



## **Agenda Item 8**

### **Neighbourhoods Scrutiny Commission**

Report on the 'Dealing with waste – evidence session'

22<sup>nd</sup> February 2016



## 1. Executive Summary

Bristol City Council's Scrutiny function is responsible for helping to develop innovative policies by examining key issues in detail and formulating recommendations to help create and progress Mayoral corporate priorities.

In October 2015 the Commission received an item called 'Scoping Plan: updating the 2009 Waste and Street Scene Services Strategy'. One of the key follow up actions was a request for officers to arrange for representatives of the eight major supermarkets to attend a future Scrutiny Commission meeting and provide evidence on their arrangements for waste management, distribution, disposal of packaging and distribution of food waste.

In order to draw out the evidence officers worked with the Chair to design an appropriate list of questions that would allow the commission to scrutinise supermarket operations in the aforementioned areas and at the same time allow the supermarkets the opportunity to highlight examples of best practice.

The questions addressed three key areas:

1. Packaging / waste reduction (including recycling) / processes
2. How supermarkets deal with food waste and re-distribution
3. How products are delivered to stores and to customers in the city

The full list of questions is attached in Appendix I.

Invites to participate were sent to Sainsbury's, Tesco, Aldi, Asda, Lidl, Morrisons, Waitrose and the Co-operative. Whilst all (with the exception of Sainsburys) responded with written answers only the Co-operative and Waitrose agreed to attend the Commission meeting.

On the day the session resembled a select committee with all commission members given the opportunity to ask the supermarket representatives questions and supplementary questions from the list the representatives had received in advance of the meeting.

The evidence session worked very well with commission members and the supermarket representatives addressing the list of questions for over two hours. A full list of responses, as noted on the day, can be found in Appendix II, along with the electronically submitted responses from five other supermarkets.

## 2. Key Findings

The responses submitted ahead of the evidence session and from Waitrose and Co-operative on the day demonstrated that the supermarkets have a significant understanding of the issues and there is a strong corporate emphasis to address them. Both representatives very much welcomed the opportunity to start a dialogue with Bristol City Council.

A full copy of the responses from Waitrose and Co-operative can be found in Appendix II but some key findings are included below:



- **Food Waste** – all supermarkets have ambitious targets for reducing food waste. Waitrose and Co-op have an over-arching ambition that no food should ever be thrown away. Where it cannot be redistributed to food banks, for example, it is sent to Anaerobic Digestion or if possible to be used as animal feed. Supermarkets work with suppliers and farmers to minimise surplus, employing modelling techniques and developing algorithms to match demand with supply
- **Reducing packaging** – most of the supermarkets have signed up to voluntary agreements such as the Courtauld Commitment (BCC has recently signed up to the latest Courtauld Commitment which runs to 2025). The Co-op and Waitrose have a set of self-set ambitious targets such as halving all waste by weight by the end of 2016 (from a 2005 base) and zero carbon production. The supermarkets also talked about the challenges of being able fully design out waste when producing for different demographic groups – single people / elderly / larger families
- **Recycling consistency** – for example black plastic. Some specific concerns raised ahead of the session that black plastic is rejected from recycling centre BCC uses and could supermarkets package products in different colour / material? The data shows that the West of England authorities are in a significant minority of authorities that do not recycle black plastic
- **Food re-distribution / food banks** – all the supermarkets have a firm commitment to working with food bank organisations to distribute food which is perfectly edible but approaching its use by date. Overall policy is to reduce and surplus food at all but where this is not possible the supermarkets work with national organisations such as the Salvation Army and Trussell Trust as well as locally based organisations such as the Real Junk Food in Leeds which distributes food to affordable cafés
- **Distribution** – the supermarkets emphasised how they are keen to keep working with local authorities to ensure that delivering stock creates minimal impact on the road network or on residential properties at antisocial hours
- **Environmental standards** – supermarkets are making efforts to minimise vehicle emissions, using engine modern technology and maximising vehicle capacity. Some of the supermarkets are looking to develop plans to gradually phase out diesel use and replace with gas. The majority of the stores and depot buildings the stores use are rated Very Good or Excellent against BREEAM and the supermarkets have significant targets to increase energy use from renewable sources

### 3. Recommendations

The most significant outcome of the session was the establishment of a productive dialogue between the supermarkets and Bristol City Council, a dialogue that is essential to be able to address the issues the Commission looked at and of mutual benefit to both parties. For most of the supermarkets this was the first time they had had this sort of interaction with the City Council and Waitrose and Co-op indicated how they would like it to be the beginning of a regular and structured dialogue.



The forum for this dialogue needs to be assessed. There are nearly 400 local authorities in the country so there was discussion on the day about how to utilise existing networks such as the Local Government Association, WRAP (the organisation which oversees the Courtauld Commitments) or the Core Cities Network that does have a working group looking at waste.

The session emphasised the breadth of activity the supermarkets create with their operations and the significance of their role in the city. Establishing a strong dialogue is essential in order to address the asks local authorities have of supermarkets and equally the asks the supermarkets have of local authorities.

The City Council can employ enforcement levers to make supermarkets perform in certain ways but by working together through increased dialogue the idea is that these levers would not be required.

#### **4. Next Steps**

Since the 22<sup>nd</sup> February Bristol City Council has signed up to Courtauld 2025, an ambitious 10 year voluntary agreement that brings together a broad range of organisations involved in the food industry to make food and drink production, and consumption, more sustainable. The majority of the major supermarkets are signatories which is another positive factor in developing and maintaining dialogue moving forward.

On the 29<sup>th</sup> February Bristol City Council officers attended a Core Cities waste working group, in Sheffield. Officers raised the prospect of the group engaging with the supermarkets to embrace the reciprocal value of increased dialogue between the two parties and to discuss how that group, working with the supermarkets, can support reductions in packaging and other related issues.

The Core Cities group expressed significant interest in engaging with the supermarkets and invited Waitrose and the Co-operative to attend a future meeting with both agreeing to attend the next working group in July 2016. Officers attending will feed back any outcomes from the July meeting.

#### **5. Appendices**

Appendix I – Question list

Appendix II – Supermarket responses



## Bristol City Council Neighbourhoods Scrutiny Commission

22<sup>nd</sup> February 2016

Questions for Supermarkets about Food and Packaging Waste and Associated Issues

### Initially:

1. Please set out the national policy of your company with regards to waste and food waste reduction. (NB please explain where local branches have scope for local variations and where the national policy takes precedence).

### Packaging / Waste reduction / Processes:

2. With reference to the British Retail Consortium target to reduce waste sent to landfill to 1% by 2020, please comment on the progress your company is making towards this, include:
  - information on customer advice provided on recyclability of packaging
  - progress on redesigning packaging to achieve savings in weight/volume and developing reusable packaging
  - encouraging suppliers to reduce excess packaging and ensure recyclability
  - reducing packaging for products purchased online
3. Dealing with waste:
  - How do you store waste on site?
  - Who collects your waste?
  - How / where is your waste treated?
4. What specifically are you doing to reduce the proportion of your products sold in black plastic packaging (which is not accepted by most recycling services because it cannot be optically sorted?? Do you have a plan to reduce this to zero over a specified time period?

### Food Waste:

5. Outline the work you are doing with farmers and producer groups to tackle food waste and losses in agriculture.
6. What are your practices in terms of proactive discounting of products as they reach the end of their shelf life?
7. What is your policy around promoting multiple purchases and smaller packs to meet customers' needs?
8. Do you make donations to food banks? If so, how often, and to which organisations? And what is your target for food redistribution in 2016?
9. How do you deal with surplus food (i.e. food suitable for human consumption which would otherwise go to waste)?
10. Do you work with organisations such as FareShare, FoodCycle etc? Please provide details.
11. How is food waste (i.e. food not suitable for human consumption) dealt with and what alternatives to anaerobic digestion have you explored?



12. Outline any ongoing work reviewing current specifications for produce, and opportunities to improve storage and transportation in the early stages of the supply chain.

13. How do you determine the shelf life of your products?

14. What is your policy regarding small or misshapen fruit and vegetables?

**Distribution issues:**

15. How is food brought into and moved around the city?

16. What is the impact of this on air quality?

17. How do you break down your loads into smaller ones to facilitate easier transport?

18. What are your access arrangements for local suppliers? Do you collect products from local suppliers or must they deliver the products to you?

19. What is your policy on deliveries during antisocial hours (where there are nearby neighbours) and impacts on rush hours and bus lanes?

20. Do you send freight by rail? Do you use electric vehicles, or other low emission?

21. How have you responded to limitations on vehicle size, emissions and access times from other local authorities?

22. At your depots, what are your BREEAM ratings? What is your EPC rating?

**Recycling credits:**

23. Do credits from the recycling points in your car parks go to the local authority, or are they kept by your company?

**Other issues:**

24. What steps are you taking to reduce energy demand and to switch to renewable energy?

25. What steps are you taking to develop the circular economy?



### Supermarkets – Dealing with Waste: Evidence Session (Agenda Item 9)

The Scrutiny Commission held an evidence session concerning the role of Supermarkets in dealing with waste. The following supermarket representatives were in attendance:

Iain Ferguson, Environment Manager, Commercial Team – Food Policy, The Co-operative (IF)

Quentin Clark, Head of Sustainable and Ethical Sourcing, Waitrose (QC)

Councillors asked a series of questions to the supermarket attendees (a copy of which is held in the Minute Book).

Members also received the following paperwork in relation to the hearing (copies of both also held in the Minute Book).

- (1) A Table of Responses Received From Supermarkets to Written Questions (including a late response from Aldi)
- (2) A context note which provides some background on the voluntary agreements that supermarkets sign up to in order to tackle waste reduction.

In response to each of the questions asked, the following responses were given:

Please set out the national policy of your company with regards to waste and food waste reduction. (NB please explain where local branches have scope for local variations and where the national policy takes precedence). Cllr Fodor

**Iain Ferguson (IF): Our ambition is that no food should ever be thrown away. There had been recent redistribution trial with a charity (Real Junk Food Project) in some smaller stores. It was hoped to roll out this approach across all stores.**

**Quentin Clark (QC): A holistic approach from food to plate was the approach being taken by Waitrose to this issue. As part of a waste hierarchy, it was anticipated that there would be a reduction in the amount of waste for customers following a reduction at an earlier stage to store partners. Waitrose had adopted a “no waste, no food waste to landfill” policy since 2012 – all waste went either to AD (Anaerobic Digestion) or if possible as animal feed.**

Supplementary Question: What is your business approach to balancing maximum sales with minimum wastage?

**QC: Wastage was a cost to the Company. Crops were grown in a way that will minimise surplus, although there would always be some surplus due to climactic conditions. A large number of staff were employed in calculating an ordering algorithm to match demand with supply. In addition, there was an automatic ordering process when certain products were low ie bagged bananas.**

**IF: The Company operated performance indicators for sales and waste. Work had previously been**



**carried out on a project concerning the entire supply chain for potatoes and a similar one was completing concerning bacon.**

Packaging / Waste reduction / Processes:

With reference to the British Retail Consortium target to reduce waste sent to landfill to 1% by 2020, please comment on the progress your company is making towards this, including:

- information on customer advice provided on recyclability of packaging
- progress on redesigning packaging to achieve savings in weight/volume and developing reusable packaging
- encouraging suppliers to reduce excess packaging and ensure recyclability
- reducing packaging for products purchased online. Cllr Negus

**QC: Waitrose had a business target to halve all waste by weight by the end of 2016 as compared to 2005 and were currently on track to do so. However, this approach needed to go hand in hand with recyclability as heavier products were sometimes more easy to recycle than lighter ones.**

**IF: The Co-operative had achieved their targets in this area. Since targeting packaging reduction can increase waste in other ways, the approach was to aim for zero carbon production increase.**

Follow-Up Question (Councillor Negus): Is there any common learning between supermarkets?

**IF: Yes, there is regular contact and discussion between supermarkets.**

Dealing with waste:

How do you store waste on site?

Who collects your waste?

How / where is your waste treated? Cllr Harvey

Supplementary Question: Is all of your various types of packaging disposed of locally to each store?

**IF: All waste goes back to depots. Food waste is packaged and de-packaged and treated in AD. The aim is to gain full value for recycled material. A shrink-wrapped joint would be vacuum-packed to give extra life. However, the process was not popular for some products, such as park chops because colour changes in the process.**

**QC: Waste was consolidated into 5 different types. The use of clean segregation added value to the process. There was a different solution for different places. If it was necessary to use Anaerobic Digestion (AD), the process was kept as local as possible to avoid large transport costs. It was Waitrose's intention to transition to plastic wrap for meat packaging which would take a few years.**





Supplementary Question: Specifically, what are you doing to reduce the proportion of your products sold in black plastic packaging (which is not accepted by most recycling services because it cannot be optically sorted). Do you have a plan to reduce this to zero over a specified time period? Cllr Denyer

**QC: Foil was being used as a replacement. In addition, trials were being run on infrared plastic. The reason for the use of plastic trays was the design. Laminated card had proved difficult to use. However, plastic could be used as a fuel. Black plastic was harder to recycle. This was due to the complexity of using the MURF to set up the APET plastic trays. There were a large number of polystyrene trays that could be recyclable but they need to be recycled at the MURF. Waitrose had a target to achieve 90% kerbside recycling by 2020.**

**IF: Foil was also being used by the Co-operative. There were 290 Local Authorities who were collecting plastic trays. If there was consistency, this would help to drive a solution. However, at the moment, this was a problem. However, it was acknowledged that the use of a design to solve an immediate problem was not a long-term solution. The Co-operative had a target for all packaging to be recyclable by 2020. However, this was a big challenge and would require a great deal of work with Local Authorities, WRAP and other organisations.**

Supplementary Question: What is your Company Policy on sourcing fresh food – do you have a local solution?

**QC: Waitrose sourced from around the world. However, with the exception of New seasonal Zealand lamb, all primary agricultural products (ie fruit, vegetables, livestock, eggs etc.) were from the UK, such as chicken sourced from East Anglia and Northern Ireland and beef sourced from Dovecote Park. The Company operated with very few suppliers and with very short supply chains.**

**IF: 8 depots deliver to UK regions in a patchwork of local authority recycling provision. Where we have been able to match this patchwork of provision is with compostable carrier bags, made from starch based polymer for second use as a food waste caddy liner, available in selected stores where the local authority accepted them for food waste collections.**

What is your policy around promoting multiple purchases and smaller packs to meet customers' needs? Cllr Fodor

What are your practices in terms of proactive discounting of products as they reach the end of their shelf life? Cllr Negus

**IF: The customer was looking for products that will save money for them. However, providing food for single people was a challenge because of different portion sizes for different sized people. In response to a question concerning multiple purchases, there is no evidence that this leads to increased waste. However, it does make sense that it would. We don't do BOGOF's on perishable goods, using mix and match across ranges. Shelf life varied on a case by case basis, based on science – for example, the shelf life of skin packed steaks had recently been extended from 10 days to 17 days following microbiological testing. The Co-operative had stopped using display until dates some time ago to avoid confusion.**



**QC: The previous Company policy of “buy one get one free” did not operate any longer, apart from dishwasher tablets where there would be no waste. Shelf life is critical in this situation. Used by dates were assessed according to the bacteriological performance of food with standards set by the Food Standards Agency. Best before dates were based on stock rotation and were just a guidance for quality. Products were marked reduced to clear prior to the used by date being reached. The process after this was as follows: discount to staff, food share and then AD but not usually cattle feed as DEFRA had very strict rules governing this.**

Do you make donations to food banks? If so, how often and to which organisations? And what is your target for food redistribution in 2016? Cllr Negus & Cllr Milestone

What targets do you have to redistribute to Fair Share?

**IF: There is no national scheme by the Co-operative for food banks. Redistribution takes place where possible with Fair Share. A scheme in Leeds called Real Junk Food uses surplus food in store to affordable cafes. The Co-operative’s policy was to avoid surplus wherever possible but where this was not possible, they delivered to Fair Share. Products were discounted to staff, sent to Food Share and then to AD. Animal feed was a problem because of regulation. It would only be suitable for one or two products such as sliced bread, which actually produces relatively little waste.**

**QC: All stores share food banks working with the Trussell Trust. Each store had a local relationship ie Clifton with the Food café, the Salvation Army etc. All retained food was subject to AD (Anaerobic Digestion).**

Councillors noted that the policy on food donation was likely to vary between supermarkets.

Do you recognise the process of gleaning? What do you do with food which is no longer suitable for human consumption? (Councillor Negus)

**QC: Waitrose used a series of awards entitled “Project World” to promote the collection of leftover crops after they’ve been commercially harvested. However, this practice would never be able to resolve the problem due to climactic variations. Freeganism (the practice of reclaiming food from shops) was becoming a fashionable practice but there were other key issues to consider, such as the problems caused by the failure to store food appropriately. A variety of processes were used to deal with food that is no longer for human consumption including sending to zoos.**

**IF: The Co-operative is looking at the Real Junk Food Project as a way of dealing with this but before the food is no longer suitable for consumption.**

How is the amount of waste reduced? Cllr Hickman.

How is food waste (i.e. food not suitable for human consumption) dealt with and what alternatives to anaerobic digestion have you explored? Cllr Negus

How do you deal with surplus food (i.e. food suitable for human consumption which would otherwise go to waste)? Cllr Negus



**QC: Waitrose had done its best using techniques such as partner shopping. The Company sold approximately £6.5 Billion of food a year. The amount that went to AB was a very small amount of this – approximately half of 1%.**

**IF: It is expensive to get rid of waste by AD. The Company would prefer to use as much food as possible for human consumption. Food waste is only 1% of the total food waste in the UK.**

Outline any ongoing work reviewing current specifications for produce, and opportunities to improve storage and transportation in the early stages of the supply chain. Cllr Negus

What is your policy regarding small or misshapen fruit and vegetables? Cllr Milestone

**QC: Waste is not in the interest of the Company or of farmers. However, waste needed to be reduced in all its forms – for example, the cost of diesel in tractor fuel when sheep could be used instead. There may be particular solutions for certain types of crops – for example, the “Less Than Perfect” carrot packs which is part of a range of vegetables packed in a particular way outside the normal specification. In this instance, the focus is on an agricultural surplus at the rate of production which enables the farmer to have some growing and sorting costs enhanced by avoiding the manual processing of the different type of vegetable that can lower the retail return. Normally, vegetables would be sent form stock feed with the supply chain expert assessing what could go to the retailer.**

Certain techniques would be used by the farmers to grow parsnips and carrots on stony ground. However, if a product was frost-damaged (ie weather-shaped apples and pears), these were sold as a separate pack. If necessary, these could be sold as cider or fruit juice, although this was not preferred since it needed to be sold at a lower price. Farmers wanted the best produce possible to maximise income.

**IF: The Co-operative were now planning to provide “wonky veg” but this is to meet customer demand. Produce specifications had been relaxed in some years to continue with supply eg when we had excessive rainfall in 2012 which prevented harvesting.**

How is food brought into and moved around the city? Cllr Negus

**IF: This depends on the street where the delivery is being made. Many stores are in residential areas with difficult access.**

**QC: this was provided by articulated trucks, diesel vans and through trucks providing home delivery. Four vehicles a day delivered to the shop at Westbury Park. At the Clifton store there was a single vehicle delivering at 6pm in the morning.**

**IF: The Co-operative did not provide a home delivery service.**

What is the impact of this on air quality? Cllr Negus

Supplementary Question: Do you have a policy of home delivery with vehicles more appropriate to local streets in terms of air pollution and physical impact?



How do you break down your loads into smaller ones to facilitate easier transport? Cllr Negus

**QC: Euro 6 trucks were used which created very low emissions. Some electric vans were used but were in development. Hydrogen had been considered as an option but there was a problem with energy balance and, therefore, they were not favoured for use at the moment. Battery trucks were not practical for use. A fleet of vehicles was being developed using a bio gas cleaner and phasing out diesel in favour of gas. The difficulty with electricity was the energy density since the battery size was too big for lorries unlike cars. Separate compressors were used to reduce emissions.**

**IF: Euro 6 trucks were used from Avonmouth and operated at less than 5 years old. It wasn't yet clear if gas was being considered as an option but he could find the answer and advise officers accordingly. Deliveries are on mixed load vehicles – a mixture of chilled and ambient product. He noted that the Avonmouth distribution depot could be used to break down products into smaller sizes for –potential transport in smaller vehicles ie electric vehicles. Whilst the Company used its own depots, it would be useful to obtain further information concerning this.**

What are your access arrangements for local suppliers? Do you collect products from local suppliers or must they deliver the products to you? Cllr Fodor

**IF: The Co-operative uses local suppliers for some products. Arrangements for delivery or collection would be made with individual suppliers to suit both parties.**

**QC: Waitrose operate on a case by case basis. Collections are kept centralised to have fewer vehicle movements and better quality. However, often local suppliers cannot supply what is required (ie fresh products every day) and not a large amount at one time as local suppliers often did.**

What is your policy on deliveries during antisocial hours (where there are nearby neighbours) and impacts on rush hours and bus lanes? Cllr Fodor

**IF: The policy varies on a store by store basis.**

**QC: Deliveries took place between 8pm and 12pm and 5am to 7am. Whilst it was preferred to carry out deliveries when the roads were quieter, there were situations when this needed to take place during rush hour.**

Do you send freight by rail? Do you use electric vehicles, or other low emission? Cllr Milestone

**QC: Delivery by rail was difficult. Some citrus fruits were moved by rail to Scotland. Rail was frequently not suitable as many deliveries needed to be temperature sensitive in cities since the same lorry would frequently deliver different types of food, as well as fresh, chilled or frozen food.**

**IF: The Co-operative used the food distribution depot in Avonmouth. Members were free to visit this whenever they wanted.**

How have you responded to limitations on vehicle size, emissions and access times from other local authorities? Cllr Negus



Can we tailor these to the requirements for Bristol? Cllr Negus

**QC and IH: Both organisations indicated that they will comply with any regulations within which they were required to operate.**

**QC: Local organisations were urged to delay decisions on clean air until work had been completed concerning Euro 6 and Gas Trucks and co-ordinated to avoid a knock-on impact ie increased traffic moving to Bath.**

**IF: Local Authorities were requested to provide a good period of notice to allow supermarkets to take action.**

At your depots, what are your BREEAM (Building Research Establishment Environmental Assessment Methodology) ratings? What is your EPC rating? Cllr Milestone

**IF: Avonmouth was very good in terms of BREEAM and had an A rating EPC.**

**QC: Waitrose was working to obtain an Excellence Value BREEAM which would result in a green EPC (ie high rating). Most stores provided water or, in due course, cooled water. HCFC's were being phased out.**

Do credits from the recycling points in your car parks go to the local authority, or are they kept by your company? Cllr Morris

**QC and IF: There were no recycling credits. However, if there were, they would be happy for these to be provided to Local Authorities.**

**QC: Recycling points were normally owned and operated by charities. Fly recycling points operated in Waitrose car parks. However, often what was obtained in them was not what was required and this was not a satisfactory situation.**

What steps are you taking to reduce energy demand and to switch to renewable energy? Cllr Negus

**QC: Waitrose currently only used Green Electricity. Green Gas was not yet available. Energy reduction was important - the biggest drain was lighting in all LED and refrigeration units (Air Conditioning and Cooling). Bio boilers were used to provide stores with bio heat. Standard BREEAM operated in respect of insulation. There had been an increase in car charging points but its future success would depend on the future of electrical vehicles.**

**IF: The Co-operative are on track to reach a 25% renewable objective for micro electrical regeneration. A fourth wind turbine has recently opened. LED lighting and doors on fridges were used as standard to reduce energy.**

What steps are you taking to develop the circular economy? Cllr Fodor

**IF and QC: Both supermarkets were involved in the Courtauld commitment.**



**QC: Waitrose operated a bio gas loop with cardboard and plastic recycling and also extensively using returnable plastic crates. Reverse vending was being considered for some products such as water cartridges. However, this would be considered on a case by case basis – it was not yet proposed to replace kerbside recycling. Whilst a closed loop brewery had been considered, there were currently no breweries using recycled bottles. My role is to develop innovative solutions in this type of area.**

**IF: It is difficult to use refill for food for hygiene reasons – attempts had been made with fabric conditioner but customers had found it too messy. Whilst business wanted to do the right thing, the customer needed to buy into it.**

Co-operative stores operated longer hours than Waitrose. Did this pose any problems? Is Fair Trade used for local sourcing? Cllr Milestone

**IF: None of our stores operate for 24 hours but the long hours do present challenges for some areas such as food waste. Fair Trade was not usually produced locally. However, there was more Fair Trade operated by the Co-operative for its size than other retailers. A great deal of the circular economy work took place through bodies such as WRAP.**

**QC: Waitrose operated an extensive Fair Trade business such as teas, coffee, bananas and sugar. However, the Company was careful to maintain a balance between Fair Trade and championing British produce. Our company would be interested in innovating in any areas that work.**

Are vehicles left running during your deliveries? Cllr Morris

**QC: Waitrose used plugged in compressor fans rather than vehicles. The preferred option for the company was less delivery times with bigger trucks.**

When was the first time you were involved in discussions with Bristol City Council about these issues?

**QC and IF: This was the first time that we have been involved in discussions. Both companies were eager to make this meeting the beginning of a regular and structured dialogue. However, it was noted that there were 391 Local Authorities operating across the country on a regional basis. Organisations such as WRAP or the LGA should provide mechanisms for this. It was also noted that there was a Core Cities Network that discussed waste.**

Are all major supermarkets signed to Courtauld 2025?

**IF: They were not signed at the moment but it was likely they would all sign. Aldi had currently signed.**

There was often a wide ranging consensus between retailers. However, in some areas such as compostable carrier bags there had been a difference of view as a result of which the BRC had reflected the Co-operative view within a report to DEFRA as being “from one of our members”.



**1. Please set out the national policy of your company with regards to waste and food waste reduction. (NB please explain where local branches have scope for local variations and where the national policy takes precedence)**

**Co-op**

At the Co-op, we have an ambition that no food fit for consumption will be thrown away and we have been working hard to try and reduce the amount of food waste that we produce as a business, but we appreciate that we still have a long way to go. We have recently introduced a new depot level redistribution programme, which last year, enabled us to increase the amount of surplus food we send to the leading redistribution charity FareShare by over three times compared with 2014 (300 tonnes in 2015 vs 85 tonnes in 2014). We have worked with FareShare for a number of years, but this is a step change which helps us reduce food waste and gets food to people that are in need.

We are committed to reduce the waste created by our 2,800 strong store estate, and we are currently discussing opportunities at back of store with a number of redistribution charities. By law we are not able to sell or redistribute any produce which has passed its 'Use-By' date – it's classed as a food safety risk – and it has been our policy for many years to apply the same rules to 'Best Before' dates – despite these dates being just an indicator of quality.

We are currently reviewing our position on those products that have reached their Best Before date – there are now a number of charities throughout the country that have much better understanding of food 'waste' and how to use it to feed others and as an ethical retailer we want to work with these organisations and play a greater role in helping to address the growing problems of food waste and poverty.

Since 2014, we have been backhauling waste from our stores with a separate stream for card and polythene film which are sent for recycling. We also separate out food waste and dry mixed recycling. We do not send any food waste to landfill, it all goes to Anaerobic Digestion (AD) to produce energy and compost, and we continue to explore options to reduce any reliance on AD.

We are currently undertaking a number of projects to reduce waste, including depot and store redistribution, extending the shelf life of products, packaging recycling, waste backhauling and colleague training by WRAP for enable them to deliver community engagement activity on food waste.

**Asda**

As a responsible retailer, Asda is committed to eliminating waste across our business. We follow the waste hierarchy and through reducing, reusing, redistributing, recycling and recovering, we've already reduced the amount of waste we send to landfill to 98.9%, with 100% of our food waste being diverted from landfill. We have an ambitious target of zero waste, and we're working hard to achieve it.

We are signatories of the Courtauld 1, 2 and 3 agreements on reducing waste and we are part of the IGD Efficient Consumer Response waste working group. In addition, all of our stores have Key Responsibility Area targets to reduce waste and we continue to work with both the Waste and Resources Action Programme (WRAP) and Love Food Hate Waste, in order to help our customers reduce the amount of food they throw away.

We also work alongside our suppliers and the charity FareShare to redistribute surplus food from our depots, and continue to look at ways in which we can help our farmers to reduce their own waste, whether through relaxing product specifications, ensuring out-of-spec produce goes into further processed products like ready meals, or including produce in our Wonky Fruit and Veg range, which we are currently trialling across the country.

We reuse our George clothing hangers as many times as possible but once they can't be used any more, we recycle them. Like our hangers, we don't want any of our great George clothing to go to waste. So anything that



is damaged or returned and isn't fit for sale is donated to the UK charity Newlife Foundation for Disabled Children. Newlife can re-use, sell or recycle garments in order to raise money to fund specialist medical equipment for terminally ill and disabled children in the UK.

All our cardboard and plastic from stores is recycled. Some of our recycled plastic makes its way back in to store as our bags for life. Plastic isn't the only thing that gets reused – our cooking oil from the restaurants and rotisseries is used to make biofuels.

## **Lidl**

We have developed and implemented a range of detailed waste management procedures for our stores and regional distribution centres to ensure waste is appropriately stored and segregated, waste generation is minimised and recycling/recovering rates are maximised.

## **Morrisons**

Morrisons is different from other retailers because we make as well as sell food. This gives us unrivalled opportunities to reduce waste in the supply chain and pass savings to customers.

We buy and process crops and animals direct from Britain's farmers. Owning our own manufacturing and packing facilities means the food we source is sent to stores or used in our own brand ranges – with very little potentially edible food going to waste.

Our efforts to reduce waste do not stop once food reaches stores. We prepare more food in store than any other supermarket and our butchers and fishmongers can prepare exactly the cuts our customers want – whatever the size.

In store, through careful stock management and discounting products close to their best before date we are minimising the level of food that ends up as waste. We also work with charities to put this surplus food to good use in local communities. Each store is able to work with its own local connection.

We make life easier for customers by providing guidance on how to keep food fresher for longer. Storage advice appears on packaging, online and in our regular magazine, helping customers reduce food waste and save money.

We are long time participants in WRAP's Love Food Hate Waste campaign which offers practical advice for consumers and can help save money.

## **Tesco**

As one of the world's largest food retailers, we're concerned that so much food is being wasted. For every two tonnes of food we eat, one tonne is being thrown away - either on farms, in stores, or in our homes. Not only is this putting massive pressure on our resources and the environment, but it costs British families around £700 each year.

We want to make it easier for everyone to reduce food waste, including our customers, colleagues and suppliers. We believe that it's our responsibility as a global retailer to take a lead on this issue and use the EU Waste Hierarchy to guide our principles on waste management.

As will be demonstrated throughout this document, we go through a sequence of activities to try and limit food waste. Where possible we send surplus food to feed people in need, through schemes such as our FareShare FoodCloud programme. The next best solution is to use surplus food to feed livestock, which is what we do with our bakery waste.

Wherever practically and economically possible, we segregate recyclable materials such as cardboard, plastic and metal for reuse. Where segregation is not practically possible, we send mixed waste to be converted into energy or for the production of Refuse Derived Fuel (RDF). We divert 100% of our operational waste from





landfill.

We employ a national policy on waste management, for ease of communications, compliance purposes and to ensure auditability across our c.2,500 stores. This has been adapted to meet new requirements in the devolved nations (e.g. in Scotland and Northern Ireland, which have introduced food waste segregation at source).

## Packaging / Waste reduction / Processes

**2. With reference to the British Retail Consortium target to reduce waste sent to landfill to 1% by 2020, please comment on the progress your company is making towards this, include:**

- **information on customer advice provided on recyclability of packaging**
- **progress on redesigning packaging to achieve savings in weight/volume and developing reusable packaging**
- **encouraging suppliers to reduce excess packaging and ensure recyclability**
- **reducing packaging for products purchased online**

### Co-op

Our reuse/recycling rates have increased significantly over the past two years, reaching 95% in 2014. These improvements have largely been made due to backhauling waste from our Food stores to regional depots.

Having rolled out waste backhauling across our food store estate, we will continue to drive up recycling levels and reduce overall waste striving to achieve zero waste to landfill.

#### ***Information on customer advice provided on recyclability of packaging***

We use the On Pack Recycling Label (OPRL) labelling to indicate recyclability on our packaging. We feel that this is the best that is available as it reflects the disparate nature of UK waste collections.

#### ***Progress on redesigning packaging to achieve savings in weight/volume and developing reusable packaging***

Since the start of the Courtauld Commitments back in 2006, we have progressively reduced the weight of the packaging that we use. We have been a leading user of lightweight wine, beer and spirits bottles which had delivered significant weight reductions.

We were involved with the 2010 WRAP project to develop a system to dispense fabric conditioner in reusable containers. The system was trialled in 5 ASDA locations around the UK for a minimum of 5 months. Although initially there was significant uptake, this dropped dramatically after 2 weeks and the sales did not pick up again. We therefore believe that although customers say that they would like to see reusable container systems, the reality appears to be that they do not use them.

#### ***Encouraging suppliers to reduce excess packaging and ensure recyclability***

We set out our aims for packaging reduction and packaging recyclability in our Packaging Policy which is reviewed regularly.

We also engage with local authorities directly via LARACS, the recycling industry directly and via CIWM and RECOUP, and manufacturers of products and packaging to understand recycling issues and how we can help address them in our packaging design and selection. We also use the information that we gather to help to set the criteria for the OPRL label.

We get involved with WRAP projects to help to improve recycling and recyclability.

We are also looking at ways to simplify the pots, tubs and trays that we use to make it more attractive for local authorities to collect them for recycling which will involve some technical work on heat seal layers and colours.

We have started a programme of engagement with our major suppliers of Co-operative brand products to ensure that we do not cause other problems with product safety and shelf life.



### **Reducing packaging for products purchased online**

We do not sell Co-op food produce online

#### **Asda**

Whether it's recycling cardboard, reusing fixtures and fittings, donating clothes and food or creating energy from waste, we view all waste as a resource and reuse, recycle, redistribute or recover wherever we can.

In 2015, we diverted 98.9% of waste away from landfill. We know that we still have work to do to reach our zero waste target. Our team are working hard, training colleagues, reviewing processes and looking at product composition and recycling methods to understand what more we can do.

#### **Lidl**

**Information on customer advice provided on recyclability of packaging.** We provide recycling information on the back of packaging if space allows, either by standard UK graphics and text, or text only.

**Progress on redesigning packaging to achieve savings in weight/volume and developing reusable packaging.** Our buying teams negotiate product packaging format and materials. Packaging reduction in conjunction with increased likelihood of product damage is considered during negotiation.

**Encouraging suppliers to reduce excess packaging and ensure recyclability.** Through negotiations we encourage our suppliers to continually improve products this includes expectations to use appropriate levels of packaging. As set out in our Code of Conduct When Dealing With Our Business Partners '*We expect our business partners to improve and optimise their products and services and support them in doing so.*'

**Reducing packaging for products purchased online.** Lidl does not offer an online service to customers.

#### **Morrisons**

Nearly all Morrisons store waste (currently 98%) is diverted from landfill. We operate a strong reduction and recycling programme treating waste as a resource and work with our contractors to maximise reprocessing.

Since 2011, we've been moving on-pack recycling information from our old 'Recyclopedia' messaging to the industry recognised On-Pack Recycling Label (OPRL) system providing a simpler, UK wide recycling message. Our compliance team will now reject any food specifications that do not have an OPRL symbol reference on packaging, where space allows.

As part of every new product development, we aim to reduce the environmental impact of our packaging. Our aim is to optimise packaging, increase recycled content, improve recyclability and improve our customer recycling messaging on pack where possible.

#### **Tesco**

Tesco has signed up to the 'On Pack Recycling Logo Scheme'. This informs consumers of the likelihood of their packaging being collected for recycling purposes. The scheme use the following terms to guide consumers:

- 'Widely recyclable' – where over 75% of local authorities will collect for recycling
- 'Check local recycling' - where between 20% and 75% of local authorities collect for recycling
- 'Not currently recyclable' – where less than 20% of local authorities collect for recycling

We use the above scheme to measure our performance on recycling. In 2014 we reported our performance as follows:

- 79% 'Widely Recycled'
- 14% 'Check Local Recycling'
- 7% 'Not Currently Recyclable'

Our aim is to continue to improve these figures although our performance is dependent on the ability of local



councils to offer recycling services, which varies considerably.

### **Progress on redesigning packaging to achieve savings in weight/volume and developing reusable packaging**

Our data shows that, over the past seven years, we have continuously reduced the weight of packaging transiting through our business. This has been supplemented by other measures, such as introducing returnable crates into our supply chain.

### **Tesco performance on reducing packaging weight since 2007**

It is important to ensure that, in reducing the weight of our packaging, we do not inadvertently increase damage to products and, as a result, generate more food waste in our supply chain.

We are delighted to be signatories to the voluntary Courtauld Agreement and partners of the Waste & Resources Action Programme (WRAP). We report our performance against various sustainability criteria. These include:

- Food waste in stores
- Food waste in the home
- Carbon impact
- Packaging weight
- The use of recycled content in plastics
- Recyclability
- The amount of paper and board sourced from FSC or PEFC forest sources (a measure of sustainable forest management)
- The use of recycled board

We support and deliver against the objectives set by WRAP. Last year, we were delighted to find out that we had over delivered against these objectives.

### **Encouraging suppliers to reduce excess packaging and ensure recyclability**

We employ a range of options to help suppliers reduce excess packaging. We are confident that these options are industry leading.

As a business we brief all our direct suppliers on our packaging requirements, as part of a Product Development Process. This includes providing guidance on optimising packaging weight and the materials we recommend. We also work directly with key packaging suppliers, who supply our direct suppliers, to provide guidance on the innovation we're looking to see in the realm of product packaging and the recyclability technologies available to suppliers.

Tesco employs a Packaging Manager who is a qualified Chartered Environmentalist and can offer professional guidance on packaging waste. We have also set up a 'knowledge network', a system which enables us to communicate with our global supply base on matters pertaining to packaging and food waste, through various discussion forums. This forum encourages our suppliers to talk to one another, sharing case studies and promoting best practice in a non-competitive environment.

### **Reducing packaging for products purchased online**

Our online purchases are delivered in returnable green trays. In order to encourage our online customers to think more environmentally, we provide them with the option of not having their goods delivered in plastic bags. Elsewhere, the same improved packaging that is available for our customers in store is made available online.

## **3. Dealing with waste:**

### **- How do you store waste on site?**



- **Who collects your waste?**
- **How / where is your waste treated?**

### **Co-op**

We operate a backhaul process which aligns with our store deliveries. The same vehicles that deliver goods to store collect our segregated store waste.

Biffa collects our backhauled, segregated, bulked-up waste from each of our depots around the UK for further processing.

As part of the Courtauld commitment, information on the destination of waste is reported on an annual basis to WRAP.

### **Asda**

Recyclables are reversed back daily. General waste is either put in a compactor for a large store, or bins for a smaller site and collected when needed. We work with a number of waste management companies with a full duty of care process in place.

We have 10 recycling points in the UK: Falkirk, Washington, Skelmersdale, Bedford, Wakefield, Erith, Lutterworth, Magna Park, Rochdale and Bristol. Last year alone we recycled over 180,000 tonnes of card and plastic across these centres. Our recycling centres sit right next to our distribution centres. Asda delivery trucks take waste from local stores to their nearest recycling centre after dropping off their products. This approach cuts our road miles, saves fuel and money, and reduces pollution.

### **Lidl**

#### **How do you store waste on site?**

Store: Cardboard bales, plastic wrap bales, general waste and food waste are segregated and stored on internally on store premises.

Distribution centre: All waste streams received from stores are further segregated in to food wastes, cardboard bales, plastics and general waste. Each waste stream is stored large dedicated skips.

#### **Who collects your waste?**

Store: All store waste is collected by our goods in deliveries and returned to our distribution centres, utilising the reverse logistics approach.

Distribution centre: Various contractors are used to collect the following segregated waste streams from our distribution centres:

- Cardboard bales
- Plastic bales
- Anaerobic digestion waste
- Wood waste
- Scrap metal
- General waste

Local contractors are used where possible to minimise transport impact.

#### **How / where is your waste treated?**

Cardboard: Recycled

Plastics: Recycled

Food waste: Anaerobic Digestion/Charitable donations

General waste: Landfill



Waste is collected and processed/recycled at regional facilities by a third party contractor. We work closely with our various waste contractors ensuring, where economically possible, we send zero waste direct to landfill. We have operated this policy for a number of years.

### **Tesco**

Our waste storage facilities vary depending on the type of waste being stored in them, the size of the waste site in question and the volume of waste. Some of our waste is collected directly from stores while some is transported to a consolidation point in order to be collected in bulk by the waste collector.

All our waste storage processes are approved internally by our Operational Risk Team and externally by either our Primary Authority contact or other relevant authority (e.g. APHA for animal by- products).

We tailor our waste storage facilities to suit the type of waste.

The waste contractors we work with vary, depending on the waste stream. Similarly, how the waste is treated will vary depending on the waste stream. For example:

- Cardboard waste is sent to a UK paper mill and recycled back in to boxes
- Plastic waste is sorted in to different polymers and recycled (the majority of it being reused in carrier bags)
- Bakery waste is reprocessed in to animal feed
- Used cooking oil/chicken fat is reprocessed in to biodiesel
- Food waste that is not suitable for our charity donation programme (FareShare FoodCloud) is send to anaerobic digestion for the production of energy
- Mixed recycling waste is sent to Materials Recovery Facilities (MRFs) for sortation
- General waste is sent to Energy From Waste
- Since 2009 we have diverted all operational waste from landfill

### **4. What specifically are you doing to reduce the proportion of your products sold in black plastic packaging (which is not accepted by most recycling services because it cannot be optically sorted?? Do you have a plan to reduce this to zero over a specified time period?**

#### **Co-op**

We have been involved with WRAP's work on making black plastic detectable as we believed this would offer a solution to the problem. We have carried out our own investigation which shows that of the 290 local authorities collecting pots, tubs and trays, only 14 say no to black plastic and a further 2 say no to ready meals.

When we spoke to recyclers about making black trays detectable, they told us that it would adversely impact the quality of their PET recycling.

We have been working closely with packaging suppliers to develop and bring to market card-based alternatives to black plastic trays. This is a slow process as it involves multiple requirements – food safety, compatibility with factory processes, shelf life maintenance (avoiding food waste), durability and stability through the supply chain, price competitiveness, and customer acceptance.

#### **Asda**

We only have a limited range of products in black packaging. We are awaiting results from new trials to understand further changes we can make.

#### **Lidl**

We do not use black plastic packaging in our operations. Waste returned from our stores is stored in clear or clear yellow plastic liners.

#### **Morrisons**

Products contained within black packaging are listed below:



- Black RPET – used within cake shop, platters, sandwiches is made from recyclable material and is recyclable
- Black Linpac Expanded Poly Styrene (“EPS”) - butchery trays are not currently recyclable
- Black multivac - Manufacturing production - shelf ready packaging for butchery and fish products

We currently have no immediate plans to reduce the number of products sold in black plastic packaging, but will continue to keep this under review.

### **Tesco**

The majority of our ready meals range is now packaged in non-black plastic trays.

We are working with other retailers on the manufacture of black trays which incorporate a material which can be sorted optically, in order to increase the likelihood of it being recycled. For more information see here:

<http://www.foodmanufacture.co.uk/Packaging/Black-CPET-now-in-recycling-mix>

It is worth noting that current black packaging or ‘black trays’ can be recycled into products such as wood plastic composite substitute products. The occurrence of this is dependent on the MRF.

## **Food Waste**

### **5. Outline the work you are doing with farmers and producer groups to tackle food waste and losses in agriculture**

#### **Co-op**

We have been involved in WRAP projects to look at waste issues in potato and bacon production. These have involved full process investigations from farm to shelf. Areas for action have been identified and shared with industry via the Potato Council and the Agriculture and Horticulture Development Board (AHDB) Pork.

#### **Asda**

Tackling food waste remains a high priority for Asda and we have worked hard across our agricultural supply chain to reduce waste, whether that’s by relaxing specifications to allow more crops onto our shelves, ensuring out-of-spec produce goes into further processed products like ready meals or including it in our Wonky Fruit and Veg range. By reviewing standards around superficially damaged veg, over 340 tonnes of carrots and 300 tonnes of sweet potatoes that would have previously been rejected have been put on shelf at Asda, which significantly benefits farmers.

We led the industry in introducing ‘wonky’ fruit and veg last year through our *Beautiful on the Inside* range, which trialled the sale of knobbly, but perfectly edible fruit and veg sold at a discounted price. We are currently trialling a ‘Wonky Veg Box’ in 128 of our stores, selling a range of seasonal vegetables to feed a family of four for £3.50 – 30% cheaper than standard lines.

#### **Lidl**

We are proud to have developed and maintained strong, long-standing relationships with our suppliers and work very closely with them to ensure the specifications they work towards are realistic and fair. We are fully understanding of the challenges surrounding fruit and vegetable production. We therefore take a pragmatic and open approach to specifications with our supply base. Within the context of a rapidly growing business effective crop utilisation is an important issue therefore we regularly review our product specifications with our suppliers and actively seek to reach mutually beneficial outcomes whereby the supplier can use their crop as effectively as possible and our customers can still enjoy excellent quality produce.

We are also in the process of committing to the NFU Fruit and Veg Pledge to enable us to improve our transparency and secure a range of beneficial measures for our suppliers. We hope to have this pledge committed to by Spring 2016.



## **Morrisons**

Our vertically integrated model means that at the start of the food journey, we are able to buy more fresh food *direct* from primary meat and produce producers in the UK.

We buy whole animals and where practical, we have the capability to process whole crops directly through our manufacturing facilities. This means we have to take an active approach to use more of what we buy and consequently the management and reduction of associated waste is our responsibility. By having a greater degree of control over more of our fresh UK food chain we believe we are also able to drive efficiency through flexibility from farm gate to our customers.

We work closely with our primary fresh producers to minimise waste because it is in all of our interests to do so. Our business model allows us to respond to the challenges that arise from buying, manufacturing, moving and selling fresh food.

We routinely adjust the specification of fresh produce to support changes in growing pattern, particularly following adverse weather. Recently, for example, we have changed our requirements for the width and length of our parsnips, carrots, onions, and potatoes.

Our re-branded 'wonky veg' range (was previously 'Savers') has been trialled in a selection of stores and sold separately to our standard range and is cheaper in price. Following the success of the range, 'wonky veg' will be rolled out to all stores in the UK this year. This gives us a more focussed brand to sell out graded produce when required because of seasonal variation.

## **Tesco**

In order to better understand why and where our food is being wasted we have developed Farm-to-Fork Food Waste profiles for over 25 of our most popular food products. Along with our suppliers, we are using this information to understand the real causes of food waste and to tackle the problem at source.

Furthermore, we have set up 'Agricultural Hubs' in different parts of the world, such as Europe, South America and Africa. These hubs are staffed by trained agronomists and act as our eyes and ears on the ground, providing insight on levels and causes of on farm waste.

We have also launched the Supplier Network, an online platform which shares information on the causes of food waste between us and our suppliers. It also promotes best practice in reducing food waste. Our driving purpose is to ensure that all of the edible parts of a crop are used and not wasted. We are striving to achieve this by broadening our specifications to include 'Wonky Fruit and Veg', introducing new product lines, processing, working with the food service industry and giving surplus food to charities and community groups.

## **6. What are your practices in terms of proactive discounting of products as they reach the end of their shelf life?**

### **Co-op**

Fresh products are discounted in two stages. The day before end of life, a first discount is applied, with further discount being applied on the day of end of life.

### **Asda**

Asda's number one priority is to stop waste from occurring in the first place. We reduce to clear with a 'Whoops' label on the last day of their 'use by' period, so that customers can purchase goods still in date at a reduced price. The price is established by a sophisticated order and mark-down system algorithm.

However, in order to ensure the safety of our customers, the law does not allow us to sell products beyond their use by date. Ambient products such as tinned food have best before dates (as opposed to use by dates) up to one year, which means very few remain unsold. Where this does occur, we will again look to sell the item to our customers at a reduced price. Any products, fresh or ambient, that we are not able to sell in date are then either used to produce pet food (in the case of bakery items) or to produce energy through the process of



anaerobic digestion.

### **Lidl**

When products are approaching their end of life we discount by 30% as a standard. These products are promoted by highly visible labelling and stored in a dedicated section of the store so our customers can locate them easily.

### **Morrisons**

We have a number of procedures in place to carefully manage stock levels, which include store specific sales reporting, forecasting and just in time deliveries to replenish stock. On a daily basis we require colleagues to rotate date codes when replenishing shelves, and discount products that are close to their best before date. If some products cannot be cleared through discounting then we may, in some circumstances, use them within our staff canteen or offer them at a further discounted rate to colleagues.

### **Tesco**

In order to minimise the amount of surplus food we have in store on any given day, we employ a “reduce to clear” process to incentivise customers to buy products nearing their end date. We start reviewing products the day before their ‘best before’ date. If we find we have a large amount of a product, we’ll mark them with a reduction that evening or the following morning. We then follow up with a further reduction in the afternoon if stock still remains. If the stock is still remaining near the end of the day, a final manual reduction is applied in order to clear it. The purpose of our FareShare FoodCloud store surplus distribution programme is to redistribute any remaining, unsold food to people in need.

## **7. What is your policy around promoting multiple purchases and smaller packs to meet customers’ needs?**

### **Co-op**

We have no formal policy on this. However, we don’t tend to offer multibuy on single item perishable goods. Our multibuy tend to be across a range of products. For example, we might offer 2 for £7 within protein which might be on red meat, chicken, raw fish and smoked salmon. These are the type of promotions that customers prefer, and they are less likely to drive food waste.

### **Asda**

We have always prioritised low prices over promotions, but we also understand that it’s about getting the right balance for customers, so sometimes offer “linksave” products, whereby customers receive a discount when they buy multiple products (e.g. £1.50 each, two for £2). We are pleased to see our competitors are finally coming around to our way of thinking, but we will continue to lead the way. For example last week alone we’ve removed 133 multi-buys in favour of everyday low prices and we haven’t used Buy One Get One Free offers since 2009.

### **Lidl**

We don’t offer multi-pack promotions. Our main promotional activity focuses around our weekly reductions of regular food lines (i.e. fruit and veg pick of the week) and promotional lines ‘specials’.

We offer a number of selected fruit and vegetable lines loose to enable our customers to purchase the exact amount they require. Our business model is leveraged on efficiency to ensure we can offer high quality products and highly competitive prices, as a result, we minimise the number of product variants including pack sizes.

### **Morrisons**

Over recent years we have done a great deal of work on smarter packaging so that our customers can store and retain products, extending their shelf life. This includes packaging that offers greater protection for individual items, moving meat to more effective packs that can extend shelf life from 4 to 16 days, re-sealable bags for fresh and chilled products and clearer labelling and storage advice. This is now very much part of business as usual.

### **Tesco**

We know that customers have been concerned that some marketing promotions can encourage more food





waste. To tackle this, we have not run any “Buy One, Get One Free” promotions in fruit and veg since April 2014. Instead, we have been focusing on multibuy offers which span a broad range of products and simple price reductions meaning customers can get both value for money and more variety in their shop.

We offer a range of pack sizes and loose products to offer our customers choice. Where a single pack size is available, this is optimised for the average customer or family. In addition, we have introduced a range of packaging innovations such as resealable packaging to extend product freshness and help customers reduce waste.

## **8. Do you make donations to food banks? If so, how often, and to which organisations? And what is your target for food redistribution in 2016?**

### **Co-op**

There is no national scheme for donations to food banks, but there are local arrangements. These are not centrally controlled. Redistribution is detailed in the next question.

### **Asda**

Our stores have the flexibility to work with local food banks as part of our Community Life Programme and we have also held a number of national food drives. The Asda Foundation, our charitable arm, also works alongside the Trussell Trust as one of its national partners. Our surplus product is also delivered to food banks via the FareShare and InKind networks. (The Matthew Tree project locally)

### **Lidl**

All food surplus (i.e. end of line recalls) are sent back and collected from our distribution centres by charities which distribute these to vulnerable communities.

At store ad hoc food donations are organised. However, we are currently exploring wider opportunities to maximise the redistribution of food surplus, see response below.

### **Morrisons**

Together with our customers, we support on average around 150 food banks working with various community organisations across the country. We aim to ensure that edible surplus food within stores and our supply chain is redistributed where possible.

### **Tesco**

We work with two partners in our Neighbourhood Food Collection (NFC) programme, the Trussell Trust and FareShare. The NFC is a twice yearly event we run in our stores whereby we invite customers to donate longlife food to people in need. Tesco tops up the value of the food customers donate with a 20% cash contribution. As well as these events, we also have over 500 permanent food collection points that customers are able to use throughout the year. Again, the contributions made by customers in these bins are topped up by Tesco. We are rolling out 100 more of these collection points in March 2016.

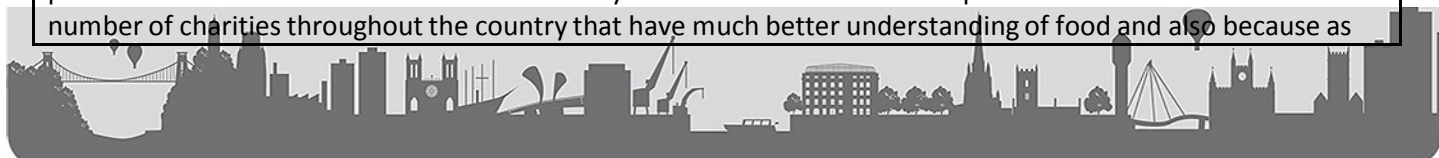
The combination of our seven food collection events each year and permanent collection points have contributed over 30 million meals to the Trussell Trust and FareShare, for redistribution through their network of food banks.

We are working with the Trussell Trust for them to become a beneficiary of our store-level surplus fresh food, as part of the roll-out of our FareShare FoodCloud programme.

## **9. How do you deal with surplus food (i.e. food suitable for human consumption which would otherwise go to waste)?**

### **Co-op**

By law we are not allowed to sell or redistribute any product which has passed its Use-By date as this is a food safety risk. It has been our policy for many years to apply the same rules to Best Before dates to help avoid any potential for mistakes that could lead to a safety risk. We have reviewed this position because there are now a number of charities throughout the country that have much better understanding of food and also because as



an ethical retailer we want play a greater role in helping to address the growing problems of food waste and poverty.

Over the last few months we have launched a new project to improve the way we redistribute surplus food from our depots to FareShare, the UK's largest food redistribution charity who collect food destined for waste and send it to charities and community groups that turn it into nutritious meals for vulnerable people.

In a bid to reduce the waste created by our store estate we have recently conducted a trial in Leeds with our charity partners, the Real Junk Food Project. We are currently evaluating the learnings from this trial.

The Real Junk Food Project have locations across the UK, but that will never be sufficient to cover our whole estate, hence the need to understand how we select other partners to work with on a local basis.

We are working to develop a sustainable and workable model for redistribution of food at store level which is an area of greater challenge for a convenience retailer than for a retailer with larger stores.

### **Asda**

In an ideal world, when stock arrives at an Asda distribution centre it is exactly what we've ordered. But sometimes this isn't the case. Suppliers send 'overs' or stock that we haven't ordered – even a couple of extra cases of food here and there can quickly add up to thousands of surplus cases each week.

This fresh food is in date and perfectly edible, but risks being disposed of as food waste. As the supplier still technically owns this surplus stock, it gets sent back. But by the time that's happened it's often out of date and goes straight into the bin.

That's why, in April 2013, we forged an innovative partnership with our suppliers and FareShare to redistribute surplus food to UK charities and community projects. As the largest partnership project of its kind in the UK grocery sector, we have delivered enough food to make over 3.1 million meals at over 2,000 charities.

### **Lidl**

All our food recalls and end of line ambient products are sent back to our regional distribution centres and collected by charity partners and are redistributed to vulnerable and needy communities.

In collaboration with The Salvation Army we rolled out a new model to collect edible food waste directly from selected stores in one of our busiest regions and redistribute to local charity and community groups. The first phase, rolled out in 2015, has proved extremely successful and we are now expanding the model to twice as many stores. We feel this is a great local approach truly utilising the local connections and building strong relationships between our stores and communities.

In 2015 we met with a host of national and local redistribution partners to explore in detail the differing operational models available to us from innovative social platforms to national frameworks. From this we have identified two separate pilot programmes to test which solution/s will work best for our business model, We are currently looking to roll these out over the next 3-4 months with an ambition to define a successful model that can be launched nationally to redistribute 100% of our edible food waste directly from store dependant on demand.

In collaboration with national partners we have investigated possible models to collect and redistribute all food waste generated across our regional distribution centres. We are now working with a potential partner to define a pilot at a regional level that we can scale up nationally. We are expecting the pilot stage to be completed by summer 2016.

### **Morrisons**

All Morrisons stores are now linking up with local charities and community organisations to redistribute food which cannot be sold, but is still safe to eat.



We aim to work with community organisations that are able to use a variety of unsold goods (including fresh produce and products past their 'Best Before' dates) to cook meals with; examples of this include soup kitchens, community cafes, day centres, hospices and schools. 459 Morrisons stores are currently connected with local community groups on the programme.

Where edible surplus is unavoidable within our supply chain we also work with our partners Company Shop, Community Shop and His Church to ensure that as much as possible is redistributed.

In addition, we redistribute products from our food online service to Community Shop that become surplus because of the strict shelf life promise we've made to our online customers.

### **Tesco**

We have a programme to manage everyday donations to charity of surplus store food: Community Food Connection, run in partnership with FareShare FoodCloud. We are in the process of rolling this out nationally. This service uses FareShare FoodCloud to match interested charities and community groups with the surplus food available in our participating stores. We'd be delighted to hear from any organisations interested in taking part in the programme and the prospect of being linked to Tesco stores in the future. They can register at [www.fareshare.org.uk/fareshare-foodcloud](http://www.fareshare.org.uk/fareshare-foodcloud).

## **10. Do you work with organisations such as FareShare, FoodCycle etc? Please provide details.**

### **Co-op**

We currently work with FareShare and have recently carried out a trial with the Real Junk Food Project.

### **Asda**

Yes – please see answer above. We also work with InKind Direct, Salvation Army, His Foods and Company Shop to redistribute any surplus product, whether that is food or general merchandise.

### **Lidl**

We are currently in discussions with a number of redistribution partners, including FareShare, to roll out pilot projects (as explained above).

### **Morrisons**

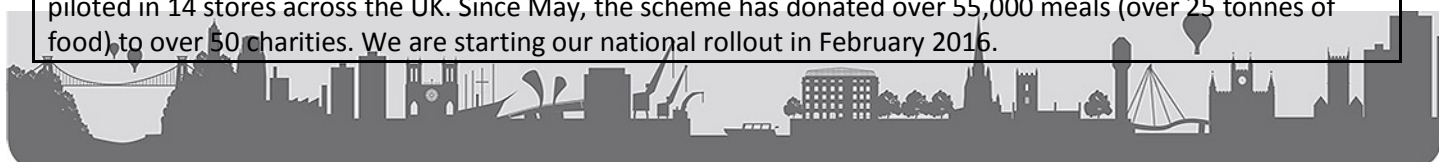
See previous response above.

### **Tesco**

Since 2012 we have donated 6.6 million meals of surplus food to FareShare, from our fresh food Distribution Centres and dotcom centres; over 4.4 million meals of these meals were donated in the last 12 months alone. We have recently made a donation to FareShare of ambient stock equating to over £1 million in value/ over 1 million meals worth of ambient stock. This came from our range change programme. At the end of 2015, we started ongoing donations from ambient depots.

In May 2015 we announced plans to extend food surplus donation to our stores through our partnership with FareShare FoodCloud. The aim of this partnership is to eliminate the need to throw away food in our stores that could have been eaten (at least 30,000 tonnes). Through this service FareShare FoodCloud will be matching interested charities and community groups with a Tesco store or stores. FoodCycle have been one of these organisations in our pilot stores in Liverpool and London. We are working with them to include them in the FareShare FoodCloud programme where this is useful to them.

We'd be delighted to hear from any other organisation which would be interested in taking part in the programme and the prospect of being linked to the Tesco stores in the future. They can register at [www.fareshare.org.uk/fareshare-foodcloud](http://www.fareshare.org.uk/fareshare-foodcloud). We have already rolled out FoodCloud to all 113 of our Irish stores, donating the equivalent of 990k meals through 300 charities and community groups. The scheme is being piloted in 14 stores across the UK. Since May, the scheme has donated over 55,000 meals (over 25 tonnes of food) to over 50 charities. We are starting our national rollout in February 2016.



**11. How is food waste (i.e. food not suitable for human consumption) dealt with and what alternatives to anaerobic digestion have you explored?**

**Co-op**

We backhaul all food waste from our stores including animal by-products. As explained in Question 1 none of our food waste is sent to landfill – it all goes to Anaerobic Digestion (AD).

We have looked at the possibility of diverting some food not fit for human consumption to animal feed but there is currently insufficient volume of suitable product with a high risk of legal contravention.

Our priority is feeding people first so we want to embed that process before committing resources to animal feed.

**Asda**

As noted, we keep all food waste away from landfill. Our primary objective is to sell as much food as possible, but where waste occurs through out-of-date or recalled products, we primarily send to anaerobic digestion. We have, however, established a route for our bakery waste to be turned into pet food and are constantly looking at new opportunities to utilise our food waste.

**Lidl**

Our food waste that is not collected by charities is currently sent to anaerobic digestion. We have explored diverting our food waste to animal feed.

**Morrisons**

Where food waste does occur in our stores we maximise recycling and reprocessing where possible and it can be utilised for uses such as animal feed which retains food within the supply chain in addition to energy production. This is dependent on regional facilities and the third party contractors we work with.

**12. Outline any ongoing work reviewing current specifications for produce, and opportunities to improve storage and transportation in the early stages of the supply chain.**

**Co-op**

We are involved in the NFU/BRC round table on on-farm food waste which will look at:

- Definitions and approaches to assessing and recording crop utilization and food losses on farm
- What the impact of retail on on-farm food waste is as distinct from growing practices and conditions
- Clarify where responsibilities for reducing food waste lie in the supply chain
- Understanding potential actions needed to reduce food waste on farm and ways in which to quantify that action
- Understanding the support that farmers and growers would want to see from retail to address on-farm food waste

Pre-farm gate losses are included in the planned work program under Courtauld 2025

**Asda**

We constantly review our produce specifications and have recently relaxed specifications for carrots and sweet potatoes, resulting in an extra 340 tonnes and 300 tonnes respectively making their way to Asda's shelves.

**Lidl**

See answer 5

**Morrisons**

Our manufacturing capability gives us greater flexibility which can help to reduce waste for fresh, farm produced food. We can gear up or down more quickly depending on sales forecasts. We have also acted on specific requests from grower groups to relax some specifications when there have been difficulties with particular crops due to climatic pressures.



We have changed our requirements for the width and length of our parsnips, carrots, onions, and potatoes. The 'wonky veg' range has been trialled in a selection of stores and sold separately to our standard range and cheaper in price. Following the success of the range, 'wonky veg' will be rolled out to all stores in the UK this year and recently included cauliflower. New lines will be available depending on seasonality.

### **Tesco**

We frequently review our produce specifications as part of our overall aim to ensure all of the edible parts of a crop are used and not wasted. For example, weather conditions over the course of this year resulted in 45% of the Gala apple crop falling outside our specification for sugar content. We worked in partnership with our apple suppliers to temporarily adjust our specification, preventing 7500 tonnes of apples from going to waste.

With regard to storage and transportation, we recently announced the removal of a packing stage in the journey from farm to fork. The result is that many popular fruit and vegetable products including citrus fruit, lettuce, tomatoes, cucumbers peppers broccoli and celery will gain up to an extra two days of freshness, helping customers to reduce food waste in the home.

## **13.How do you determine the shelf life of your products?**

### **Co-op**

We are conducting a full review of the shelf-life of all of our products, to ensure they have the maximum life possible while maintaining the safety and quality our customers expect. We are working with our suppliers and scientific advisors to explore a number of different avenues to extend the shelf life for different products. Shelf life of different types of product depends on varying factors. High risk products have shelf life set according to microbiological standards to ensure food safety. Other products would generally have shelf life set based on quality criteria.

### **Asda**

We undertake regular testing to check the physical, chemical, microbiological changes to products throughout the supply chain and determine a shelf life that minimises waste and threats to food safety. We also use mathematical and chemical analysis to plot shelf life based on a range of metrics, including product formulation, packaging and storage and distribution conditions.

### **Lidl**

It is our suppliers responsibility to carry out the relevant microbiological testing to determine the shelf life of our products.

### **Morrisons**

We follow relevant food safety guidance from regulatory bodies.

### **Tesco**

The shelf life of Tesco own brand products is determined by microbiological parameters that can affect both food safety and quality. Many of these parameters are set in EU law e.g. EU Regulation No. 2073/2005, or by official guidance e.g. FSA guidance on the safety and shelf life of vacuum and modified atmosphere vacuum packaged chilled foods. Microbiological safety is most commonly the limiting factor for chilled perishable products and these carry a 'Use By' date for this reason. For ambient, shelf stable foods the life is determined by quality characteristics. These are evaluated during shelf life studies conducted by the manufacturer and carry a Best Before date. Foods consumed after the Best Before date are not unsafe but they may not be of the highest quality.

## **14.What is your policy regarding small or misshapen fruit and vegetables?**

### **Co-op**

As a convenience store retailer with relatively limited shelf space, it is important for us to strike a balance between cosmetically attractive fruit and vegetables that encourage healthy eating, and relaxing standards as appropriate.



We do occasionally relax our standards in response to specific issues in the supply chain, but when we do we always inform customers that the produce may not meet the usual appearance standards they might expect.

We regularly ask customers about their expectations of produce and their response is consistently that they look for good quality.

### **Asda**

Asda led the way in introducing 'wonky' fruit and veg when we trialled our "Beautiful on the Inside" range in a number of stores last year. Owing to the success of this, we have recently launched a trial of a "wonky veg box", which contains nine seasonal, misshapen vegetables – enough to feed a family of four for a week – on sale for £3.50, 30% cheaper than standard lines.

### **Lidl**

See answer 5

### **Morrisons**

See response to question 11.

### **Tesco**

We've included produce of different shapes and sizes in our Everyday Value range for years and we've done a lot to ensure greater quantities of 'ugly' or 'wonky' fruit and veg are available to our customers.

Our overall aim is to ensure all of the edible parts of a crop are used and not wasted. We do this through a range of measures such as broadening specifications to include 'Wonky Fruit and Veg', new product lines, processing, working with the food service industry and giving surplus food to charities and community groups.

## **Distribution Issues**

### **15. How is food brought into and moved around the city?**

#### **Co-op**

The Co-operative has a composite distribution centre in Avonmouth that serves the whole of the South West and South Wales. All Co-operative food stores in Bristol are served by this depot.

All store generated waste is then backhauled to the Avonmouth depot through the distribution network of deliveries.

#### **Asda**

Supplier volume is delivered into our chilled depot at Avonmouth or ambient depot at Chepstow. All product is then picked & despatched for all stores in the city.

#### **Lidl**

We operate a regional distribution centre (RDC) at Weston Super Mare which services the city of Bristol. Food is delivered in to the RDC, as 'goods in', from our suppliers and distributed by our logistic partners, as 'goods out', directly to our stores on a daily or twice daily basis.

#### **Morrisons**

We deliver all food to our stores on trucks. Deliveries to customers' homes from our online service is done using smaller vans which are better suited to residential areas.

#### **Tesco**

Most of the food that is delivered to Tesco stores in Bristol is delivered by Tesco from our distribution centres in Avonmouth and Magor. Each recipient store is risk assessed in order to understand what type and size of vehicle can be used to make the delivery.

We use the return journey from store deliveries to bring waste and recycling back from these stores to our recycling service units. In addition to this, we may also use return journeys to pick up goods to take back to our distribution centres. We aim to reduce empty running as far as is possible.

### **16. What is the impact of this on air quality?**



**Co-op**

Backhauling of waste in delivery vehicles has removed 250,000 in store waste collections annually across the UK. All the vehicles operating from Avonmouth are currently less than 5 years old, and comply with the latest Euro5 and Euro6 exhaust emissions standards.

**Asda**

We do not have this data.

**Lidl**

We follow an efficient delivery procedure. The centralised delivery control system for all transport activities enables the optimum capacity of loading aids and short haul journeys.

For our listed lines, we focus primarily on German and UK production and therefore tend to enter into business agreements with German and UK medium-sized businesses. The transportation of goods is handled by our pan European distribution centres, at which the delivered goods are consolidated centrally. This allows us to import smaller amounts whilst still maximising our vehicle capacity to ensure the minimum amount of haulage is required on our roads. Our delivery structure enables us to guarantee the best possible freshness, even of perishable items, as well as allowing us to organise the transportation in the most efficient and environmentally friendly way.

**Morrisons**

All of our current fleet use modern engine technology to help limit emissions and reduce air pollution. We continue to reduce our haulage emissions year on year and report on our progress every year in Morrisons annual Corporate Responsibility Review.

**Tesco**

Tesco is committed to reducing our impact on the environment. In distribution, we aim to minimise the number of journeys we make, thus reducing the amount of diesel consumed and its impact on air quality. Our entire fleet of vehicles meets Euro 5 or 6 emissions standards.

**17. How do you break down your loads into smaller ones to facilitate easier transport?****Co-op**

The access to the store determines the vehicle type used for delivery. Large articulated vehicles are not always the best and most efficient vehicle type, therefore we run with rigid vehicles or small trailers that have flexibility to move easily around the high street or residential areas.

We also need to understand each stores capability to receive and hold the order that is generated to replenish the store. We prioritise fresh, including milk, to be delivered in the morning and provide a higher frequency of deliveries, all stores get 6 per week.

Goods are packed onto cages and delivered to stores on multi-drop vehicles.

**Asda**

Due to the size and nature of our stores, we tend to use larger, consolidated loads, rather than breaking down into small loads. Where possible, we will use high cube double-deck trailers to reduce the number of vehicles on the road. We also backhaul our recycling on our delivery trucks so as to minimise road miles.

**Lidl**

Our focus is to maximise vehicle utilisation. Due to the size of our stores and operating a flexible model we can carefully plan vehicle redistribution routes to ensure close to 100% optimisation (by volume). This approach ensures we can operate fewer vehicles.

**Morrisons**

For online home deliveries, product is trunked down from the Midlands in large vehicles (to reduce road miles) to a local Distribution Centre in Bristol where it is reloaded on smaller vans for onward delivery to customers' homes.



**Tesco**

In order to minimise road miles and our impact on the environment, we maximise the amount of goods that are carried on each journey.

Each store has a risk assessment showing the vehicle size that can be used to deliver safely to that store.

**18. What are your access arrangements for local suppliers? Do you collect products from local suppliers or must they deliver the products to you?**

**Co-op**

Locally sourced suppliers fall into different categories. If they are specific to a small number of stores, eg local bakery, then these orders are delivered direct to the store. If the supplier is local but serves stores in a wider catchment then this supplier could deliver to the Avonmouth depot and the products merged with other wider ranged products.

Different commercial arrangements can exist with local suppliers. If the arrangement suits both parties then the Co-operative can arrange to collect directly from the supplier for consolidation at the Avonmouth depot. This is subject to a number of factors- timing of product, location and access, type of product.

**Asda**

We have arrangements with transport companies who collect & consolidate supplier volume, before they deliver full loads into our depots. We then distribute across our store estate.

**Lidl**

All products, local or regional, are delivered to our regional distribution centres.

**Morrisons**

We collect products as well as accept deliveries from suppliers.

**Tesco**

Our local suppliers can choose how they deliver to our distribution centres. They can either bring in their own products or they can use Tesco's Primary Distribution. This is where we collect loads from suppliers and can use our scale to consolidate goods from multiple suppliers to maximise trailer fill and reduce road miles.

**19. What is your policy on deliveries during antisocial hours (where there are nearby neighbours) and impacts on rush hours and bus lanes?**

**Co-op**

Each individual store has a risk assessment which shows any restrictions on deliveries and impacts on travel. This ensures that certain delivery times and locations are avoided.

**Asda**

We comply with all local council delivery restrictions & have procedures for quiet deliveries. All drivers are given a driver information card to remind them how to keep noise to a minimum (e.g. don't leave engine running, don't let tailgates slam). Chilled deliveries where we have no delivery restrictions are typically delivered through the night. We believe it would be beneficial to all if we could deliver more volume through the night & therefore take fleet off the road through peak times. We do not use bus lanes.

**Lidl**

Our logistics team carefully plan distribution routes to ensure the quickest delivery times meaning avoidance of high congestion times/areas. In accordance with planning conditions we do not deliver in antisocial hours to stores located close to residential properties. In addition we are trialling a new silent delivery approach this year.

**Morrisons**

Some stores are subject to curfew conditions to avoid making deliveries at unsociable/inconvenient times. We always adhere to these curfew times.

**Tesco**

No answer





## 20. Do you send freight by rail? Do you use electric vehicles, or other low emission?

### Co-op

Rail freight is used between our National Distribution Depot at Coventry to our depot in Scotland at Newhouse via Mossend. Not all freight goes this way due to timings but where possible we try to use this as much as we can. No other depots utilise rail freight.

We do not have any electric vehicles in use at present.

### Asda

We send rail freight between Teesport, Daventry and Grangemouth, totalling approximately 200 containers per week. In January 2014, Asda introduced a fleet of 50 Volvo dual fuel vehicles that operate out of our chilled distribution centre in Avonmouth. This fleet runs on either methane-diesel (a more environmentally friendly form of diesel, or liquid nitrogen gas). The fleet is now achieving the expected diesel to gas substitution rate of over 50%... that means that these trucks are using half the amount of diesel of a standard truck.

Introducing double-deck trailers on ambient Asda store deliveries was the single biggest boost to our 'Fewer Cheaper Miles' campaign. In 2014, we introduced another ten double-deck trailers. This alone has saved 2,000 journeys – a reduction of 210,000 miles.

### Lidl

We currently do not send freight by rail. All fork lift vehicles are electric powered and we are currently trialling a Liquid Nitrogen based fuel for our main distribution fleet with our major logistics partner.

### Morrisons

Not in the Bristol area, but we do use rail extensively in other parts of the country.

### Tesco

No answer

## 21. How have you responded to limitations on vehicle size, emissions and access times from other local authorities?

### Co-op

Co-op transport operate 19 different types of vehicles (7 types of rigid vehicle and 12 different types and lengths of trailers). These are all in operation as a result of complying with varying types of store access restrictions.

### Asda

We have the same delivery restriction challenges in every other region and follow the same approach.

### Lidl

We continually work very closely with local authorities to understand and respond to limitations to our standard distribution model. We operate in full accordance with any planning requirements or other related conditions. Any breaches are taken very seriously and fully investigated.

### Morrisons

See above.

### Tesco

No answer

## 22. At your depots, what are your BREEAM ratings? What is your EPC rating?

### Co-op

Most depots have a BREEAM rating of Excellent (Castlewood, Newhouse, Avonmouth, Andover, Thurrock and Birtley) with exceptions of Carrickfergus, Lea Green, Cardinal and Plymouth as these sites were built before this accreditation was introduced. Coventry is an ambient only site - its rating is good.

EPC as above for the new sites is "A".

### Asda



Our Distribution Centre in Bristol has an EPC score of 21, giving it an A-band rating. The depot also has an Excellent BREEAM rating.

### **Lidl**

This depends on specific requirements and is always reviewed on a case-by-case basis. However, generally we aim for "excellent" for BREEAM and therefore High Standard EPC ratings.

### **Morrisons**

Morrisons sets a minimum BREEAM rating of Very Good for all its new buildings, and with our newest distribution centre in Bridgwater we challenged ourselves to get an 'Excellent' rating, the top rating at the time. Given high level of energy efficiency, it is not surprising that this suite of buildings is highly rated, with EPCs of B for the vehicle maintenance unit, A for the bulk warehouse and A+ for the frozen warehouse.

### **Tesco**

No answer

## **23. Do credits from the recycling points in your car parks go to the local authority, or are they kept by your company?**

### **Co-op**

We have no Co-operative branded recycling banks except for textiles. Any recycling credits go to the owners of the recycling banks. We have 16 sites in Bristol with textile recycling which collected around 60 tonnes in 2015.

### **Asda**

Only clothes recycling points are kept by Asda, with proceeds going to the breast cancer charity Tickled Pink and the Salvation Army. Where space allows, we provide space for local authority recycling facilities, but we do not keep the credits.

### **Lidl**

None of our owned car parks have dedicated recycling points. We do operate a small number of textile recycling bins stored in our car parks in association with our national charity partner, CLIC Sargent.

### **Morrisons**

Morrisons are not provided with any recycling credits from customer recycling facilities located within our car parks.

### **Tesco**

No answer

## **24. What steps are you taking to reduce energy demand and to switch to renewable energy?**

### **Co-op**

We are on track to meet our 25% renewable generation objective (new capacity) when Twin River wind farm comes online later this year – our 4<sup>th</sup> windfarm joint venture. We also have micro generation direct connection via small scale hydro and photovoltaic.

We are continuity to roll out energy efficiency standards in our extensive refit and new stores programme – continuing a programme that has reduced our carbon emission by over 40% compared with 2006. Examples of technology that helps us to deliver these improved standards are;

- Remote refrigeration where space and planning allows
- Fridge doors as standard when replacing cases
- LED lighting as standard when replacing cases
- Refrigeration controls
- Efficient ovens

### **Asda**

We have a target of 20% energy intensity reduction by 2020 from our 2010 baseline. In 2015 we were at 19%. Each year we commit a substantial budget to trialling and implementing new technologies in our stores. It's an



investment that will see our energy use fall even further. In the last few years we have invested in: LED lighting; voltage optimisation; systems that help us manage our buildings better; heating and ventilation optimisation, and systems to help us get the best out of our fridges, to name but a few.

As part of the Walmart family, Asda has a target to use 100% renewable energy. As the first step towards this long term goal we have set ourselves the target to use 30% renewable energy by 2020 (based on our 2015 usage). We currently have 3.8MW of solar PV installed across our estate.

In 2013 we opened our new environmental depot in Rochdale. The building includes a variety of low carbon technology such as a combined heat and power plant, rainwater harvesting, solar panels and high efficiency refrigeration. This means 26% lower carbon emissions, 30% less water use and 28% more energy efficient versus previous similar depots.

By the very nature of our business, we have lots of fridges in our stores. But we understand the damaging impact that refrigerant gas can have on the environment. That's why we pledged to reduce our leakage rate from 20% in 2007 to 8% by 2015. Not only did we achieve this early – in 2011, our gas leakage rate was only 7.6%. In 2011, we won 'End User of the Year' Award in the cooling industry awards for implementing an innovative approach to meeting environmental challenges of refrigeration and air conditioning. All of this work reducing leaks and improving systems means that we now use less energy to run our fridges and have a 50% reduction in carbon emissions (vs. a 2005 base).

### **Lidl**

Our new concept stores have a fully glass fronted façade, which maximises natural daylight entering the building, whilst sensor controlled exterior sun blinds automatically operate to mitigate the effects of unwanted heat from solar gain. The electrical lighting system is made up entirely of LED fittings which compared with a traditional lighting system are over 50% more energy efficient. All our new concept stores are equipped with a Chiller-Heat-Recovery System which uses the waste heat from the chiller plant to heat the Store. Furthermore, we have recently started a Pilot for the installation of Solar PV in conjunction with electric car charging points. We look forward to start with the first installation very soon. Generally, we are delivering a programme to international standard.

### **Morrisons**

Morrisons has a well-developed energy efficiency programme as part of our overarching strategy to achieve our carbon reduction target, an absolute reduction in emissions of 30% by 2020 against a 2005 baseline.

Over the last few years Morrisons has invested heavily in the latest LED lighting technology, which can save up to 50% of the energy required to light our stores, as well as funding improvements in refrigeration equipment and an advanced energy monitoring system.

Renewable energy forms an important part of our strategy where it is financially viable, including a more than 25 installations of solar panels at sites across the country. Recent changes to government subsidies have changed the economics of solar power, but we remain committed to renewable energy and are actively investigating other options to provide renewable heat and renewable power.

### **Tesco**

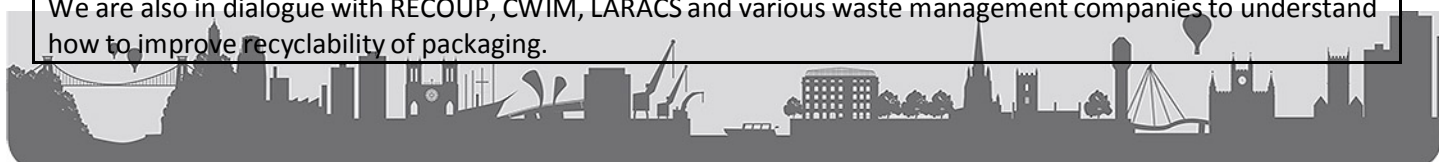
No answer

## **25. What steps are you taking to develop the circular economy?**

### **Co-op**

We have been involved in the Courtauld process from the first iteration in 2006. Part of the latest iteration, which is close to being launched, looks specifically at this in that it aims to find new uses and new markets for materials that would otherwise be considered to be waste.

We are also in dialogue with RECOUP, CWIM, LARACS and various waste management companies to understand how to improve recyclability of packaging.



**Asda**

We are working closely with our waste suppliers and New Product Development teams to understand how to work better and build sustainability into the new product design process. One simple example is our store plastic waste is recycled and becomes our 6p bags for life. These bags can be replaced for free if broken and brought back to store, and are then re-recycled to become another bag for life.

**Lidl**

We have identified opportunities and applied the concept of circular economy. As an example our waste plastic wrap used to secure palletised products are segregated and sent for recycling into our refuse sacks for use at our stores.

All our waste cardboard is segregated and recycled.

**Morrisons**

We have previously been supporting members of the Ellen MacArthur Foundation's Circular Economy, which is a platform which aims to identify opportunities to create value through circular practices.

Since 2005, we have also been longstanding signatories to WRAP's Courtauld Commitment, aimed at improving resource efficiency and reducing waste within the UK grocery sector supporting the UK governments' policy goal of a 'zero waste economy' and climate change objectives to reduce greenhouse gas emissions.

**Tesco**

No answer

## Aldi Information for Bristol City Council

### Corporate Responsibility

We promise our customers quality products at the best possible price. We work closely to achieve this.

To us, a quality product also needs to be made responsibly, so that what we sell is produced with respect for the environment and the people in our supply chain.

It's our job to ensure that what you buy at Aldi has been grown, caught or made with care for the environment and that the workers involved are treated fairly. We are working closely with our suppliers and industry partners to ensure you can trust what you buy at Aldi.

With the introduction of the Corporate Responsibility Policy (CR Policy), we have made responsibility an integral part of our corporate decision making processes.

Simplicity, consistency and responsibility have always been our three defining core values. As an expanding discount retailer, our actions have international influence in different markets and along the supply chain.

We know that long term business success can only be achieved if we take responsibility for the people involved in producing our products, and the environment. This belief is reflected in our CR policy.

Our CR Policy represents the binding framework for the activities of our employees, business partners and suppliers, in every area of our operations. Our CR Policy consists of 6 pillars:



1. Customers
2. Suppliers
3. Resources
4. Operations
5. Our People
6. Communities

More details on each of these pillars can be found at [www.Aldi.co.uk](http://www.Aldi.co.uk).

### **Waste Reduction**

We work hard to ensure that we avoid creating waste by planning ahead and being efficient. For example, we give produce growers a commitment to a price and volume well in advance of the season. This usually allows the grower to have a contract before a single seed goes in the ground. We provide monthly volume forecasts before the agreement is formalised and we back this up with weekly forecasts as the season unfolds.

Our everyday low price commitment means we don't do 'buy one get one free' or multi-buy promotions that can encourage bulk buying and lead to household waste. In fact, only around 5% of our overall sales are on promotion. We believe this is the lowest level in grocery retail and it means our sales volumes, and therefore our buying, are more predictable.

We have a very short lead-time from farm production to products being available in store. This keeps products fresh and helps stores to order accurately.

Other steps we take include:

- Our cases are created to the optimum size to avoid waste rather than for maximum fill
- We stock only the top selling lines and avoid slow selling, waste generating lines. Our core range is just 1,500 lines. This is much lower than other supermarkets
- We avoid product duplication to keep volume moving
- We source British products as often as we can to avoid long journey times. In fact, UK product self-sufficiency is at around 35%, but at Aldi our figure was over 40% for 2014
- We keep retail prices stable to keep customer demand predictable and therefore store orders accurate
- Over the past 12 months we have invested over £30m in chiller cabinets in-store to improve product shelf life
- Our waste this year is around 15% lower than the equivalent period in 2014 and we continue to work hard to achieve further reductions

We also take steps to encourage efficiency in our stores. All of our store managers have targets to reduce waste. Every item of waste in store is logged to assess areas for improvement. Waste figures and targets are discussed on a weekly basis between store managers and their area managers.

Our approach to waste management:

- Our food waste is generated almost exclusively in store as a result of our retail operations
- Whilst the majority of our food waste is surplus stock, a much smaller percentage of waste will occur due to damage in store



- All animal bi-product waste (such as raw meats, fish, eggs and milk) is removed from store and transported by a licensed carrier for anaerobic digestion. This is a legal requirement for Category 3 waste
- All other waste that is not fit for human consumption is returned to a regional distribution centre and then processed for anaerobic digestion
- Since 2012, Aldi has been donating surplus food to FareShare and we also provide food to other smaller charities local to our regional distribution centres
- We are very keen to redistribute as much surplus food to the charity sector as possible and will continue to work with partners to achieve this
- Aldi's own-brand suppliers distribute surplus food to Company Shop, a social enterprise and the largest redistributor of surplus food in the UK
- We were one of the first retailers to sign up to the Courtauld 2025 agreement, which focuses on tackling unnecessary food waste

#### Working with our suppliers:

Aldi UK and Ireland is very much a British business. We have UK buyers that purchase all our core fresh meat products and fresh milk from British farms. We also have a preference to source our fresh fruit and vegetables from domestic producers when possible depending on the seasons.

We agree clear seasonal or annual programmes with our suppliers. These are often agreed well in advance of planting and seed purchase, land allocation and labour planning. Our aim is to ensure that our suppliers don't make any financial commitments without an assurance from Aldi on cost, specifications and volume. This ensures that what's grown matches our needs and we work closely with producers to get this right.

Once we agree terms with our suppliers we don't change them midway through the agreement or ask for any additional monies to fund promotions or marketing initiatives. This is one of the reasons why Aldi came top of the Grocery Code Adjudicator's supplier survey, which was announced last month. The survey confirmed that Aldi is the most compliant retailer with the Groceries Code.

Aldi is the only retailer who has signed the NFU's Fruit and Veg Pledge and, in consultation with our suppliers, we are always exploring new ways to maximise crop utilisation.

#### Cosmetic standards:

We have worked very hard with our suppliers over the past three years to improve the consistency of the produce we sell. This has helped to double our sales of fresh produce over the past two years and forge long-term partnerships with our producers.

Aldi was voted Fresh Produce Retailer of the Year 2015 by customers in an online survey for the Fresh Produce Consortium as well as being named the Fresh Produce Business of the Year 2015 by a judging panel at the same awards.

Our product tiering allows for a wider utilisation of crop profiles. Aldi's EveryDay Essential products provide a route to market for fruit and vegetables that do not meet standard product specifications. Our product specifications are set with our suppliers through a category and product review process and are updated as and when required.



## **Packaging**

We are continuously reducing packaging and this commitment starts with the outer case in which products are delivered. Aldi has increased the use of returnable plastic crates instead of cardboard boxes where possible. Almost all of our UK-grown products are delivered to us in these crates and we are actively reviewing a similar system around Europe to reduce cardboard usage.

What cardboard we do use is all FSC-approved or made from recycled materials. All cardboard outer casing is recycled at the end of its life (compacted in store then returned to our regional distribution centres for recycling).

We have replaced flow wrap punnets with top seal punnets on all of our berry lines and are reviewing this concept for stone fruit, grapes, tomatoes and even mushrooms. We are also trialling the removal of all product labels on larger items such as melon, pineapple and butternut squash.

We have recently introduced single units, which are sold without packaging but can be bagged up if the customer wishes to do so.

We will continue to work with our packaging providers to find the very best forms of packaging that not only keep the use of materials to a minimum but also extend the life of our products.

## **Distribution**

Almost all aspects of our operations have an impact on the environment. The most significant is our carbon footprint from the energy we use for lighting and refrigeration and the fleet of trucks that keep our stores stocked.

We all have a role to play in tackling climate change and our focus is on making our buildings and delivery network more energy efficient. The less energy and fuel we use the better our carbon footprint. We started by measuring our total energy consumption and have introduced four measures that will help us track and improve our energy use:

Aldi is committed to UK sourcing where possible and 69% of our products are sourced from British suppliers. Aldi currently have eight regional distribution centres around the UK, which means that our vehicles travel directly to stores and use less mileage.

Our logistics goal is to increase the weight of products transported per litre of fuel consumed by our delivery network meaning less fuel – more products in store.

We are working to reduce fuel consumption by using lighter vehicles with more fuel-efficient tyres and improved aerodynamics. We are investing in the latest fuel management systems to reduce fuel consumption and use tracking software to create the most efficient route plans, therefore reducing total mileage. We work closely with manufacturers to gain the greatest efficiencies from our vehicles and closely monitor our drivers' driving performance.

We are expanding our back haul network and where possible use visiting suppliers to deliver to our stores on their return to reduce empty running.

Aldi UK was again awarded Carbon Trust accreditation in 2014 and in 2015, we were awarded the independent



ISO 50001 certification for the quality of our energy management systems.

We have also been awarded the 'Best in Intensity Carbon Reduction' award at the prestigious Carbon Trust Standard Bearer's conference. We were awarded this ahead of more than 200 other companies and this achievement acknowledges the phenomenal work we have done in successfully reducing our carbon intensity by over 27% despite rapid business growth. This has been achieved through a variety of initiatives including our solar panel programme with over 100 systems now installed, heat recovery that collects and re-uses waste heat arising from our refrigeration plant and energy surveys to identify savings opportunities across our portfolio.

### **Living Wage**

Aldi backs the Living Wage Foundation and has introduced an increased voluntary living wage. Aldi is the only UK

supermarket to commit to paying all its staff above the voluntary living wage and is also one of the few supermarkets that gives its employees paid breaks, which further enhances the true value of its employee pay.

UK employees are now paid at least £8.40 an hour and £9.45 in London. The new voluntary living wage recommends at least £8.25 per hour and £9.40 in London.

### **Profits**

Aldi is a private, family owned business and domiciled in the UK. Aldi UK is a financially independent business and profits are invested back into the UK.

Aldi sources 69% of our products from British suppliers, and currently employs 28,000 people in Britain, with plans to recruit a further 35,000 employees by 2022. We have operated in the UK for over 25 years now and we are proud of our heritage and history as a British business.

### **Animal Welfare**

In the UK, all our everyday fresh meat is certified by Red Tractor to meet UK standards of animal welfare.

All meat used in our own label products must be stunned before slaughter. In 2014, we're researched across our supply chain, with both internal and external stakeholders, to review our Animal Welfare Policies for Aldi UK and Ireland. In future, our revised policies will take a species-specific approach to addressing animal welfare issues associated with both food and non-food products.

RSPCA Assured:

We also support the RSPCA Assured initiative, which guarantees that the product has been independently audited to meet the RSPCA's strict animal welfare standards. In the UK, we offer a number of RSPCA Assured products including:

- Specially Selected Fresh British Outdoor Bred Pork Fillet
- Specially Selected Fresh British Outdoor Bred Pork Loin Steaks
- Specially Selected Fresh British Outdoor Bred Pork Leg Joint
- Specially Selected Fresh British Pork Chops
- British Chicken Breast
- Free Range Eggs





- Salmon Fillets

#### Animal Testing:

We introduced a ban on animal testing of own label products and their ingredients in 1992 for cosmetic and toiletry products and in 2005 for household products. This was ahead of legislation and before many of our competitors.

#### Fairtrade

As a responsible business we regularly review our range to identify opportunities to increase the number of Fairtrade products we offer. For example, we recently reviewed our hot drinks range and have converted our Specially Selected Columbian instant coffee and a number of our speciality teas to Fairtrade certified. We continue to offer a wide range of Fairtrade products and promote our fairly traded credentials to our customers through advertising and marketing initiatives.

We regularly review our range to identify opportunities to stock sustainably certified products such as Fairtrade, Rainforest Alliance and UTZ certified. We have clear aims on certifiable products, for example, our international goal is that all products containing high levels of cocoa will be converted to Fairtrade, Rainforest Alliance or UTZ certified sustainable sources by 2020.

Aldi has between 10-50 Fairtrade certified own brand products and certification bodies include: Fairtrade Foundation and FLO-Cert GMBH. Bananas are our most popular Fairtrade certified product in our stores. In 2015 we sold 1.67million bunches of Fairtrade valentines flowers.

#### Chemicals and Pesticides

We are currently reviewing our pesticide policy to implement an approach suitable for UK farmers and growers.

We offer a range of Organic products for customers who support organic methods of farming and may look to make more Organic products available in stores going forwards.

#### Community

Aldi believes in supporting the communities within which we operate. We champion a number of community-based activities by supporting charitable organisations through financial donations, in-kind donations of products and samples and charity collections in store. We currently work with three charities: The Prince's Trust, Barnardo's, and The RSPB. We fundraise all year round for these worthwhile charities and proceeds from our carrier bag sales are donated to The RSPB.

