



DPS Limited.

Sittingbourne, Kent, England

Food waste inventory – 1st January to 31st December 2019



About DPS

Founded in 1979, dps has been supplying fresh produce to supermarkets for over 40 years. Today, we source fruit and salads from 40 countries to guarantee a fresh supply of berries, stone fruit, exotic fruit, cherries, kiwi fruit, organic citrus, chestnuts, tomatoes, cucumbers and peppers for shoppers to enjoy.

Our team of over 80 experts work in partnership with Tesco and 4,000 growers to source and supply a wide range of fresh produce from 40 countries; including berries, stone fruit, cherries, exotic fruits, kiwi fruit, organic citrus, chestnuts and ambient salads.

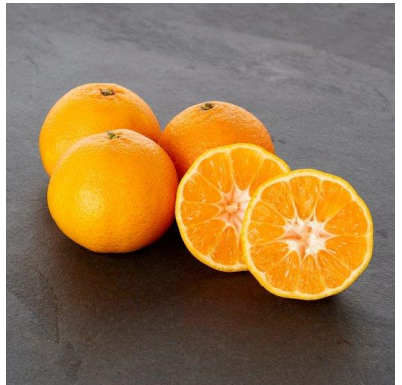
We aim to reduce food waste from farm to fruit bowl by finding the fastest and most sustainable route to shelf in store.

Our end-to-end approach to reduce food waste starts on the farm. The minute fruits or salads are harvested from the tree, plant or vine we start to monitor and control time and temperature. We work with growers to ensure that fresh produce is harvested just at the right stage of ripeness and chilled shortly after picking to remove any field heat, which is a critical first step in maintaining freshness and reducing the risk of food waste later on down the line.

Where possible, berries, stone fruit, cherries and salads are packed at source and shipped directly from growers to Tesco depots to offer maximum freshness for shoppers.

We use state of the art technology to track the temperature of all other shipments during transit to our packing facility in Teynham, Kent, where produce is quality checked and sorted to remove any damaged or mouldy produce, before being packed and then shipped to one of twelve Tesco fresh depots.

In 2017 we made a commitment to reduce food waste in our own operations by 50% by 2030



What we are doing to tackle food waste

dps are committed to securing a sustainable future for growers and ensuring that no food fit to eat is wasted. Across the entire supply chain, we look for ways to reduce product handling, enabling more produce to reach Tesco stores faster and fresher. Where surplus does arise in our operations, we aim to create long-term partnerships to increase the redistribution of healthy fresh produce to people who need it most.

Since 2017, the volume of fresh produce packed in dps UK operations has increased significantly. The mix and type of products has also changed, we now handle a larger proportion of exotic fruits and berries, which are not always well suited to animal feed. This has driven us further to continuously adapt our Target, Measure, Act approach beyond our own operations. Some of our food waste reduction measures include:

Increasing product packed at source and direct depot deliveries: Working closely with Tesco and growers to find the quickest route to shelf, we have increased the proportion of the stone fruit, ambient salads, berries and cherries packed into final Tesco packaging at source and delivered directly to Tesco fresh depots. This helps to reduce handling and storage times in the dps UK packing facility and increases freshness and shelf life for Tesco shoppers.

Redistribution to local charities: To reduce waste in 2019, we decreased the amount of product used for shelf-life testing, but still donate fresh produce to four local Kent based charities and community groups: Age UK, The Salvation Army, Sittingbourne Food Bank and HACO (Health Action Charity Organisation). By donating around 16,000 5-a-day portions of fruit a week to those in need, we were able to prevent a total of 68 tonnes of fresh produce being wasted.

Working with FareShare to prevent exotic fruit going to waste: In late 2019, we started a collaborative project with FareShare to increase surplus redistribution by focusing on higher wasting exotic fruits such as mango, papaya, pomegranate and passion fruit, often removed from the packing line for being too ripe or having small punctures or rot spots, which can reduce shelf-life for shoppers. We know that exotic fruits are sometimes unfamiliar and can be difficult to prepare, so it was essential to overcome any preparation barriers prior to redistributing. We developed a simple, exotic fruit photo guide and started a small scale trial in January 2020. Between January and July 2020 we have redistributed 50 tonnes, the equivalent of 625,000 5-a-day fruit portions and aim to increase the proportion of fruit removed from the packing line, (but still fit to eat) to FareShare, over the next six to twelve months. The total tonnage donated during 2020 will be included in next year's update.



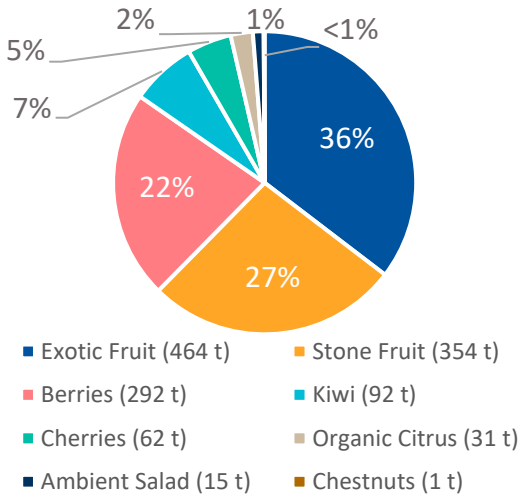
Total food handled*

62,547
tonnes

Waste as a % of food handled*

2.1%

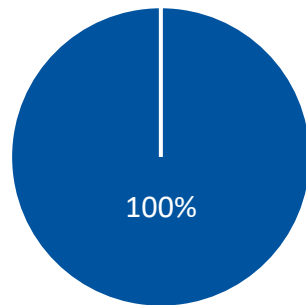
Waste by category



Overall food waste

1,311 tonnes

Waste by destination



■ Anaerobic Digestion (1,311 t)

Food waste data commentary

- dps food waste was measured during the 2019 calendar year, and includes all food handled at one UK based manufacturing and distribution site. Our 2019 reporting scope has extended to primary production this year and also now includes one newly established UK stone fruit farm.
- Total food handled during this period was 62,547 tonnes and overall food waste was 1,311 tonnes, equating to 2.1% of all fresh produce handled. Food waste in primary production was 0.3% (4 tonnes) of all fresh produce wasted, though we anticipate the overall on-farm contribution to food surplus and waste to increase in future, as production on our new UK farm increases over time.
- We cannot directly compare this year's food waste figure with last year's due to the change in reporting scope (addition of our UK farming operation), but if we use the same scope of data to compare our YoY figures, we find our food waste has increased from 277 tonnes (0.5% of food handled) in 2018, to 1,307 tonnes (2.1% of food handled) in 2019.

Food waste data commentary continued

- This increase is primarily due to a change in food surplus and waste destinations and the transition to a new waste management provider. In 2018, 80% of our food surplus was sent to animal feed and the remaining 20% was sent to anaerobic digestion as food waste. In 2019, due to this change in waste management provider, 80% of food surplus and waste (both fit and not fit to eat) was sent to anaerobic digestion and only 20% was redistributed to animal feed and local charities.
- Despite a year on year increase in food waste, the change in food waste management provider has been pivotal in increasing both the transparency of our food surplus and waste final destinations and overall reporting accuracy. All food waste is now weighed by the waste management provider at point of receipt and weight recorded data is provided monthly.
- In previous years, assessment of volume (which is a less accurate method of food waste measurement), was used to quantify surplus to animal feed and food waste sent to anaerobic digestion based on the capacity of a 400KG dolav.
- To further improve data accuracy and management we have also developed a new Business Intelligence dashboard and software system, which enables us to collate and trend food surplus and waste hot-spots across the business.
- The exotic fruit, stone fruit and berry categories combined account for 84% of all food waste generated. 81% of the exotic fruit, stone fruit and berry waste arises from product removed on the packing line.
- This is typically damaged fruit removed for being too soft, overripe, rotten or mouldy. Damage can happen during storage or ripening and is influenced by a number of external factors throughout the year, such as weather conditions, picking fruit at the right stage of ripeness, fruit variety, transit time and temperature controls.
- Our commitment is to ensure that edible food that previously would've been sent to animal feed is redistributed to Fareshare first.
- We are also in the early stages of exploring ways to reduce waste by utilising both inedible and edible surplus in bio-renewable applications across the cosmetics, flavouring and alcohol industries.
- Throughout 2020 and leading into 2021 there are a number of grower based food waste reduction trials at source to increase temperature monitoring during transit, reduce the variability of mango ripeness at harvest, and where possible ripen more stone fruit at source to reduce handling and storage times in the UK.

* Note: to be consistent with industry best practice and the UK's Food Waste Reduction Roadmap, we've updated our terminology this year from "total food produced" to "total food handled" (which, as last year, includes food sold as intended as well as food waste and surplus). This is also reflected in our calculation of waste as a % of food handled