea Partnership and UNICEF is focussed on addressing gender inequality in the Assam region of India and has funded capability training for women, girls and the wider community to help them secure a better future and reduce their vulnerability.</p>
 <p>6 CLEAN WATER AND SANITATION</p>	<p>We are mapping and monitoring key supply chains to understand water risks and what our suppliers are doing to manage them. We are working with suppliers to introduce measures, such as more efficient irrigation systems, to reduce both water use and local environmental impact. We are members of the Zero Discharge of Hazardous Waste programme which aims to move the clothing industry towards the use of more sustainable chemicals with lower impacts on the environment and human health. As part of this our clothing suppliers publish their waste water testing results publicly to demonstrate progress in reducing hazardous discharges.</p>

SDG	Tesco Action
	<p>Sustainable innovation supports the Little Helps Plan in all areas.</p> <p>We have initiatives across the Group to make our stores and operations more efficient and these investments have enabled us to reduce our carbon footprint. In our supply chain we are encouraging our suppliers to set strong, science-based GHG targets that will require a move to more sustainable ways of working.</p> <p>Creating a closed-loop packaging system requires innovation in the materials we use, packaging we create and the methods to collect and recycle packaging. For example, we are currently trialling a reverse vending system in the UK where customers are rewarded for returning their plastic bottles. Separately, in 10 UK stores, we are trialling the collection of soft plastics, such as bags, pouches, films, crisp packets and bags, which will be recycled using state-of-the-art technology. This will turn the materials, which were previously unrecyclable, into an oil that can then be used for making new plastic, providing a closed loop system.</p>
	<p>We are committed to upholding human rights and fully support the UN Universal Declaration of Human Rights, the International Labour Organization Core Conventions and the UN Guiding Principles on Business and Human Rights within our own operations and supply chains internationally.</p> <p>We are committed to creating an inclusive environment for colleagues and workers in our supply chains. We have a wide range of networks for colleagues and initiatives to promote inclusion, and have signed up to key UN principles such as the standards to support the rights of LGBTI people and Women's Empowerment Principles.</p>
	<p>We have supported 29,819 community projects in 2018/19. To ensure our support goes to the right places in the UK, Ireland and Central Europe we give our customers and colleagues the opportunity to vote for the local causes that we support.</p>
	<p>We are committed to upholding human rights within our own operations and supply chains internationally. We are helping to address entrenched social issues such as freedom of association and the empowerment of workers. For example, in South America we have been working with the Ethical Trading Initiative and suppliers to ensure that worker representatives are democratically elected to worker committees. Through our partnership with the Ethical Tea Partnership and UNICEF we have also engaged national, state and district governments to protect children and review policies for those living in tea communities.</p>
	<p>We work in partnership with NGOs, suppliers and the wider industry to progress the Little Helps Plan, contribute to the SDGs and build the resilience and sustainability of our business. Examples include our new partnership with WWF with the ambition of halving the environmental impact of the average UK shopping basket; our work with FareShare to reduce food waste and support vulnerable people in communities across the UK; and a partnership with Cancer Research UK, Diabetes UK and the British Heart Foundation to deliver our health strategy, to name but a few.</p>

UN Global Compact Communication on Progress.

We have demonstrated our progress against the UNGC's ten principles in our Little Helps Plan Progress Update 2018 report, our Annual Report, in the tables above and on our website.

Table 3 provides links to where further information can be found.

“Great value in the 21st century is about more than great prices. The value we provide today isn't just about what's good for shoppers. It's what's good for our colleagues, good for our farmer and suppliers partners, and the communities our colleagues and customers live in. As members of the UN Global Compact, we continue to collaborate with others to support the achievement of the UN Sustainable Development Goals.”

Dave Lewis, Group Chief Executive

Table 3: UN Global Compact Communication on Progress

Area	Principle	Links to progress information
Human Rights	1 Businesses should support and respect the protection of internationally proclaimed human rights.	www.tescopl.com/humanrights www.tescopl.com/humanrightspolicy
	2 Businesses should make sure that they are not complicit in human rights abuses.	www.tescopl.com/humanrightssupplychain www.tescopl.com/top20 www.tescopl.com/littlehelpsplanreport
Labour	3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	www.tescopl.com/codeofbusinessconduct www.tescopl.com/humanrightssupplychain www.tescopl.com/unions www.tescopl.com/littlehelpsplanreport
	4 Businesses should uphold the elimination of all forms of forced and compulsory labour.	www.tescopl.com/modernslavery
	5 Businesses should uphold the effective abolition of child labour.	www.tescopl.com/modernslavery www.tescopl.com/tea www.tescopl.com/cocoa www.tescopl.com/cotton
	6 Businesses should uphold the elimination of discrimination in respect of employment and occupation.	www.tescopl.com/inclusion www.tescopl.com/humanrightssupplychain www.tescopl.com/littlehelpsplanreport
Environment	7 Businesses should support a precautionary approach to environmental challenges.	www.tescopl.com/environment www.tescopl.com/littlehelpsplanreport
	8 Businesses should undertake initiatives to promote greater environmental responsibility.	www.tescopl.com/foodwaste www.tescopl.com/packaging www.tescopl.com/soy www.tescopl.com/chemicalmanagement www.tescopl.com/carbonfootprint
	9 Businesses should encourage the development and diffusion of environmentally friendly technologies.	www.tescopl.com/energy-efficient-stores www.tescopl.com/packaging
Anti-Corruption	10 Businesses should work against corruption in all its forms, including extortion and bribery.	www.tescopl.com/whistleblowing www.tescopl.com/codeofbusinessconduct www.tescopl.com/littlehelpsplanreport