

Food waste and redistribution.

Why it matters.

Hunger and food waste are two major societal and environmental challenges. It's reported that 690 million people go hungry each night¹, yet it's estimated that one third of all food produced in the world is lost or wasted². The environmental impact of food waste is significant - our 2021 Driven To Waste report suggests that 40% of food is uneaten and food waste is responsible for 10% of total global greenhouse gas (GHG) emissions, an increase from previous estimates³. Tackling food waste has been identified as one of our most material issues where we can make a difference and drive transformative change. As the UK's largest retailer, we are committed to reducing food waste from farm to fork and ensuring that any surplus good food is distributed to those who need it. With the cost-of-living front of mind, we are working harder than ever to help our customers save money, use up all the food they have at home, and cut household food waste.

Relevant UN Sustainable Development Goals (SDGs).



SDG 2 Zero Hunger is focused on ending hunger, achieving food security, improving nutrition and promoting sustainable agriculture. This goal, especially Target 2.1 in relation to access to safe and nutritious food for all people, links to our food redistribution programmes. Our programmes aim to redistribute surplus food to help feed people in local communities where they need it the most.



SDG 12 Responsible Consumption and Production aims to ensure sustainable consumption and production patterns. This goal, especially in relation to Target 12.3 halving global food waste by 2030, is supported by our approach to reducing food loss within our own operations, working with suppliers, supporting our communities and helping our customers prevent food waste in the home.



SDG 17 Partnership for the Goals recognises the importance of collaboration. Our food redistribution programmes and partnerships across the Group have been developed with the input, knowledge and expertise of our colleagues, NGO and charity partners, including FareShare, the Trussell Trust and WWF and Hubbub. Ongoing collaboration will ensure our programmes remain impactful and help reduce good food going to waste.

Highlights.

Accelerated our target to halve food waste across our operations by 2025, five years ahead of SDG 12.3.

Redistributed 88% of food surplus safe for human consumption to humans or animals in our UK retail operations.

Launched 'Use Up Day' campaign to help encourage households to - once a week - cook a meal using up food they already have in their kitchen.

45%[†] reduction in food waste as a percentage of tonnes of food handled (against 2016/17 baseline) across the Group.

¹ WFP

³ WWF Driven To Waste Report

² UNEP

[†] Deloitte LLP was engaged to provide independent limited assurance over the selected food waste data. Further information on page 12.

Our approach.

We are accelerating progress to halve food waste in our own operations by 2025, five years earlier than the UN SDG Target 12.3 to halve global food waste by 2030.

In an environment where customers are facing increasing cost pressures and more people are using food banks than ever before, it is essential that we all try to reduce the amount of good food being wasted. Our accelerated target of halving food waste from our own operations by 2025, five years ahead of the SDG target, shows our commitment to tackling this issue at pace. In addition, delivery of this target forms part of our remuneration policy, linking the reward of our global leaders through the Performance Share Plan (PSP) to performance against this target, along with targets on climate change and diversity and inclusion.



Read more about our Executive remuneration in our latest Annual Report [here](#).

In 2020 we launched the first of our sustainability-linked finance products, and we have continued to strengthen this area over the last two years. Our product suite now includes a Revolving Credit Facility, refinanced in November 2022, with interest linked to food waste reduction as well as other commitments on increasing the percentage of female and ethnically diverse colleague representation amongst our top global leaders and reducing GHG emissions.



Read more about our sustainability-linked financing [here](#).

Our approach to tackling food waste covers the whole value chain, starting with opportunities to work with suppliers to reduce on-farm food waste, reducing food loss within our own operations, helping customers prevent food waste in the home with helpful tips for making the most out of forgotten food and leftovers, and supporting our communities and customers through our food redistribution programmes.

Tackling food waste in our own operations

We strive to eliminate unsold food going to waste in our own operations through well-established processes such as continually optimising our forecasting, ordering and reduce to clear processes to minimise food surplus at the end of each day. If food cannot be sold, we prioritise its redistribution to charities and community groups and offer it to colleagues through our Colleague Shop in the UK&ROI. Any suitable remaining surplus is sent to pet food production or converted to animal feed. Where no other options are available, we recover energy from food waste through anaerobic digestion or incineration. No food waste from our own operations has been sent to landfill in the UK since 2009.

Initiatives within our own operations this year have included introducing better signage by rebranding 'Reduced to Clear' areas to 'Reduced in price, just as nice' to help customers save money and reduce unsold food waste. In 2021 we started to trial an innovative new solution to help us tackle back-of-store food waste using black soldier fly. This takes product which cannot go to humans or animals and (following the food waste hierarchy) avoids anaerobic digestion. If successful, this solution could support the scaling of insects as an alternative source of protein in animal feeds.

Bringing our community partnerships instore by expanding on our hugely successful partnership with FareShare and the Trussell Trust, by launching a Christmas 'Give Back' Express store, where customers could donate items to go to those in need at Christmas.

Supporting communities with food redistribution

In a year of unprecedented challenges, food banks and redistribution charities have seen a spike in demand, and we have continued to invest in our existing food surplus redistribution programmes. We work in partnership with food banks, regional charities and community food sharing groups to help feed people in need by redistributing food to local communities around the world. This redistribution ensures that any good food left at the end of every day makes its way to people's plates instead of becoming food waste.

UK & ROI

Our food redistribution programmes in the UK & ROI use apps to connect stores with local organisations that can make best use of our unsold surplus food. Our stores, through their local knowledge, identify and support local charities and organisations working to redistribute food. This includes:

- **Providing three million meals a month** on average to charities and community groups via Community Food Connection in the UK in conjunction with FareShare and OLIO. Since 2016, we have provided over 166 million meals⁴ in the UK through our Community Food Connection. This also includes meal donations from our distribution and fulfilment centres.
- **Partnering with OLIO in the UK and Ireland** to help reduce in-store waste and redistribute our unsold chilled and ambient food through the OLIO food sharing app to people in the local community. In the UK we donated over 8,500 tonnes of food to OLIO in 2022/23.
- **Connecting our stores with charity partners through the FoodCloud app** to reduce complexity and grow our donation of surplus food safe for human consumption.
- **Redistributing over 15 million meals to charities** and community groups across 152 stores and two distribution centres in Ireland since 2016/17.

Through our in-store efforts and innovative solutions, we have:

- **Reduced food waste as a percentage of food handled by 45%[◇]** across the Group since 2016/17 baseline.
- **Redistributed 88% of food surplus safe for human consumption** to humans or animals in our UK retail operations.
- **Given colleagues the opportunity to take food approaching its expiry date** from our 'Colleague Shops' in all UK stores.



Read more about our work to support communities, including food donations [here](#).

Working with our suppliers

We are committed to partnering with our suppliers to halve food waste in our supply chains by 2030. Champions 12.3 consists of executives from organisations dedicated to accelerating progress toward achieving SDG Target 12.3 by 2030 and includes our CEO. Its 10x20x30 target brings together over 10 of the world's largest food retailers and providers, each engaging at least 20 suppliers to halve food loss and waste by 2030. We believe what gets measured gets managed, which is why we encourage our suppliers to publicly disclose their level of food waste. 108 of our suppliers already do so, substantially exceeding the Champions 12.3 Target. This year we have expanded our supplier partnership programme to further help suppliers to reduce food waste in a variety of ways including:

- **Commissioning a Hidden Waste report with WWF**, focusing on, on-farm food loss. This found that on-farm food loss represents over 25% of the UK's total food loss and waste and identifies a number of opportunities across the value chain to help to tackle this, with a particular focus on encouraging suppliers to measure and report their waste data in order to identify and tackle hotspots.
- **Launching Tesco Exchange**, a new online marketplace that matches suppliers who have too much of a product, for example crops, by-products, ingredients or packaging, with other Tesco suppliers that need it. More than 3,500 Tesco suppliers have access to the Tesco Exchange, helping to cut production costs and reduce food waste. The opportunity for such a platform was highlighted in the Hidden Waste report mentioned above.

⁴ Based on the assumption of an average meal weighing 420g (calculated from the average of a range of typical meal weights, using data derived from Food Portion Sizes, FSA 2008). This does not imply that this many balanced meals could be made from the food surplus but illustrates what the amount of food surplus might equate to.

- **Managing bumper crops** at certain times of the year through great value offers for our customers. In the last year we have supported with bumper crops on iceberg lettuce, strawberries, cherries and oranges. In July for example, due to a heatwave, we sold kilo boxes of strawberries and cherries at a discounted price to customers.

These examples build on some of our long-established activities to help suppliers reduce food waste.

Booker

Booker have been working with local charities to redistribute surplus food since 2012. Booker is leading the way for the wholesale sector by redistributing food directly to FareShare's network of charities and OLIO's Food Waste Heroes, in collaboration with the two organisations and the food-sharing app Foodiverse. This has been the first full year with all sites connected via the redistribution app and results include:

- **Redistributing over 5 million meals to charity** from 192 branches and 14 distribution depots which include Ritter Courivaud, Booker Retail Partners and Best Food Logistics.
- **Waste across the Booker Group is down by 16%** largely driven by a 6% decrease in waste from Booker Wholesale due to an increase in donations reducing the out of code waste.
- **Donations have increased by 30%** with a 45% increase from Booker Wholesale, and 175% increase in donations from Ritter Courivaud.
- **Overall the waste as a percentage of food handled has decreased by 15%** to 0.09% and a 43% decrease from the 2016/17 baseline.
- **Booker supported 579 FareShare charities** and communities and fed over 15,000 families via Olio Food Waste Heroes.

Supporting our business customers

Booker helped over 600 independent retail customers prevent and redistribute food waste by introducing them to our partners Too Good To Go.

Working with Too Good To Go and the Magic Bag programme; Premier, Lonsis and Budgens customers have saved more than 220 tonnes of food while supporting local communities with food reduced in price.

Central Europe (CE)

All of our stores across CE are part of our food surplus donation programme, where we focus on providing meals to local food banks and charities.

Helping customers in the home

A recent Tesco study revealed that 73% of UK households say they throw away unopened or unused food they had forgotten about, wasting approximately £800 worth of edible food a year. We have increased focus this year on making it easy for our customers to reduce food waste in their homes while also saving money at a time when budgets are constrained, with an ongoing communications programme that has included:

- **Launching our 'Use Up Day' campaign**, in partnership with Unilever brand Hellmann's and building on the learnings from the 2020 No Time for Waste Challenge, encouraging households to - once a week - cook a meal using up food they already have in their kitchen.
- **Sharing leftover meal recipes** on our Tesco Real Food [website](#) to reduce food waste in the home, for example recipe ideas for leftover milk or bread.
- **Encouraging customers to 'take stock before the shop'**, with research commissioned via YouGov showing that the majority of customers don't always know what they have in the kitchen before doing a shop or ordering food.

These communication efforts are combined with more operational changes we've previously delivered to help customers to reduce waste in the home, such as having removed 'best before' dates on a selection of over 160 fruit and vegetables.

Memberships and partnerships.

Here are some examples of our key collaborations on food waste and redistribution:



Performance.

Group data						
Commitment	KPIs	2018/19	2019/20	2020/21	2021/22	2022/23
To help build stronger communities through food and support for other projects or causes that matter in the towns and cities where we operate	Equivalent number of meals donated through food surplus redistribution programmes	Group: 52.8m	Group: 50.5m	Group: 54.9m	Group: 52.6m	Group: 52.4m
		UK: 26.0m	UK: 25.4m	UK: 29.0m	UK: 27.8m	UK: 25.5m
		ROI: 2.1m	ROI: 2.3m	ROI: 2.6m	ROI: 2.9m	ROI: 2.3m
		CE: 24.7m	CE: 22.8m	CE: 17.1m	CE: 17.8m	CE: 19.3m
				Booker: 6.2m	Booker: 4.1m	Booker: 5.3m
	Number of local projects or causes supported ^(a)	25,848	17,406	23,192	18,043	17,463

(a) Number of local projects or causes supported include support through cash donations, food donations, gifts in kind and/or colleague volunteering time

Total food waste

Reduction %					
Commitment	KPIs	2016/17	2020/21	2021/22	2022/23
Halve food waste in our own operations by 2025	Percentage change in tonnes of food wasted as percentage of tonnes of food handled compared to baseline year (2016/17)	Group baseline year	Group: 42%	Group: 45%	Group: 45% [◇] (a)
		Food handled: 15,012,516 (tonnes)	UK&ROI: 27%	UK&ROI: 29%	UK&ROI: 23%
		Waste: 95,127 (tonnes)	CE: 65%	CE: 65%	CE: 71%
			Booker: 9%	Booker: 33%	Booker: 43%

(a) Year on year improvements seen with Booker and CE, however a step back in performance within the UK driven by an increase in exceptional events waste caused by unprecedented hot weather during the summer.

◇ Deloitte LLP was engaged to provide independent limited assurance over the selected food waste data. Further information on page 12.

Group data (tonnes)				
	Baseline 2016/17	2020/21	2021/22	2022/23
Total food handled	15,012,516	15,284,367	15,327,555	14,781,977
Total unsold food	125,832	126,234	122,178	123,394
Total food surplus	30,706	70,398	69,076	71,865
Total food waste	95,127	55,837	53,102	51,529
Food waste as % of food handled	0.63%	0.37%	0.35%	0.35%
Unsold food as % of food handled	0.84%	0.83%	0.80%	0.83%

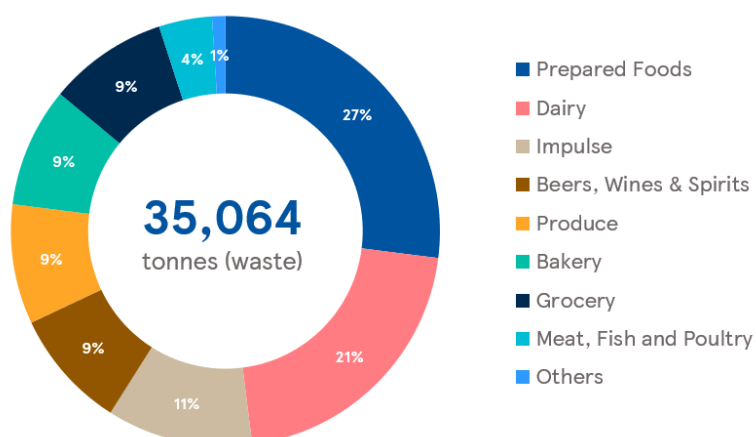
Group data		
Commitment	KPIs	Our 2022/23 performance
Work in partnership with our suppliers to halve food waste in our supply chains by 2030	Number of suppliers who report a reduction in food waste as a percentage of food handled	108 suppliers, responsible for over half of fresh food sales in the UK and over 40% in Ireland, reported their food waste data. 74 suppliers reported comparable data against their baseline year. Of these, 44 suppliers reported a reduction in their food waste intensity.

Market breakdown

UK data (tonnes)						
	Baseline 2016/17	2018/19	2019/20	2020/21	2021/22	2022/23
Total food handled	10,028,551	10,015,158	9,853,498	10,554,352	10,241,699	9,866,410
Total unsold food	71,178	77,184	77,807	84,124	81,222	86,540
Total food surplus	24,494	32,887	36,843	49,078	48,406	51,476
Total food waste	46,684	44,297	40,963	35,047	32,816	35,064
Food waste as % of food handled	0.47%	0.44%	0.42%	0.33%	0.32%	0.36%
Unsold food as % of food handled	0.71%	0.77%	0.79%	0.80%	0.79%	0.88%

Total food waste by category (tonnes/%)

Food waste by category: UK



UK total food surplus redistributed by type (tonnes)

	Baseline 2016/17	2018/19	2019/20	2020/21	2021/22	2022/23
Donation to charity	5,700	10,946	10,686	12,195	11,671	10,688
Colleague shop	N/A	8,071	9,661	11,310	9,260	6,708
OLIO	N/A	N/A	N/A	1,537	4,542	8,617
Animal feed (incl. pet food)	18,794	13,871	16,497	24,036	22,933	25,463
Total	24,494	32,888	36,844	49,078	48,406	51,476

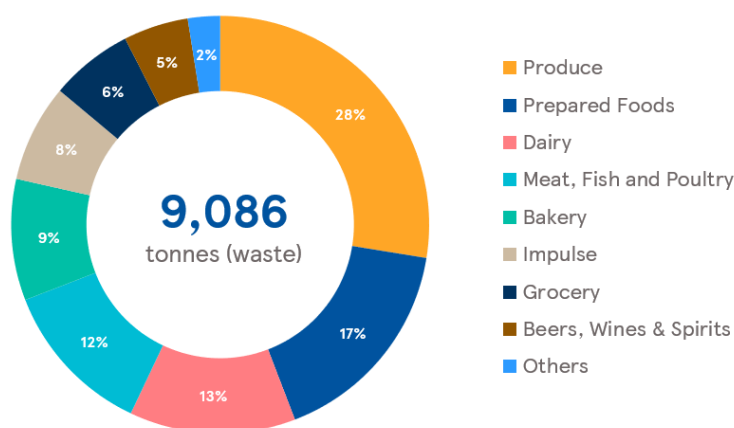
Food safe for human consumption redistributed to humans or animals (tonnes)

	Baseline 2016/17	2018/19	2019/20	2020/21	2021/22	2022/23
Food safe for human consumption redistributed to charities, OLIO, colleagues and animal feed and pet food	N/A	N/A	25,692	29,988	29,250	28,279
Total unsold food safe for human consumption	N/A	N/A	33,430	36,767	35,058	32,074
Percentage of food safe for human consumption redistributed to humans or animals	N/A	N/A	77%	82%	83%	88%

CE data (tonnes)						
	Baseline 2016/17	2018/19	2019/20	2020/21	2021/22	2022/23
Total food handled	2,216,238	2,143,268	1,991,763	1,927,705	1,879,689	1,765,360
Total unsold food	44,067	36,776	32,320	29,136	28,772	25,813
Total food surplus	5,195	17,058	19,281	17,179	17,104	16,728
Total food waste	38,872	19,717	13,038	11,957	11,669	9,086
Food waste as % of food handled	1.75%	0.92%	0.65%	0.62%	0.62%	0.51%
Unsold food as % of food handled	1.99%	1.72%	1.62%	1.51%	1.53%	1.46%

Total food waste by category (tonnes/%)

Food waste by category: CE

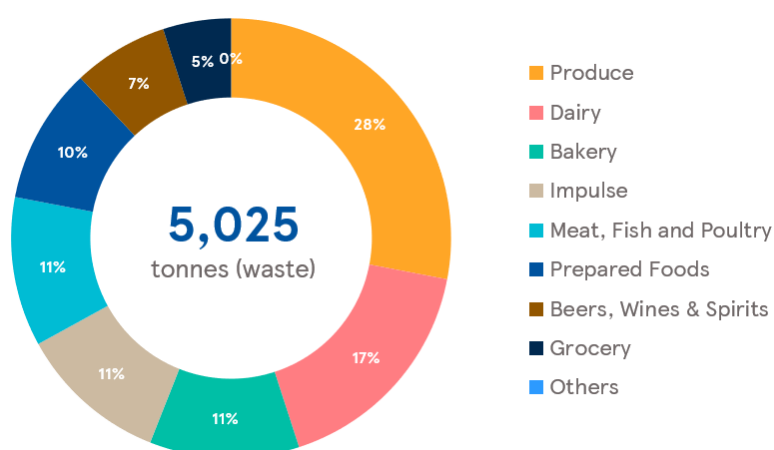


CE total food surplus redistributed by type (tonnes)						
	Baseline 2016/17	2018/19	2019/20	2020/21	2021/22	2022/23
Donation to charity	3,518	10,365	9,568	7,187	7,472	8,119
Animal feed	1,677	6,693	9,713	9,993	9,632	8,609
Total	5,195	17,058	19,281	17,180	17,104	16,728

ROI data (tonnes)						
	Baseline 2016/17	2018/19	2019/20	2020/21	2021/22	2022/23
Total food handled	552,943	588,835	588,743	654,038	623,657	577,356
Total unsold food	6,584	7,176	7,546	7,186	7,668	6,310
Total surplus food	588	865	1,107	1,520	1,841	1,285
Total food waste	5,996	6,312	6,438	5,665	5,826	5,025
Food waste as % of food handled	1.08%	1.07%	1.09%	0.87%	0.93%	0.87%
Unsold food as % of food handled	1.19%	1.22%	1.28%	1.10%	1.23%	1.09%

Total food waste by category (tonnes/%)

Food waste by category: ROI

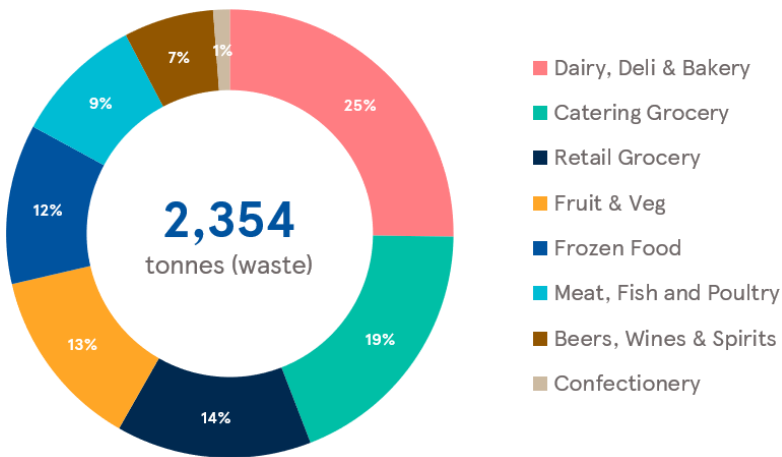


ROI total food surplus redistributed by type (tonnes)						
	Baseline 2016/17	2018/19	2019/20	2020/21	2021/22	2022/23
Donation to charity	588	865	946	1,086	1,215	956
Colleague shop	N/A	N/A	162	434	627	329
Total	588	865	1,108	1,520	1,842	1,285

Booker data (tonnes)				
	Baseline 2016/17	2020/21	2021/22	2022/23
Total food handled	2,214,784	2,148,272	2,582,509	2,572,852
Total unsold food	4,003	5,789	4,516	4,731
Total surplus food	429	2,621	1,725	2,377
Total food waste	3,575	3,168	2,791	2,354
Food waste as % of food handled	0.16%	0.15%	0.11%	0.09%
Unsold food as % of food handled	0.18%	0.27%	0.17%	0.18%

Total food waste by category (tonnes/%)

Food waste by category: Booker



Looking ahead.

We are committed to supporting the SDG 12.3 Target of halving global food waste and our strategy continues to address food waste throughout the value chain from farm to fork. We continue to encourage our suppliers to Target-Measure-Act and help our customers avoid food waste in the home as well as saving money, through helpful tips and product innovation.

Working with our food redistribution partners, we ensure good food is not wasted and reaches community groups and food banks.

Commitments and targets

- 85% of unsold food safe for human consumption in the UK redistributed to humans or animals by 2025.
- Reduce food waste from our own operations by 50% by 2025.
- Work in partnership with our suppliers to halve food waste in our supply chains by 2030 and increase the number of suppliers reporting a reduction.
- Work closely in partnership with food banks and regional charities to help feed people by redistributing food to local communities around the world.

Methodologies.

How we calculate food waste

Scope

We calculate our food waste as a percentage of tonnes handled compared to the baseline year. We publish our performance on an annual basis (covering our full financial year) and the scope covers food waste arising from our distribution centres and stores across the following markets and countries:

Markets covered	Countries included
UK	UK (excluding One Stop)
Republic of Ireland (ROI)	Republic of Ireland
Central Europe (CE)	Czech Republic, Hungary, Slovakia
Booker	UK (excluding India, which is a joint venture)

We only include food waste arising from our distribution centres and stores. Store waste includes waste from our customer fulfilment centres. Additional food waste arising in customer restaurants and staff canteens in our stores and distribution centres is out of scope, as is any food waste arising in operations owned by Tesco upstream in the supply chain, such as haulage wastage and committed crop wastage. Waste from our suppliers' sites and third-party counters in Tesco stores is not included.

The scope of the calculation includes food waste associated with inedible parts, e.g. apple cores and animal bones. All food and drink categories sold at Tesco are included in the scope. All non-food items are removed from our waste data calculations (see Definitions). Details on the types of products excluded can be found in the methodology.

Total food surplus redistributed

Definitions

- **Food handled:** Sum of the weight of food sold, wasted and surplus. The weight of packaging is excluded for the majority of the products.
- **Unsold food:** Sum of the weight of food wasted and surplus. The weight of packaging is excluded for the majority of the products.
- **Food surplus:** is not included in our total waste figure and is reported separately. Food surplus is defined as: food sent to animal feed; food offered to colleagues through the Colleague Shop; and food donated to FareShare or directly to charities via Community Food Connection. In years up to 2019/20 we used the term surplus food to describe unsold food as described above. This term has been updated to align with the WRAP and IGD food waste measurement and reporting guidelines; all prior years have been updated to reflect this new approach.
- **Food waste:** Any food, and inedible parts of food, removed from the food supply chain to be recovered or disposed (including composted, crops ploughed in/not harvested, anaerobic digestion, bio-energy production,

co-generation, incineration, disposal to sewer, landfill or discarded to sea). Drinks waste is also included within this description. The definition of food waste is based on that of EU FUSIONS.

How we measure our progress

To track our progress on supporting the projects and causes that matter through food redistribution, we have two indicators; number of equivalent meals donated and the number of local projects or causes supported. The latter KPI goes beyond food redistribution in that it also includes support in the form of cash donations, gifts in kind and volunteer time. A brief description of the methodologies can be found below.

Equivalent number of meals donated through our food surplus redistribution programme

We calculate the equivalent number of meals by converting the total weight of the donated food surplus fit for human consumption into an 'equivalent meal'. We apply the conversion of 0.42kg to a single equivalent meal based on guidance from WRAP.

This KPI covers surplus food donation from our stores and distribution centres in the UK, ROI, CE and Booker. It excludes donations from supplier sites, third party counters, customer restaurants, colleague canteens, from in-store customer collections and donations made to OLIO.

Number of local projects or causes supported

As defined by support for local charities, community groups, schools, hospices and permanent food banks. It also includes support of local level organisations or individuals that represent the work of national organisations.

We work with Groundwork, FareShare and the Trussell Trust to analyse the relevant data which is gathered on a quarterly basis and reported annually. This KPI only covers our main organised community initiatives and does not cover ad hoc support or donations. Our global initiatives covered include:

UK

- Community Grants (previously Bags of Help)
- Community Food Connection
- Permanent food collection points and Tesco Food Collection

CE

- You Choose, We Help
- Food surplus donation programme
- National Food Collection for food banks
- Employee volunteering programme
- War in Ukraine: supporting humanitarian relief
- Grants and support for other local projects from Tesco and Tesco charitable foundations
- In-kind donations
- Humanitarian aid donation (Turkey-Syria earthquake)
- Coupon fundraising activity with strategic partners

ROI

- Community Fund
- Surplus food donations programme
- Food appeals
- Tesco Stronger Starts programme
- Excludes national charity partner

Results for these KPI's are rounded, using standard calculation practices.

Assurance.

Deloitte LLP was engaged to provide independent limited assurance over the selected food waste data highlighted in this report with a \diamond using the assurance standard ISAE 3000. Deloitte has issued an unqualified opinion over the selected data. Deloitte's full assurance statement is available at: [Reporting hub \(tescoplc.com\)](https://tescoplc.com/reporting-hub)

Read more about our approach

More information

[Our approach to food waste](#)

[Supporting communities with food redistribution](#)

Methodologies and assurance

[Our food waste methodology](#)

[Deloitte assurance statement](#)
