

Food Waste FY 2019/20 Results

Tesco Slovakia

27 March, 2020

Glossary

Term	Definition
Food surplus	Unsold food, including donations, animal feed and waste
Donations	Food donations to charity for human consumption
Animal Feed	Food surplus used for feeding animals. This includes food sold as animal feed and food donated to zoos. These donations are identified as non-food bank Donations
Food waste	Unsold food that is disposed of: “Food waste is any food, and inedible parts of food, removed from the food supply chain to be recovered or disposed (including composed, crops ploughed in/not harvested, anaerobic digestion, bio-energy production, co-generation, incineration, disposal to sewer, landfill or discarded to sea)”. This includes both food that is safe and not-safe for human consumption. It does not include food donated or sent to animal feed.

Glossary – Food Waste types

Term	Definition
DAM	Food wasted due to damages
OOC	Food wasted as it is past its expiry date (out of code)
Depot	Food waste arising at depots
Fridge Breakdown	Food waste arising as a result of a fridge breakdown
EPW	Food waste arising due to an emergency product withdrawal
CAYG	Food waste arising from clear-as-you-go events
Returns	Food returned by customers and no longer suitable for sale

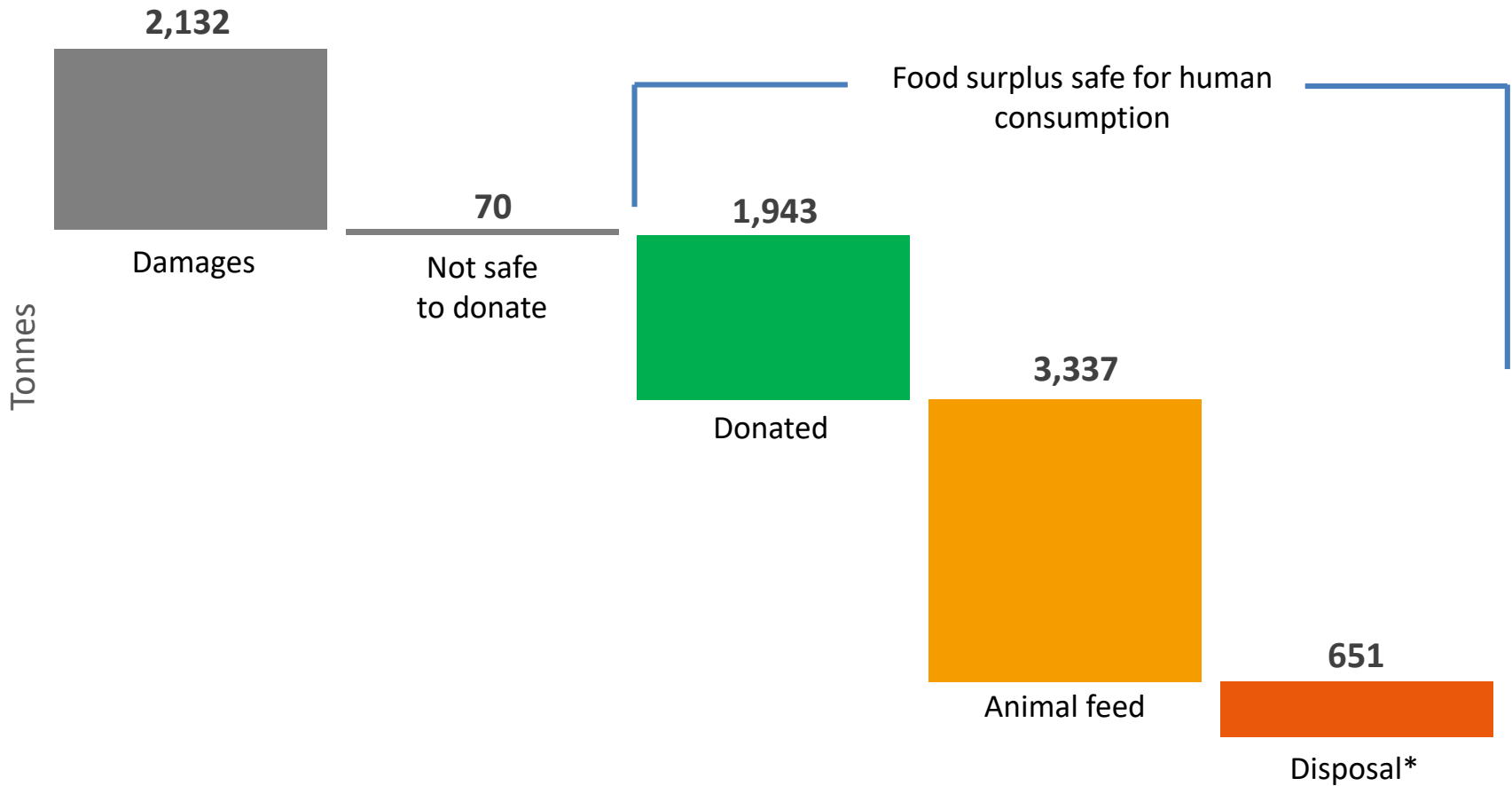
Glossary – Waterfall Chart

Term	Definition
Damages	This includes food surplus due to DAM, EPW, CAYG, and Depot. Note this includes food going to animal feed
Not safe to donate	This includes OOC food surplus that is not safe to donate and non-foodbank donations of items not safe for donation
Donated	Donations for human consumption. Excludes non-food bank donations
Animal Feed	Non-foodbank donations that are safe to donate. Note: In some countries there are restrictions on donating food surplus to feed animals that enter the food supply chain
Disposal	OOO food surplus that is safe to donate but is not donated or sent to animal feed (waste)

Glossary – Intensities

Term	Definition
Wastage Rate	This represents tonnes of waste by tonnes of sales
Surplus Rate	This represents tonnes of surplus by tonnes of sales
Donations Rate	This represents tonnes of donations to food banks by tonnes of surplus

2019/20 food surplus: progress against our target

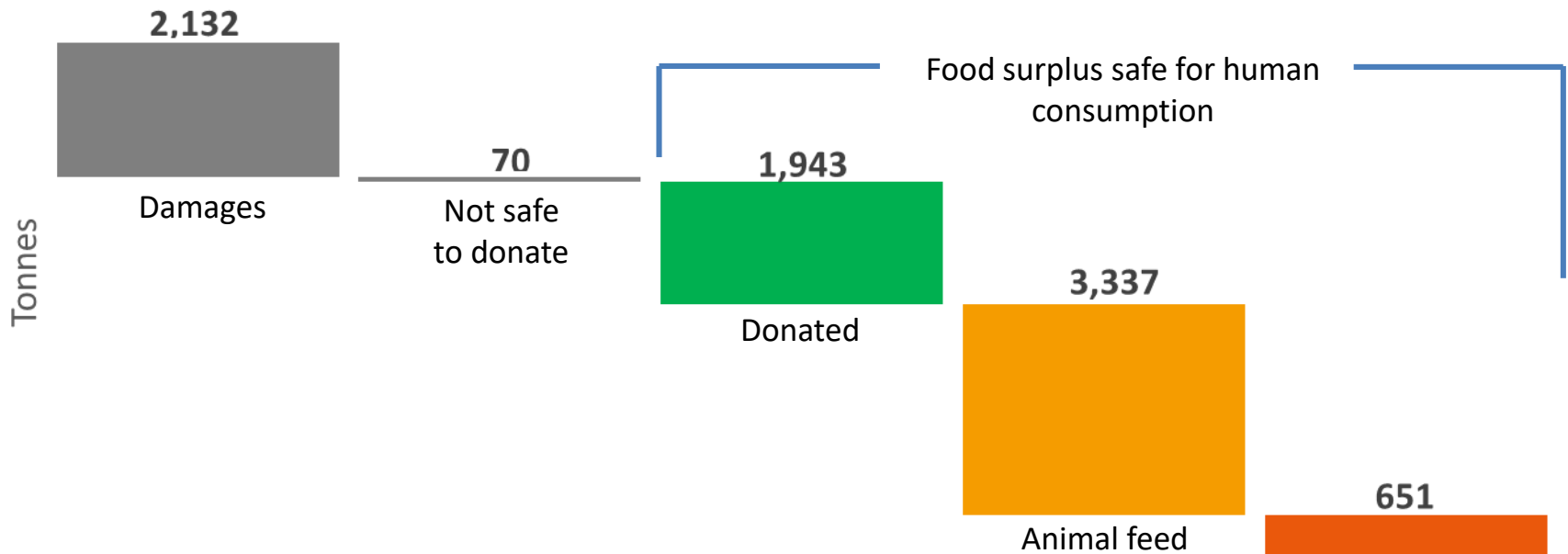


* Information on disposal routes is not available

Summary Results

In total in 2019/20, we sold **551,504 tonnes** of food to customers through our Slovakian operations. This generated:

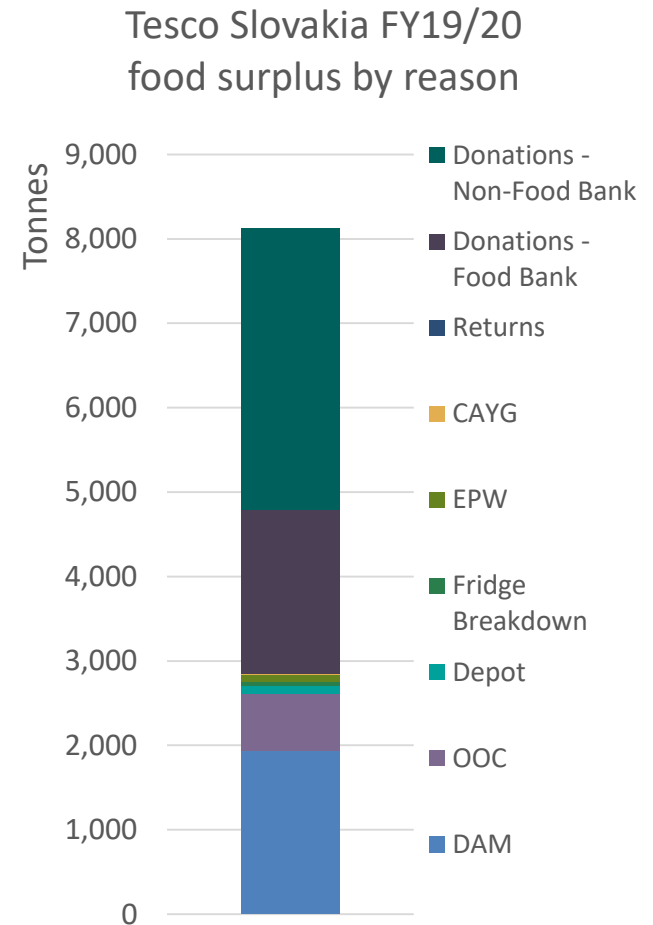
- **8,133 tonnes** of surplus (not sold to customers)
- **5,931 tonnes** of this was fit for human consumption
- **5,280 tonnes** of this was donated or redistributed for animal feed
- **651 tonnes** of food fit for human consumption was disposed of*



* Information on disposal routes is not available

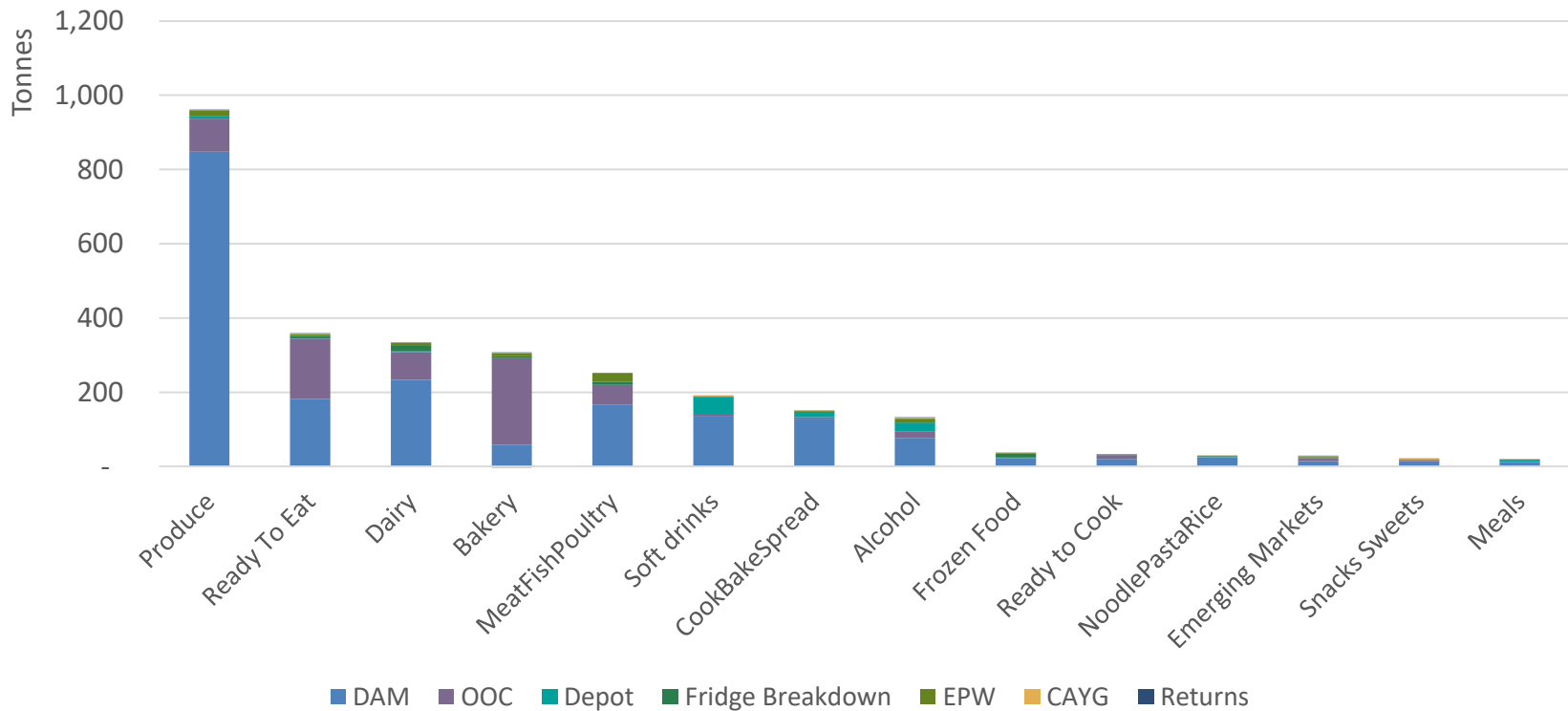
Summary Results

- Overall, surplus from Tesco Slovakia is **1.5%** of sales, and waste is **0.5%** (by weight)
- The value of food waste for Tesco Slovakia was **£4.7 million**. **£2.0 million** of food was donated for human consumption.
- **1,943 tonnes** of food were donated to food banks. This represents **24%** of total surplus by weight; **33%** of edible food surplus.
- **3,337 tonnes** went as non-food bank donations.



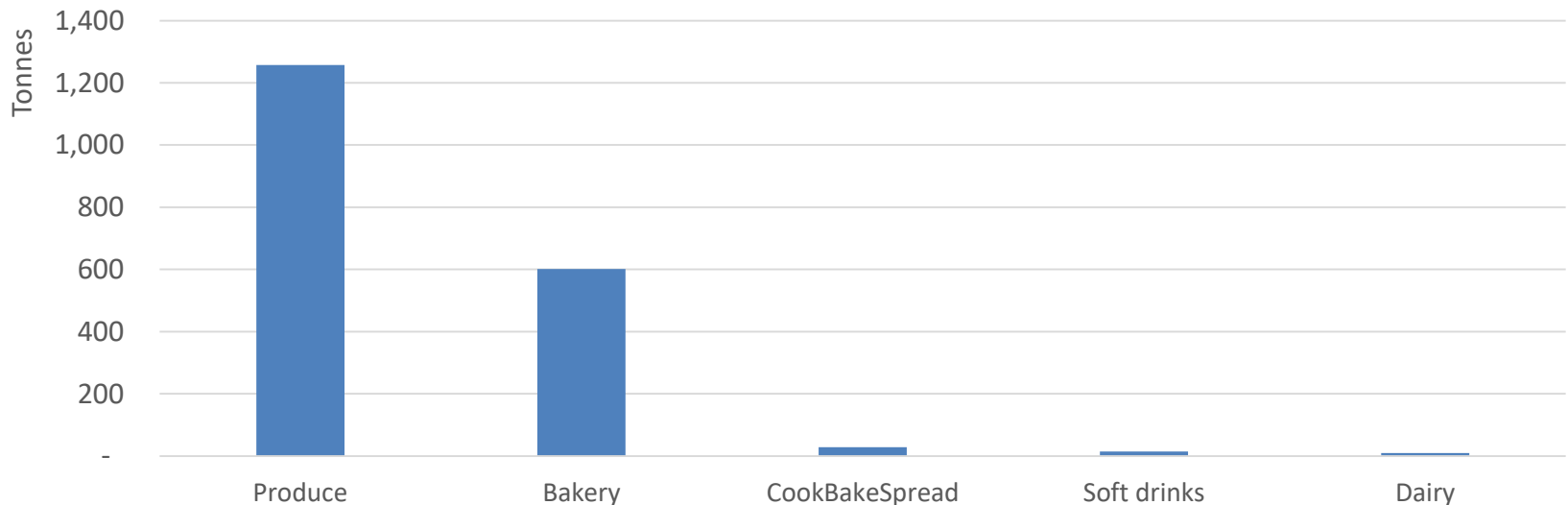
2019/20 food waste by category (surplus minus donations and animal feed)

- The largest contributor to total food waste is Produce, accounting for 34%. Ready to Eat, Dairy and Bakery contribute 13%, 12% and 11% respectively.
- The majority of Produce waste occurs due to damages (88%)



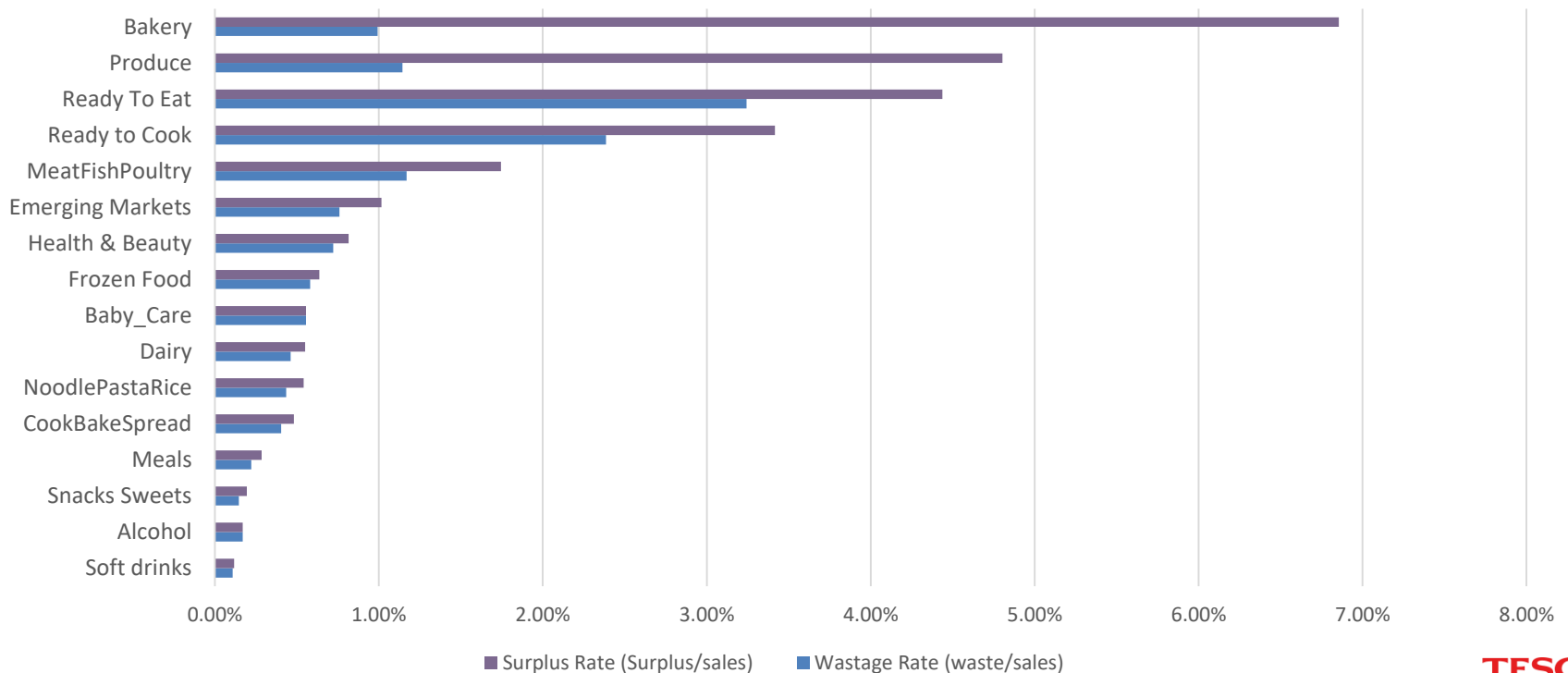
2019/20 food donations (for human consumption)

- These donations are scanned in stores as 'Donations – food bank' and amount to 1,943 tonnes.
- Donations are dominated by produce (65%) and bakery (31%). The remaining categories contributed to donations each by 1% or less.
- Donations to animal feed in Slovakia amount to 3,337 tonnes and are mainly taken from produce (54%) and bakery (36%).



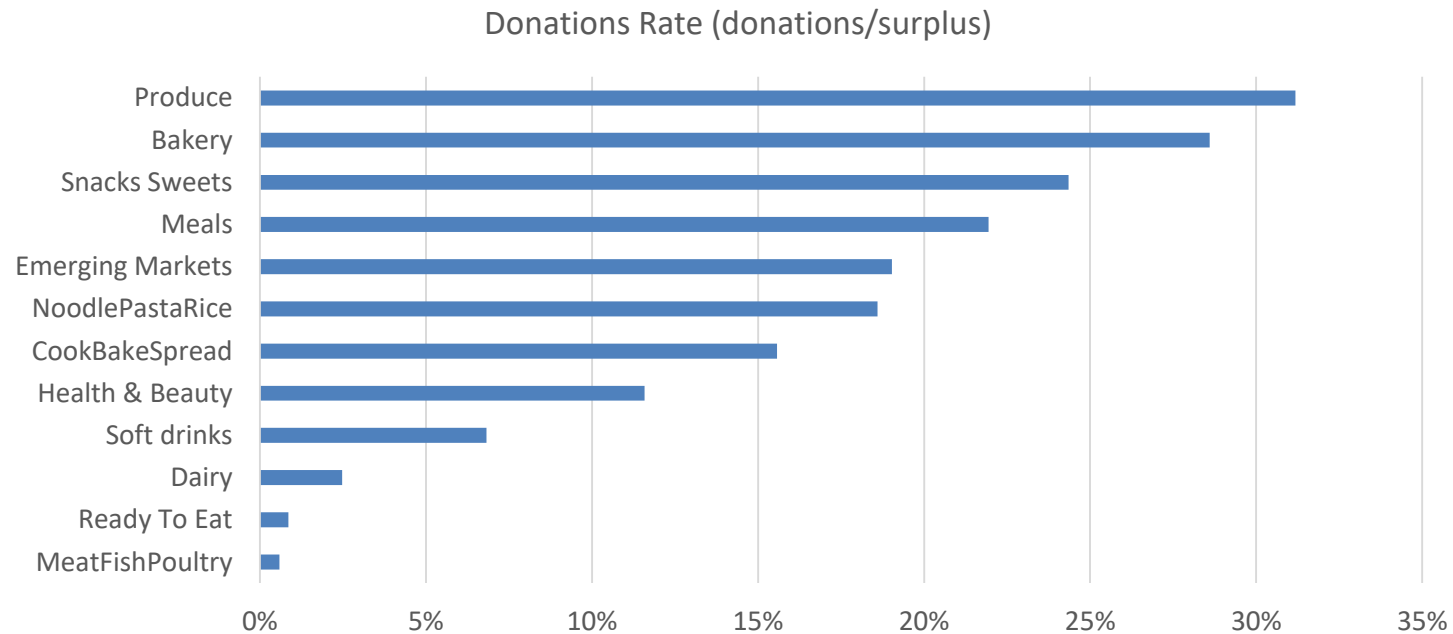
2019/20 Wastage Rates

- Bakery has the highest surplus rate (7%). Produce, Ready to Eat and Ready to Cook had the next highest surplus rates
- Ready to Eat has the highest wastage rate (3%). Ready to Cook, Meat Fish Poultry and Produce had the next highest wastage rates.
- The difference between Surplus Rates and Wastage Rates is due to donations.



2019/20 Donation Rates

- Produce and bakery have the highest donations rate by surplus tonnage; with 31% and 29%, respectively, of unsold food by weight donated for human consumption.
- Overall, 24% of surplus is donated.



Destinations of 2019/20 food surplus

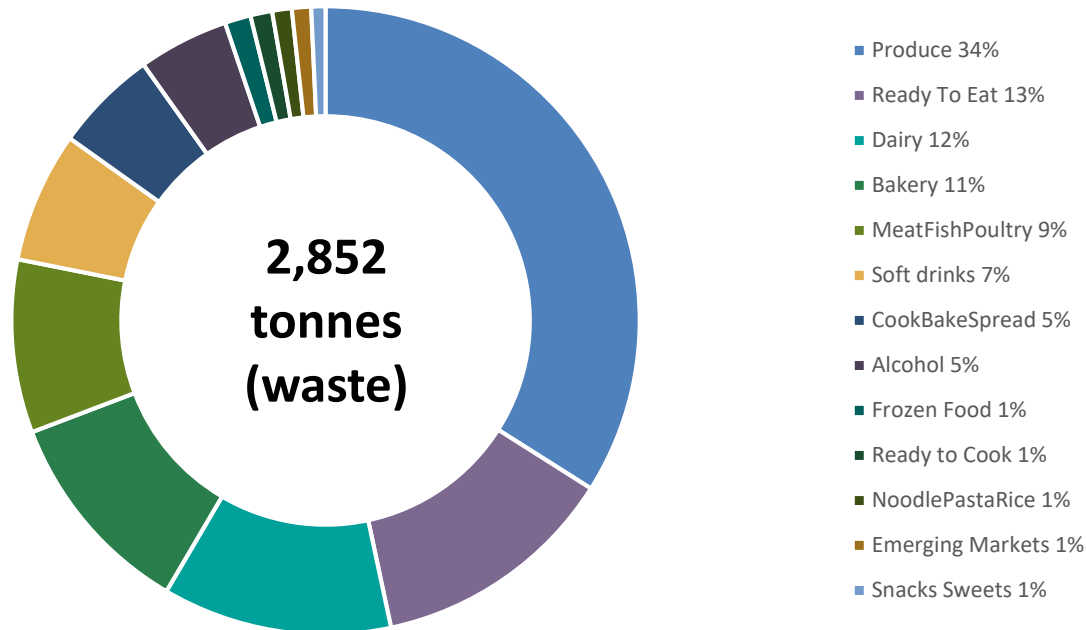
- No information is available on the destinations of disposed food.
- Possible destinations provided by procurement include landfill, incineration and biogas station

Destination	Surplus tonnes	%
Donated	1,943	24
Animal Feed*	3,337	41
Disposal	2,852	35

*includes food not suitable for human consumption sent to animal feed

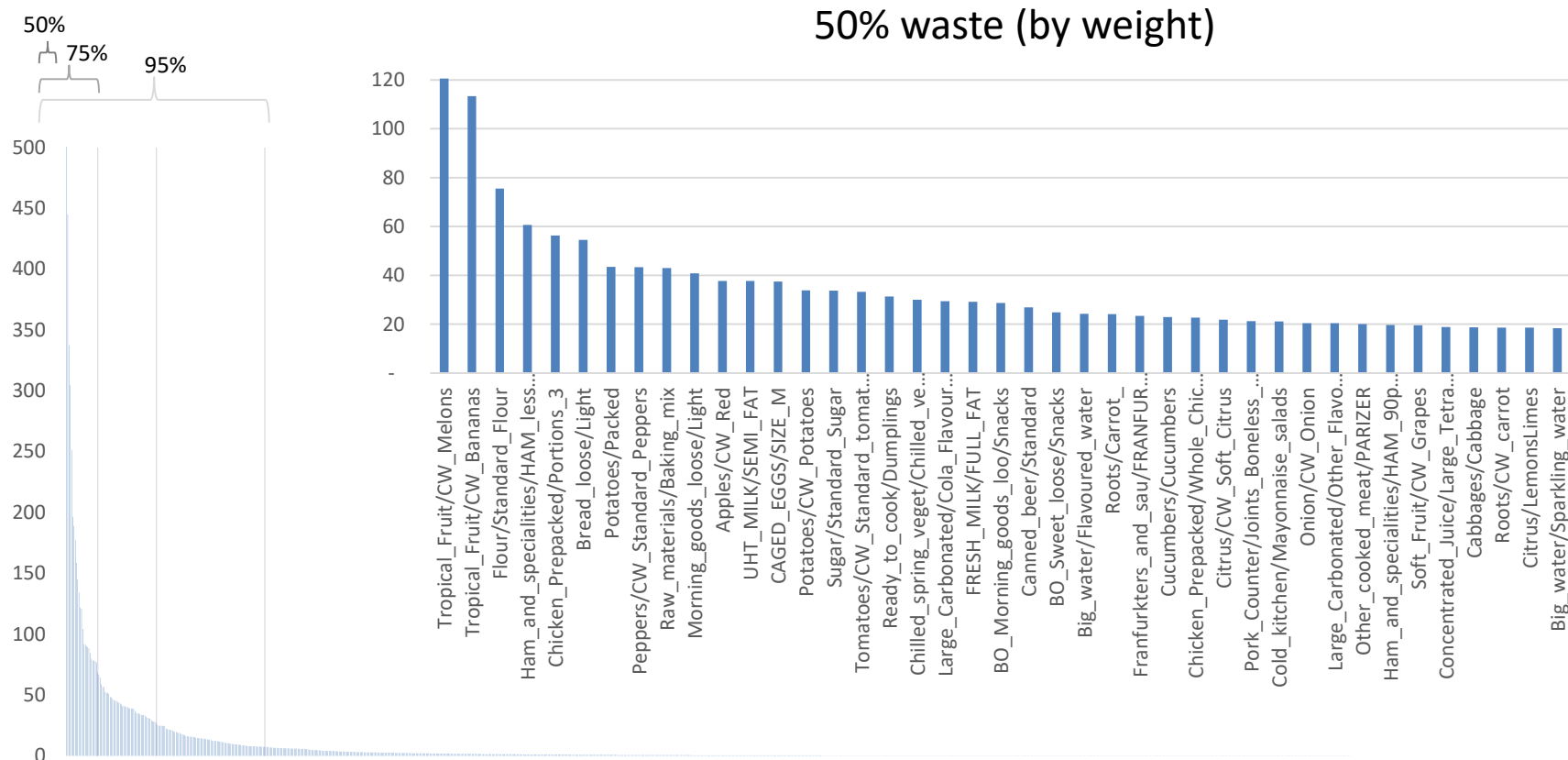
2019/20 food waste by category

- Produce is the most-wasted category, comprising 34% of all waste (surplus not donated or sent to animal feed).
- Ready to Eat, Dairy, and Bakery account for 13%, 12% and 11%, respectively.



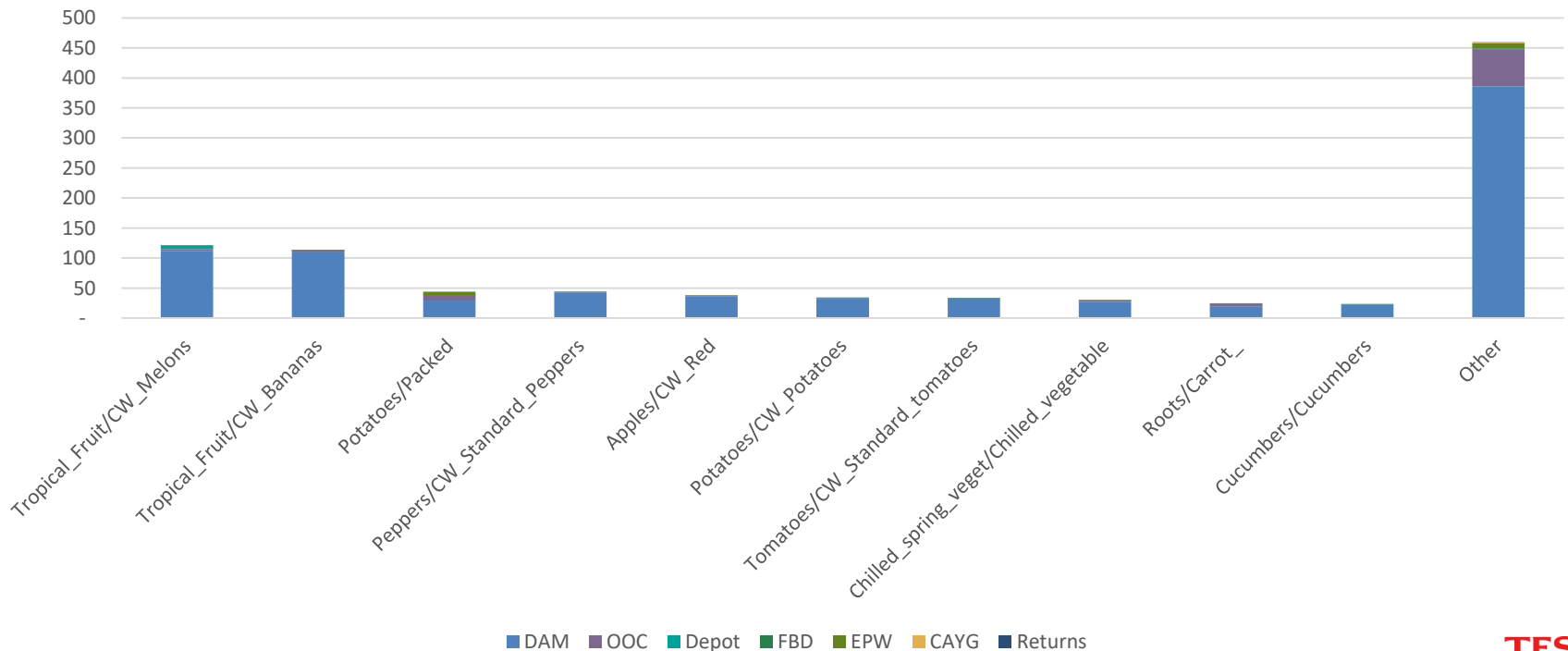
2019/20 food waste by subgroup

- A small number of products make up the majority of waste. In Slovakia, half of all waste (by weight) comes from 41 product subgroups, just 6% of all subgroups.
- The most wasted subgroups are Melons, Bananas and Flour.



Produce

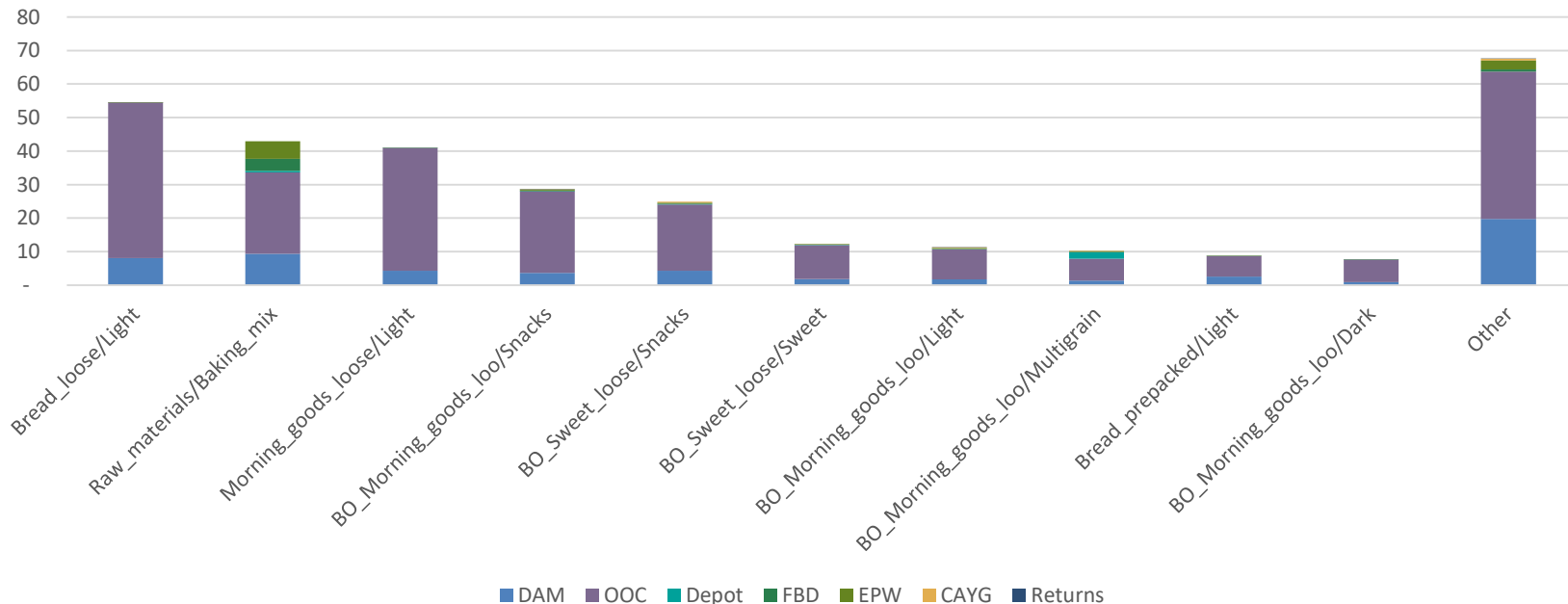
- **961 tonnes** from the produce section were wasted, 1.1% of sales by weight; 1.3% of total sales by units. The value of this was **£1.1 million**.
- 88% of produce waste is due to damages, 44% of all damages across Tesco Slovakia operations occurred in produce.
- Slightly more Melons were wasted than Bananas. Neary half of Produce waste is from 'Other' subgroups.



■ DAM ■ OOC ■ Depot ■ FBD ■ EPW ■ CAYG ■ Returns

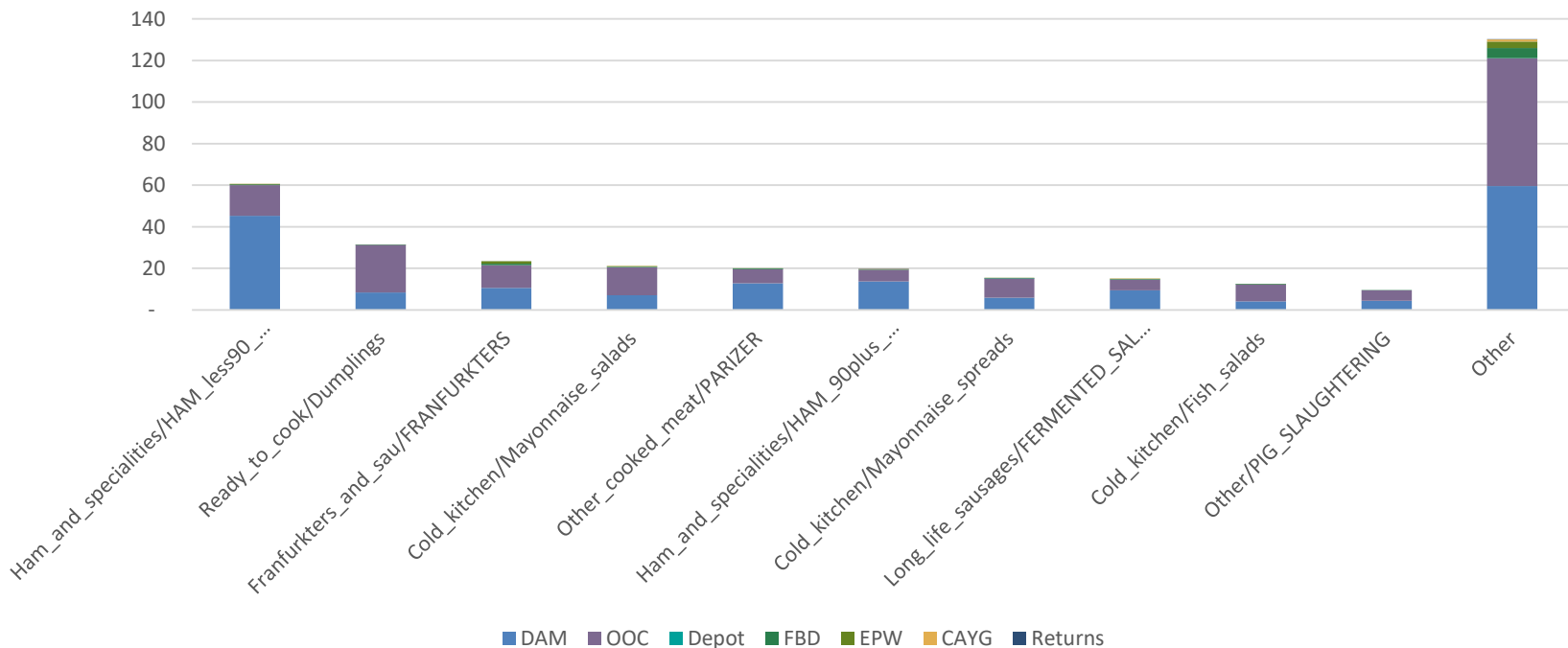
Bakery

- **304 tonnes** from the bakery section were wasted in Slovakia, 1.0% of sales by weight; 0.9% of total sales by units. The value of this was **£0.4 million**.
- 77% of this was out of code, representing 35% of the total OOC waste over all categories.
- A further 19% came from Damages, with negligible contributions from the remaining categories.
- 78% of Bakery waste is from these top 10 subgroups:



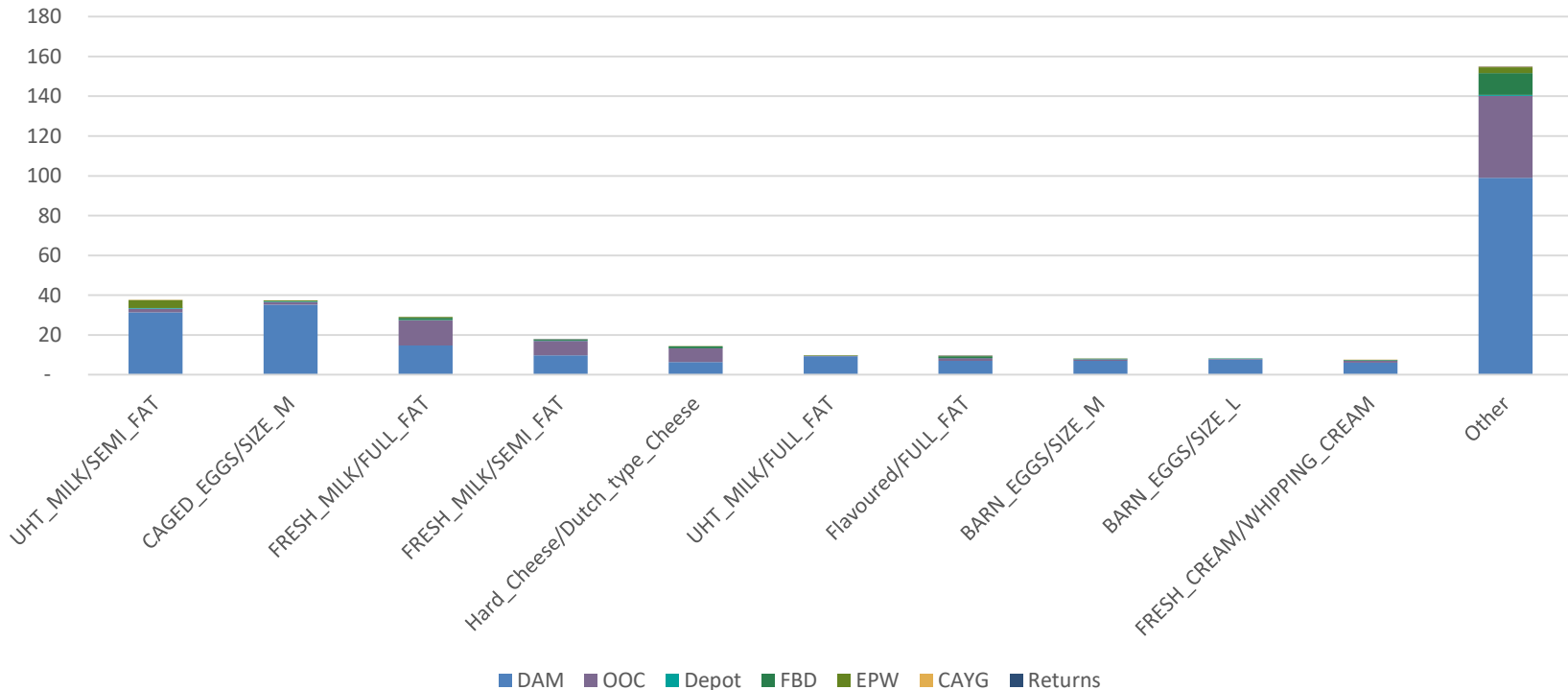
Ready to Eat

- **358 tonnes** of Ready to Eat food were wasted. This represents a weight equivalent to 3.2% of sales; 1.9% of total sales by units. The value of this was **£1.1 million**.
- 51% of wasted Ready to Eat food is coded as DAM, 46% as OOC, which made up nearly a quarter of all OOC waste.
- Nearly two-thirds of Ready to Eat waste is from these top-10 subgroups, the highest of which is “Ham Less90 Meat”, followed by “Dumplings”:



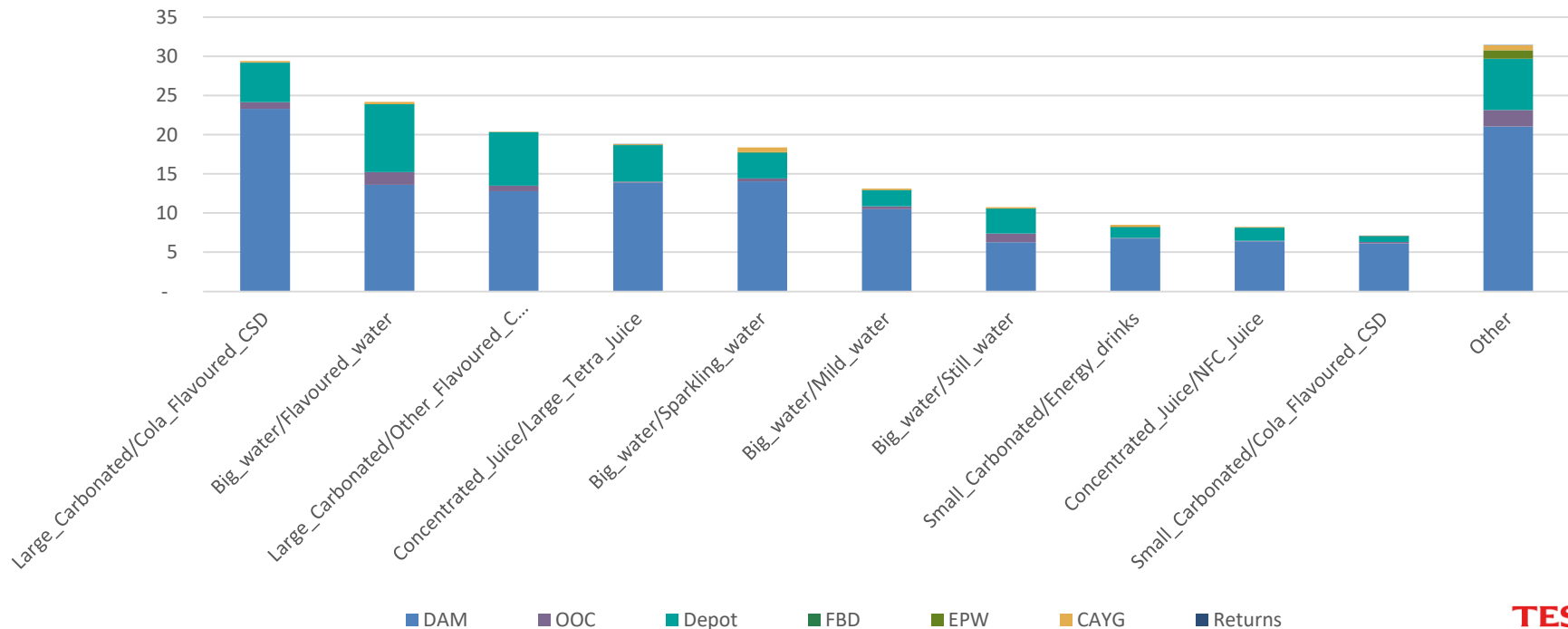
Dairy

- **334 tonnes** of dairy were wasted, 0.5% of sales by weight; 0.5% of sales by units. The value of this was **£0.6** million.
- The majority of the waste in this category is divided between damages (70%) and out-of-code (22%).
- By weight, nearly one-third of Fridge Breakdown waste was Dairy product.
- Over half of Dairy waste is from the top 10 subgroups.



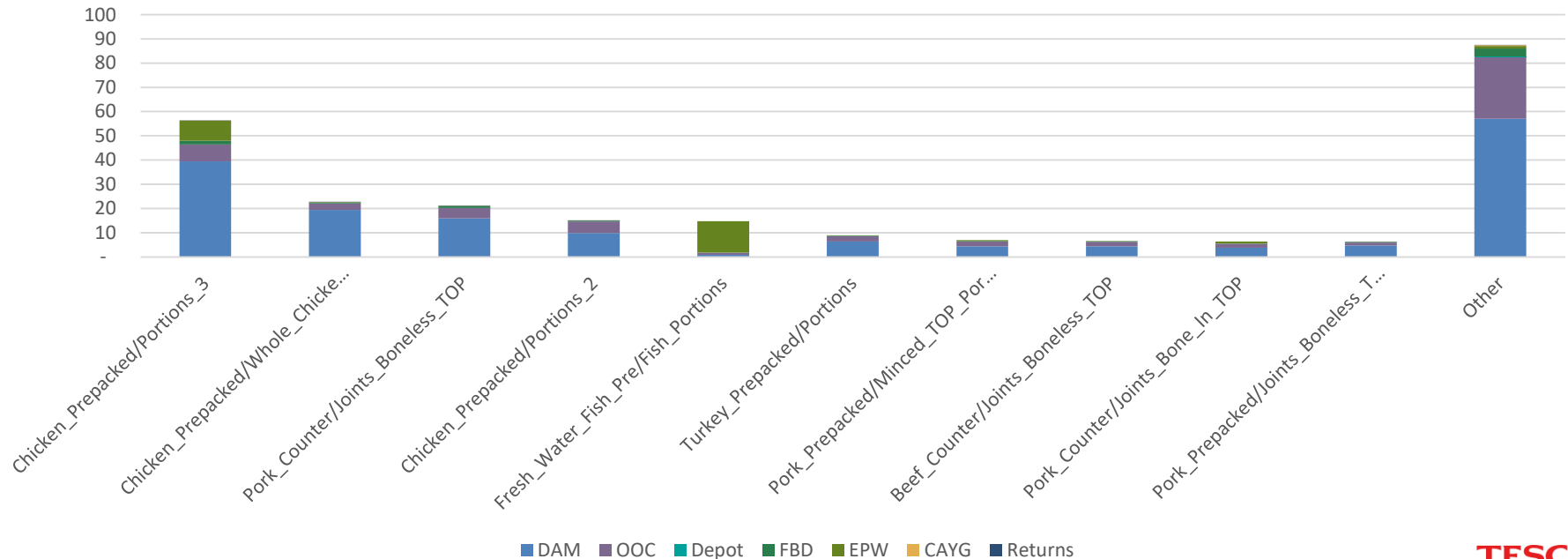
Soft drinks

- **190 tonnes** of Soft Drinks were wasted; 0.1% of sales by weight; 0.1% of total sales by units. The value of this was **£0.1 million**.
- This category is the largest contributor to Depot waste, comprising 46%.
- The waste in this category was dominated by damages (71%) and depot (23%)
- Cola CSD, Flavoured Water and Other CSDs make up the top three subgroups of waste, and 'Other' subgroups make up less than one-fifth of waste



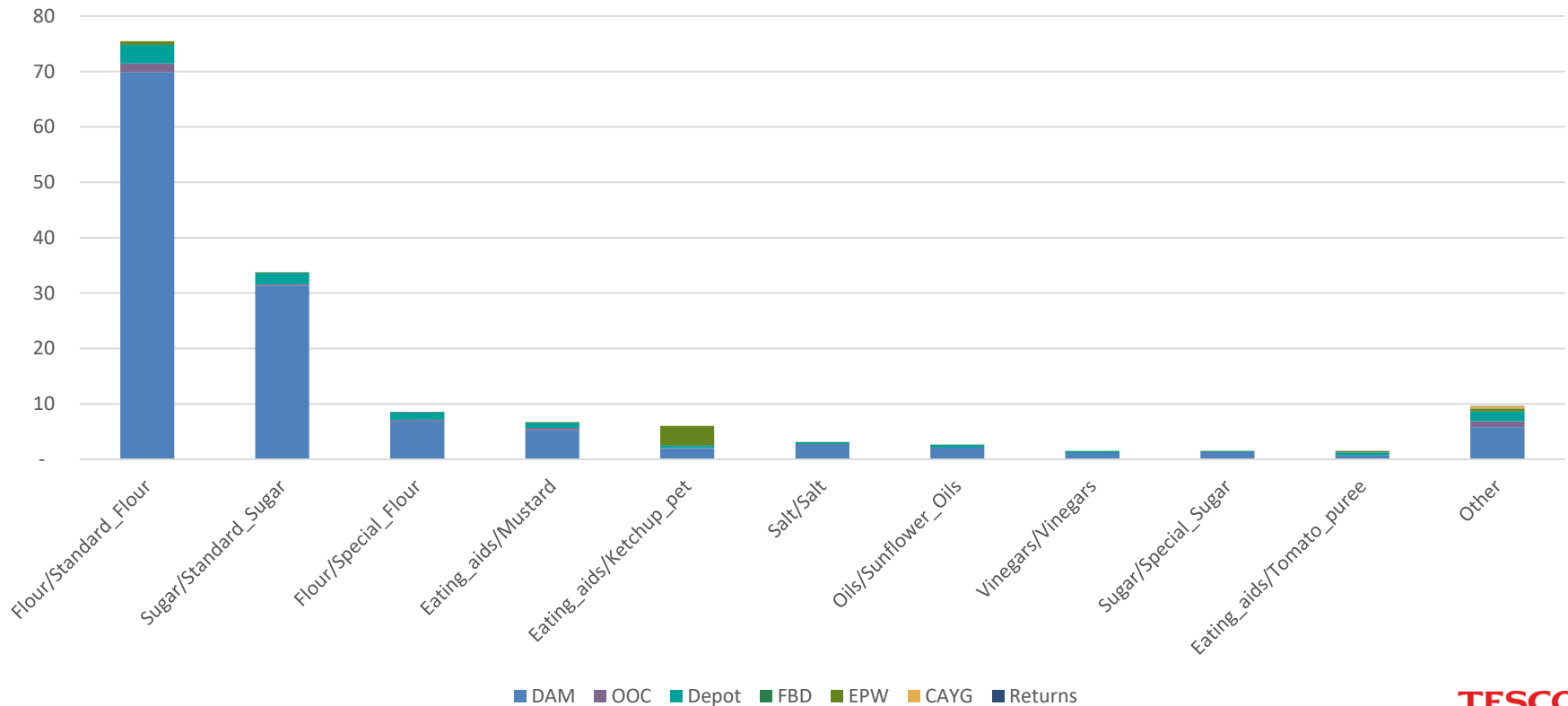
Meat Fish Poultry

- **252 tonnes** of food in the Meat Fish Poultry category were wasted. This represents a weight equivalent to 1.2% of sales; 1.2% of total sales by units. The value of this was **£0.7** million.
- DAM waste accounted for 66% and OOC for 22% of all waste in this category.
- This category was the highest contributor to EPW waste (28% of all EPW).
- “Chicken prepacked – Portions 3”, the highest wasted subgroup, contributed double the wastage of the next highest, “Whole Chicken”. ‘Other’ subgroups make up 35% of waste



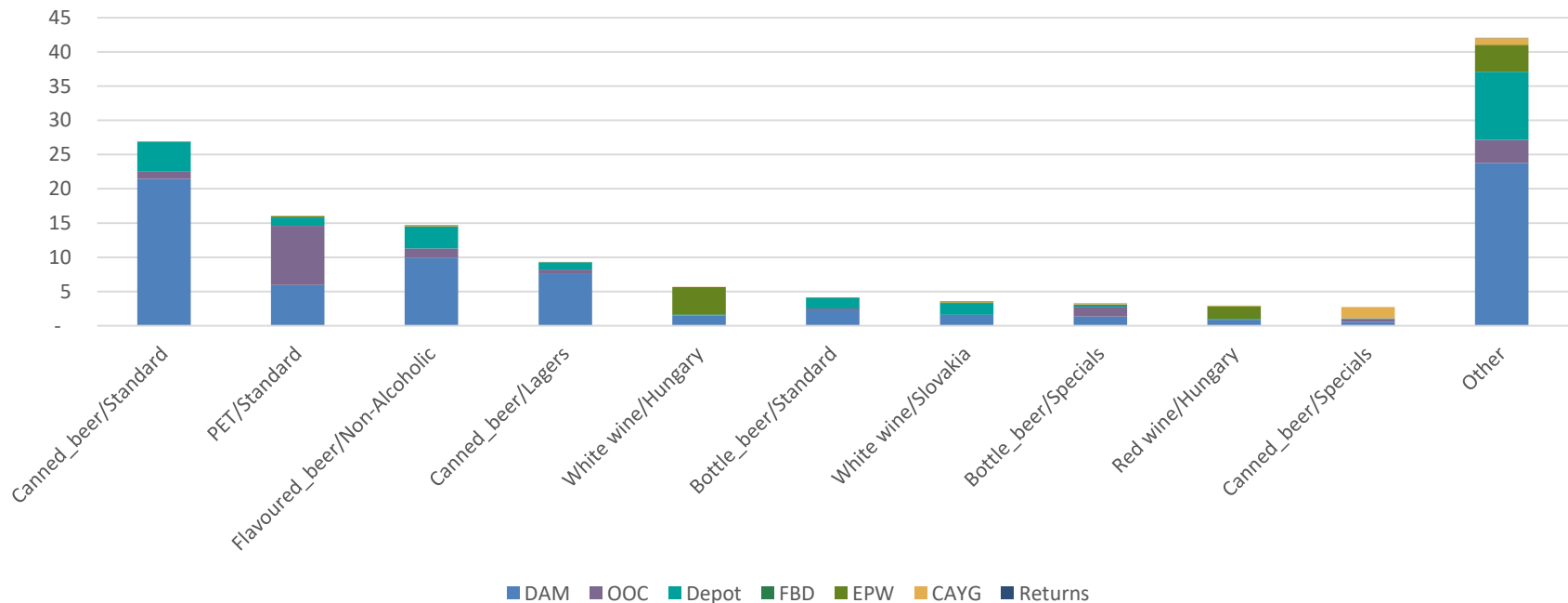
Cook Bake Spread

- **150 tonnes** were wasted; 0.4% of sales by weight, and 0.3% of total sales by units. The value of this was **£88,000**.
- 86% of losses in this category are classed as damages, with Depot accounting for 8%.
- As with previous years, waste from Standard Flour and Standard Sugar is large:



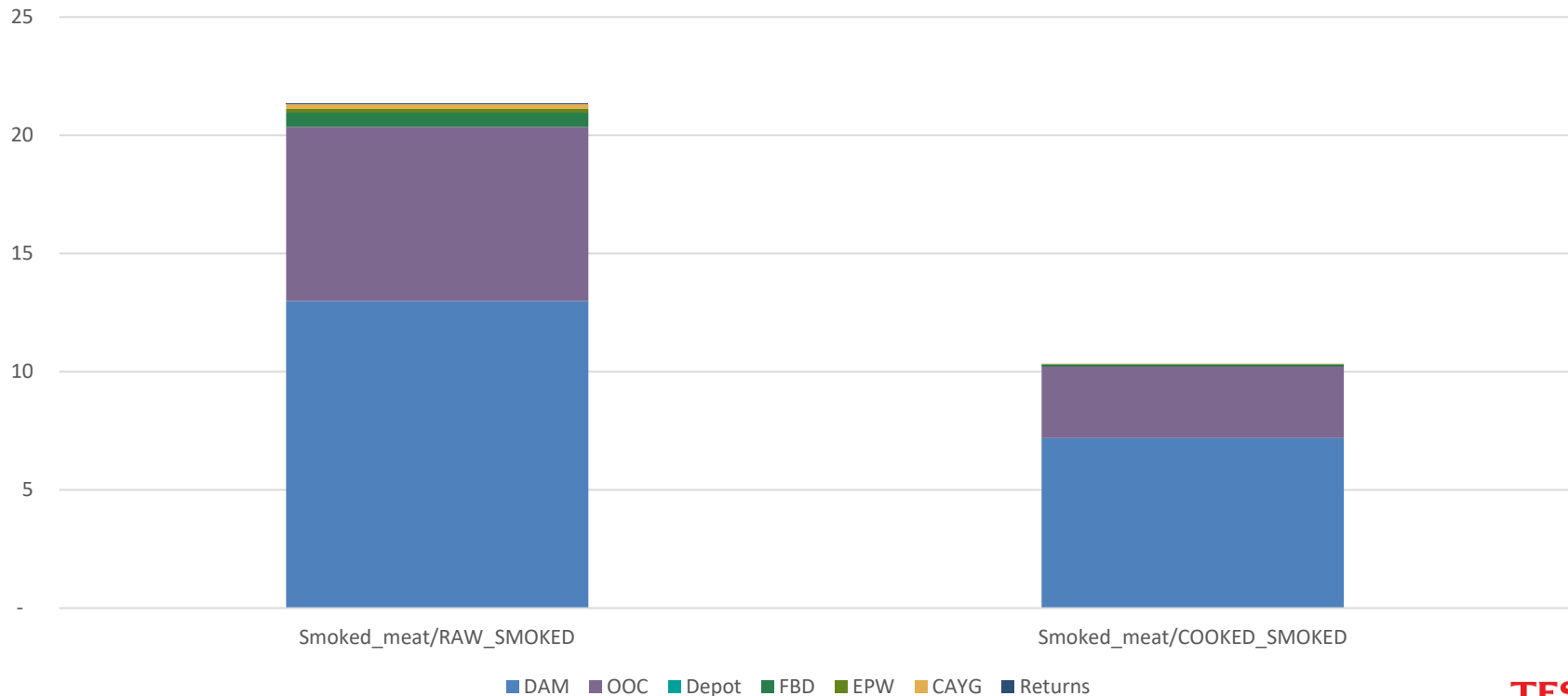
Alcohol

- **132 tonnes** were wasted; 0.2% of sales by weight, and 0.2% of total sales by units. The value of this was **£0.2 million**.
- Waste in this category is 58% damages and 18% depot, with most of the remainder being EPW and OOC (21%)
- 21% of all CAYG waste comes from this category
- Standard Canned Beer, Non-Alcoholic Flavoured Beer and Standard PET have high wastage levels. But one-third of waste originates in other subgroups.



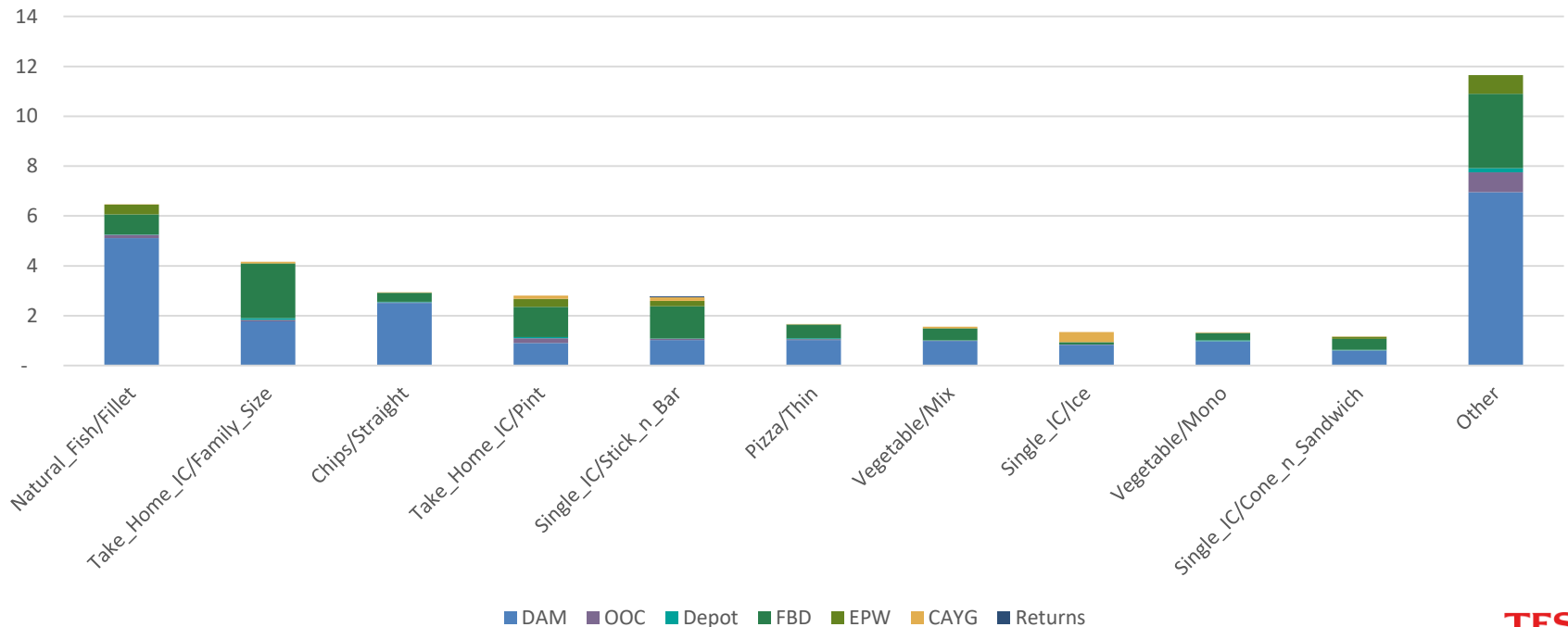
Ready to Cook

- **32 tonnes** of Ready to Cook products were wasted. This was equivalent to 2.4% of sales by weight, and 2.1% by number of units. The value was **£0.1 million**.
- Damages comprise 64% of waste in Ready to Cook, and OOC makes up a further 33%.
- Waste in ready to cook was split two-thirds to one-third between Raw Smoked Meat and Cooked Smoked Meat



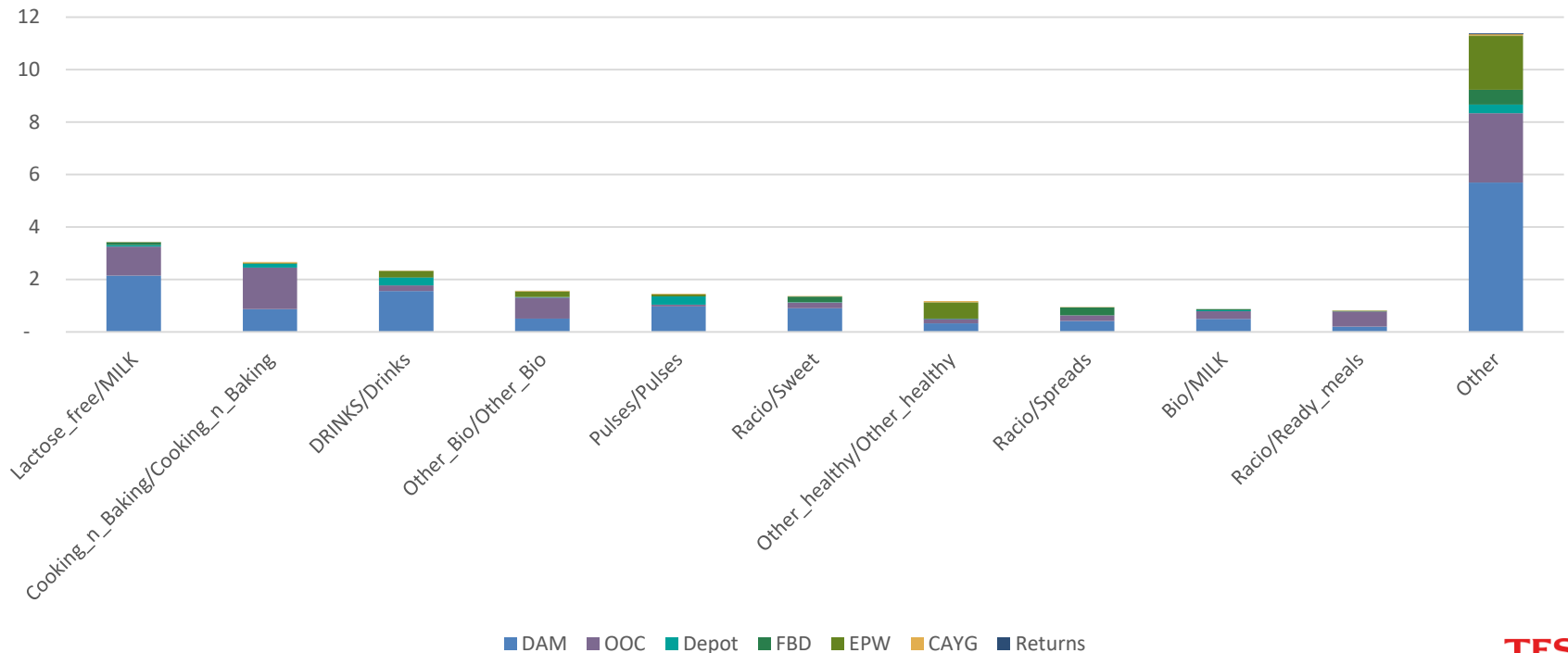
Frozen Food

- **38 tonnes** of Frozen food were wasted; 0.6% of sales by weight, and 0.7% by number of units. The value was **£102,000**.
- 60% of frozen food waste was from damages, and a further 28% was from Fridge breakdown.
- As expected for frozen products, OOC is low (4%).
- Natural Fish Fillets are the most wasted category. One-third of waste is from 'Other' subgroups



Emerging Markets

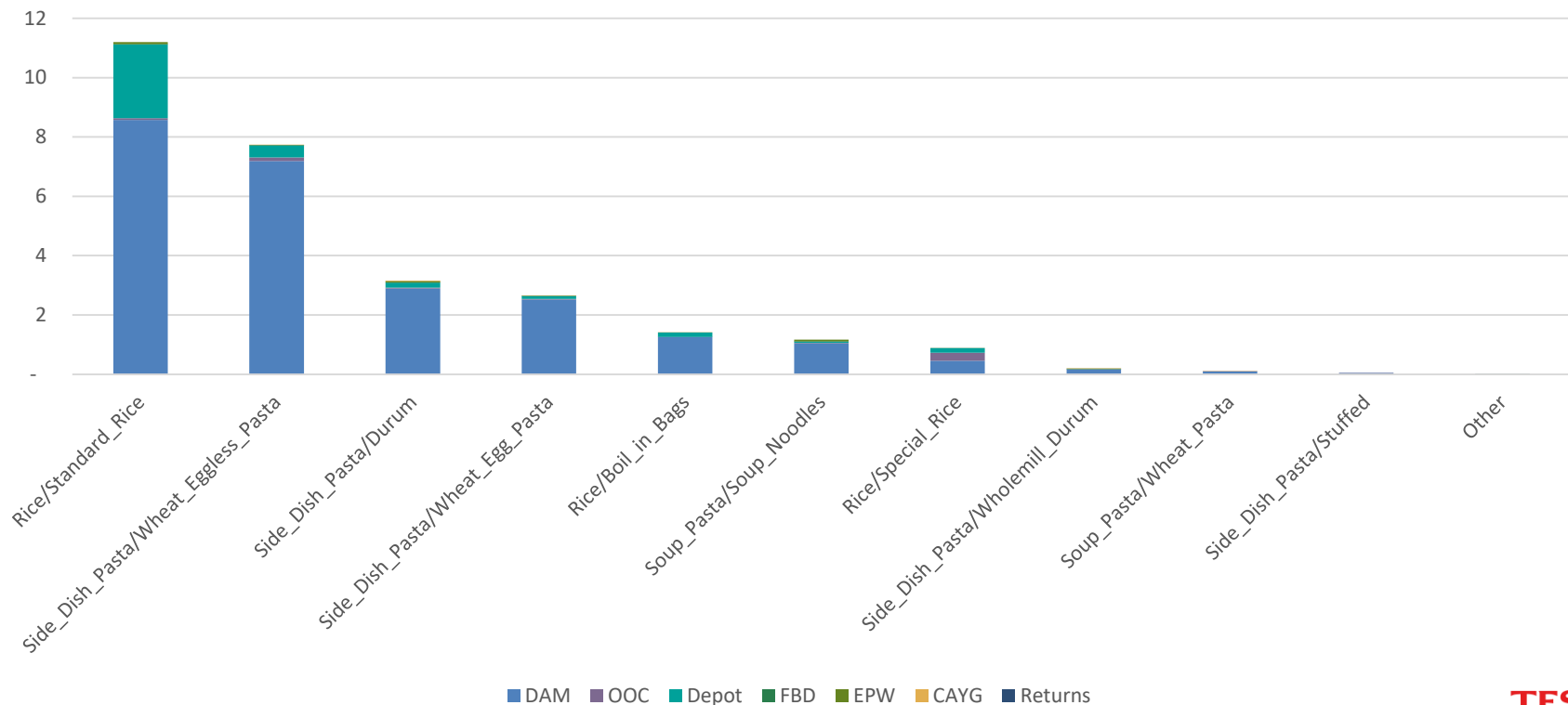
- **28 tonnes** were wasted from the Emerging Markets category; 0.8% of sales by weight, and 0.7% of total sales by units. The value of this was **£73,000**.
- 50% of this waste was from damages, and the remainder was largely classed as OOC (28%) and EPW (12%).
- Lactose Free milk is the most wasted in this category. Two-fifths of waste is from 'Other' subgroups.



DAM OOC Depot FBD EPW CAYG Returns

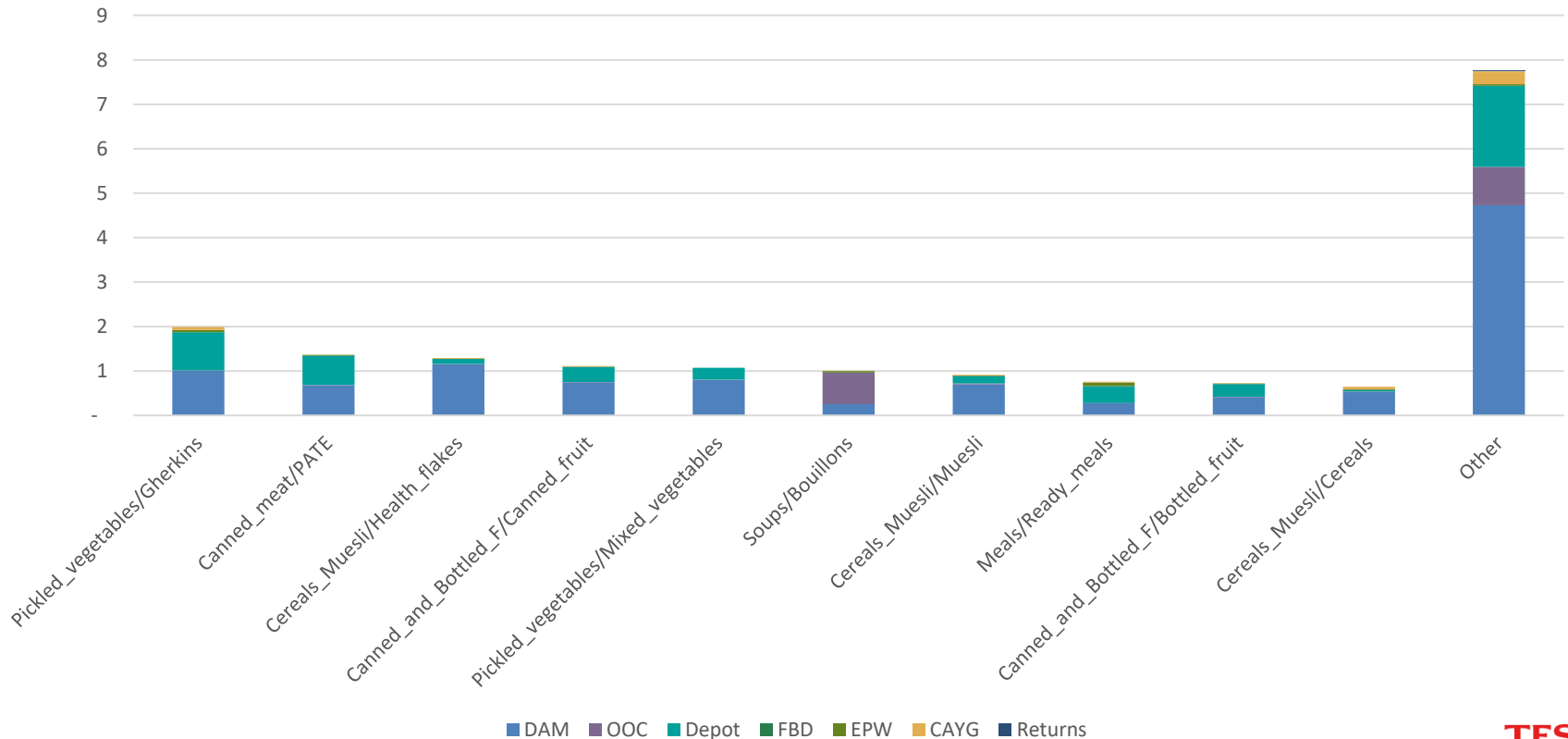
Noodle Pasta Rice

- **29 tonnes** were wasted from this category; equivalent to 0.4% of sales by weight, and 0.4% by number of units. The value was **£22,000**.
- 85% of waste in this category is due to Damages and 12% to Depot.
- There is high proportion of waste from the depot in the highest wasted subgroup, Standard Rice. 'Other' subgroups make up less than 0.1% of waste.



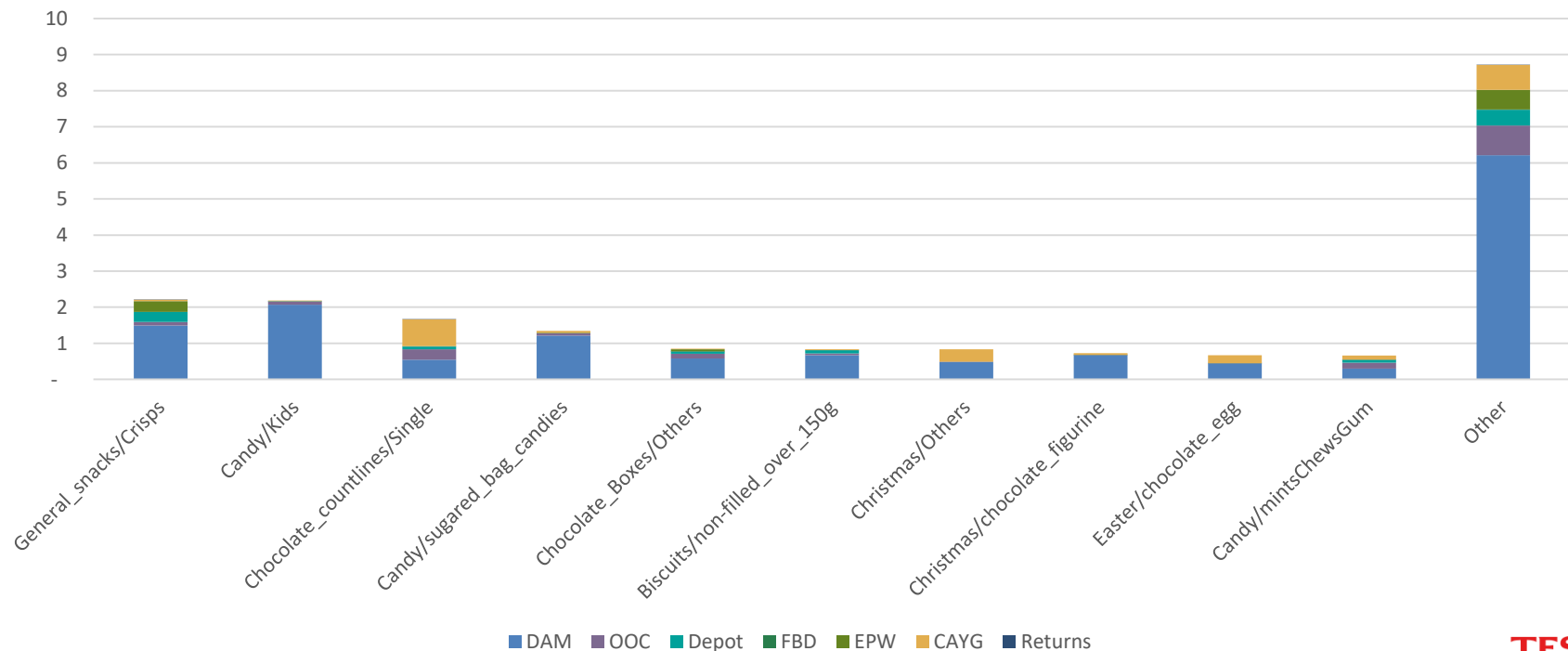
Meals

- **19 tonnes** of were wasted from the Meals category; 0.2% of sales by weight, and 0.2% by number of units. The value was **£40,000**
- Damages, Depot and OOC contributed 61%, 27% and 9% respectively.
- 57% of Meals waste originated from the top 10 categories.



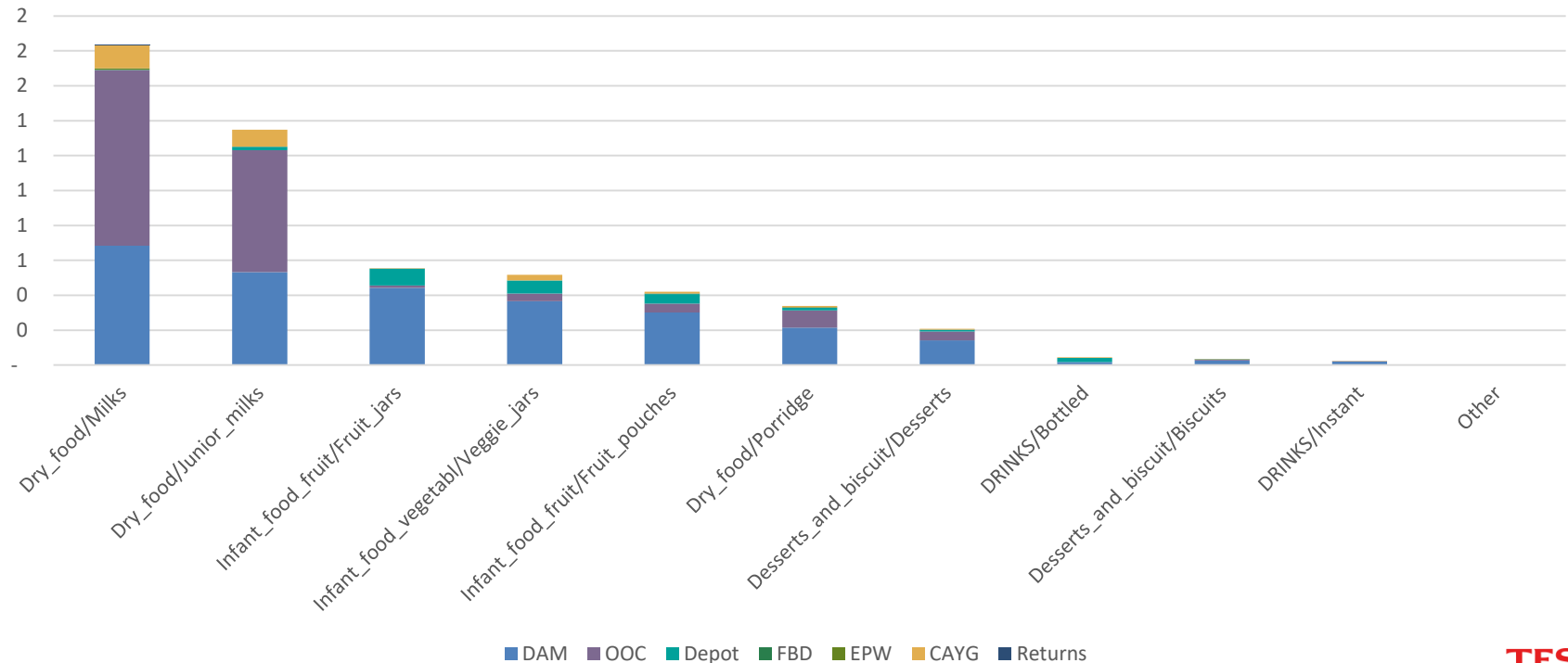
Snacks Sweets

- **21 tonnes** of Snacks and Sweets were wasted; 0.1% of sales by weight, and 0.2% by number of units. The value was **£0.1 million**.
- 71% of Snacks & Sweets waste was classified as damages, and a further 19% was CAYG and OOC waste.
- 57% of waste originated from the top 10 subgroups, mostly from Crisps, Kids Candy and Chocolate Countlines



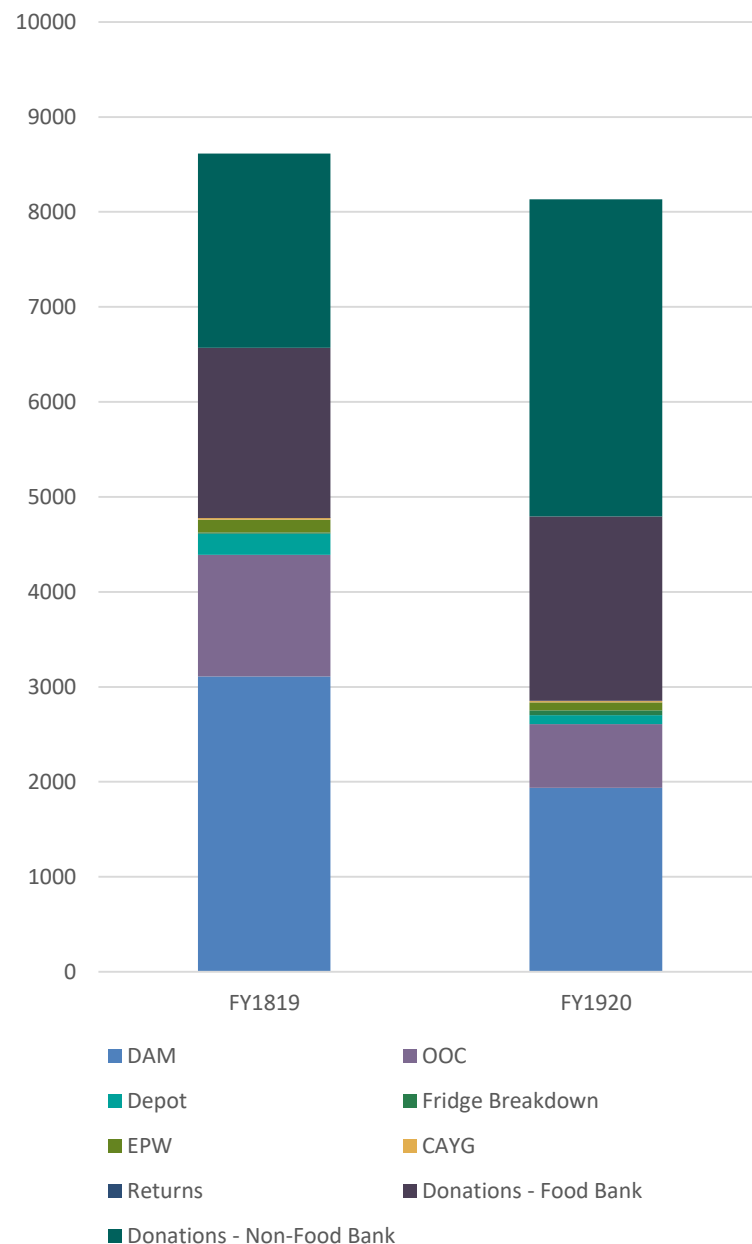
Baby Care

- **5 tonnes** of Baby Care products were wasted. This was equivalent to 0.6% of sales by weight, and 0.4% by number of units. The value was **£36,000**
- Damages waste comprised 53% of waste in Baby Care, and OOC made up a further 38%.
- The majority of Baby wastage was from the Milks subgroups, followed by jars of fruit and veggies. Out of Code waste was significant for the dairy subgroups.



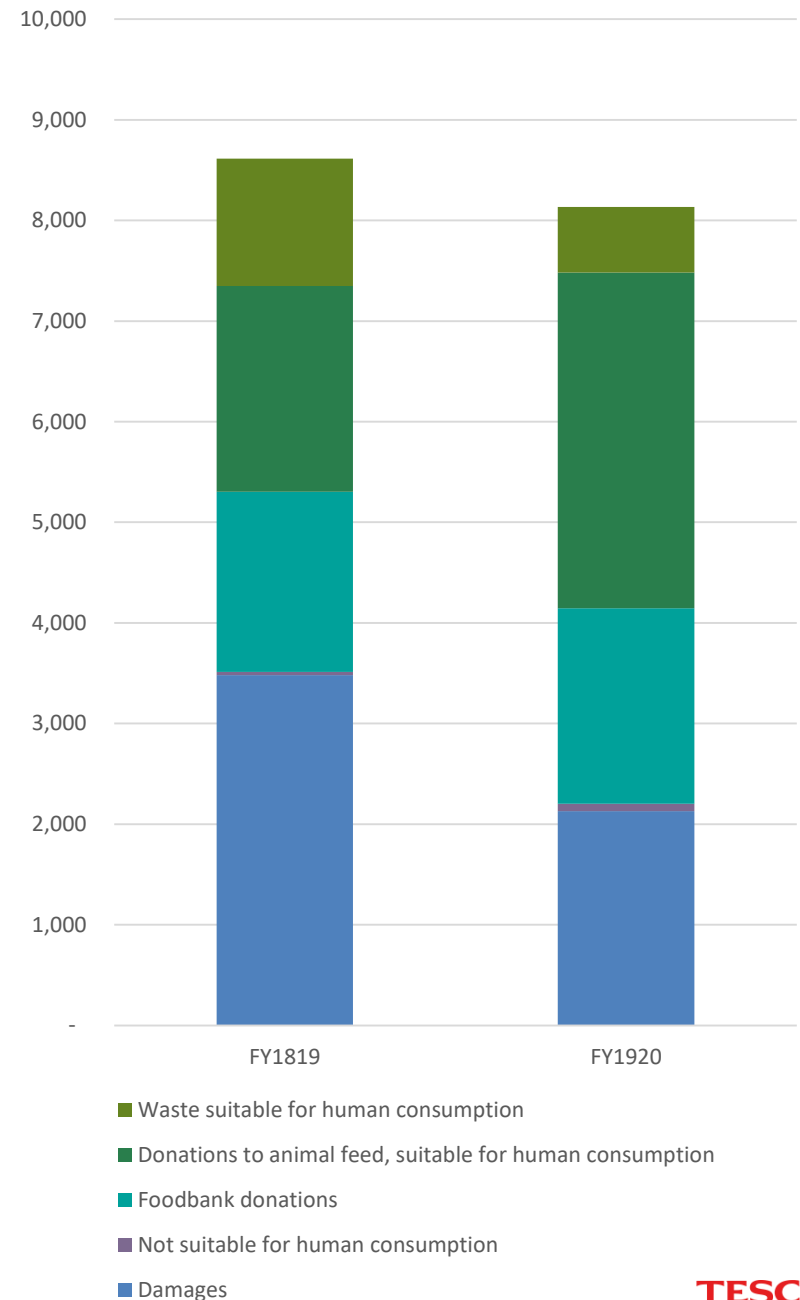
YoY Comparison – Summary

- Total food surplus in Tesco Slovakia went down from **8,614 tonnes** to **8,133 tonnes**, a **6% decrease** from FY1819 to FY1920
- The food waste tonnage was reduced by **40%**, from **4,779 tonnes** to **2,852 tonnes**
- This was driven by a reduction in damage waste and an increase in donations. Donations to food banks increased by **8%** to **1,943 tonnes** and to non-food bank destinations by **63%** to **3,337 tonnes**
- Damages and out-of-code waste were reduced by **38%** and **48%**, and depot waste decreased by **57%**
- Fridge Breakdowns increased by 239%, from **14 tonnes** to **49 tonnes**
- Waste per sales intensity by weight decreased from **0.9% to 0.5%**



YoY Comparison – Waterfall

- The proportion of surplus food that was suitable for human consumption increased from 59% to 73%
- The percentage of food suitable for human consumption that was disposed of decreased from 25% (1,266 tonnes) to 11% (651 tonnes), a 56% reduction.
- The proportion of food suitable for human consumption that was donated to human and animals increased by 8% and 63% respectively.



YoY Comparison – Category

- Produce and bakery were the largest categories in FY1819 but this year Ready to Eat was the second largest category. The top two categories covered 60% of all waste in FY1819 and 46% in FY1920. Produce waste decreased by 51% from FY1819, Bakery waste decreased by 66% and Ready to Eat waste decreased by 21%
- Waste decreased for all categories, but Dairy, Meat Fish Poultry and Alcohol waste decreased by less than 10%

