

The Future of Food One Year On

Foreword

Breige Donaghy, Director of Delicious Food

Approaching a new decade, it feels right to reflect on what we have achieved through Future of Food in year one. We are in an unprecedented time and the challenges we face have never been more apparent, from the kickback against plastic to the terrifying impacts of climate change, and citizens are demanding action more than ever.

Co-operating is our key to finding sustainable solutions and with you we have made significant commitments this year and gained industry recognition. We committed to reducing our greenhouse gas emissions in line with limiting global temperatures to 1.5°C, we have made outstanding progress in our *Action on Plastic* plans, and continue to strengthen our Fairtrade commitments.

We have much to be proud of, but there is more to do. So, our plan and commitments will continue to evolve for the sake of our planet, and the people who share it.

Thank you to our partners for your continued support - the Future of Food is in our hands and together we can make the

change that is needed.



Chapter 1

Sourcing & creating with care

We said we would: Design Co-op products with quality, sustainability and health front of mind

- ✓ We've made big progress on sugar reduction in Co-op products, removing 253 million teaspoons of sugar this year alone. Some of the categories where we've made significant progress are our biscuits, yogurts and ice cream.
- ✓ We have set calorie reduction targets for sweet and savoury categories, to help Co-op customers reduce the calories in their shopping baskets by 2024.
- ✓ Helping our customers move to more sustainable diets is big on our agenda, and we know people are increasingly seeking out meat-free choices every day. This is why we're increasing the size of our vegetarian and vegan ranges, to make that choice convenient and appealing.
- ✓ We continue to add nutrition claims to front of pack to help customers choose healthier options more easily. Since the end of 2015, we have seen the number of Co-op products carrying a nutrition claim increase by 27%.

- ✓ As pledging partners of Peas Please, encouraging people to eat more veg is extremely important to us. That's why we've:
 - Set targets with our product developers to include more vegetables in key categories, to make it easier for citizens to reach their 5 a day.
 - Embarked on a behaviour change trial focused on encouraging citizens to eat more fruit and vegetables.
- ✓ We set out our ambitious Action on Plastics plan when we launched Future of Food last year. Check out Chapter 4 for an update on our journey to making all our packaging recyclable or reusable.



We said we would: Protect our most important ingredients and care for the environment they are sourced from

- At our 2019 AGM, our members called for a climate crisis to be recognised and supported us to take action.
 99% of members asked Co-op to share details of our responsible sourcing plan and to develop a way to measure the environmental and ecological impact of Co-op products.
- ✓ As part of our pledge to protect our most important ingredients and care for the environment they are sourced from, we worked with stakeholders to identify our 30 key ingredients with the highest sourcing risks. We have also carried out research with The University of York IKnowFood team to focus on the future risks to sourcing ingredients resulting from climate change. We've also been busy:
 - Covering 100% of our soy footprint with RTRS credits and making sure that by 2025 all of the soy we use as animal feed in our supply chains is zero deforestation.
 - Working with Chester Zoo to plant 5,000 trees in Sabah, Borneo and reverse deforestation in a former palm oil plantation devastated by overproduction.

We said we would: Champion sustainable agriculture and our British sourcing commitments

✓ We enrolled 100 young farmers through our Co-op Farming Pioneers Programme - inspiring, guiding and uniting a network of the next generation of UK farmers.

We said we would: Embed responsible resource use in our operations and supply chain

We have set GHG emissions reduction targets based on the latest scientific guidance, committing to an 11% reduction from Co-op products, and a 50% reduction from our operations by 2025. We were also the first British retailer to sign up to the UN's "Our Only Future" campaign, pledging a move to net-zero by 2050

From 2016 to 2018 we've already reduced our operation emissions by 33%, in large part due to investment in much less GHG-intensive refrigeration.

We said we would: Halve the amount of food waste between farm and fork

- ✓ We reported our operational food waste through our Co-op Way Report. Since then we are able to report a 29% reduction in waste compared to 2015.
- ✓ Our Food Share scheme links Co-op stores to local community groups and helps them to share surplus food at the end of each day. Where groups have the ability to cook or freeze food on the day safely, we offer products up to their "use by date", so make sure waste is limited as much as possible. We have established Food Share partnerships in 1171 stores to date, which is over 50% of our total number of Co-op stores.
- ✓ We've recently been listening to Co-op members and their ideas on how to tackle food waste at home, through our Join In programme. Read more about it in Chapter 3, 'Learning & Celebrating Together.'



Treating people fairly

We said we would: Campaign for the rights of the people who produce our food, with a focus on vulnerable workers and empowering women

- ✓ We celebrated two years of Bright Future our programme to offer victims of modern slavery a paid work placement and non-competitive interview for a permanent job.
 - Bright Future has grown into a multi-business, multi-charity partnership with over 48 organisations collaborating to help victims find fair work.

So far 50 survivors have been given a chance to rebuild their lives through the programme, with over 25 people being offered a permanent role in the Co-op and other businesses.

✓ We have shared our biggest human rights risks within our supply chain on our website.

> We identified the most significant labour rights risks in our supply base, including: modern slavery, exploitation of vulnerable workers, lack of worker voice and representation, and smallholder livelihoods.

These risks have been prioritised into 8 key areas, across 17 countries. On our website we share the activities we are doing to mitigate those risks. ✓ We have begun to put a gender lens on our supply chain by holding training sessions for key suppliers on gender issues and how to address them.

> Co-op's market-leading Fairtrade cocoa commitment is helping to empower a young generation of female farmers to continue to fight gender stereotypes in West Africa.

> We have committed to a second year of funding Fairtrade Africa's Women's School of Leadership in Cote d'Ivoire, where women working in the cocoa industry are trained in business skills such as decision making, resource management and leadership.



We said we would: Become leaders in tackling global water poverty



We have raised over £10.3m for One Foundation over 13 years, which has positively impacted 1.9 million lives to date. In 2018 alone £1.2m was invested in clean water & sanitation projects, and 234,000 people's lives were touched by the work

We donate 3p for every litre of Co-op branded water to The One Foundation and 1p for every litre of other branded water to Water Unite. 50% supports water projects in Co-op Fairtrade producer communities.

We delivered a powerful message from Co-op's CEO, Steve Murrells, to other CEO's encouraging them to join together to help fight water poverty.

We said we would: Ensure a fair deal and resilient livelihoods for everyone in our supply chain

- ✓ At our 2019 AGM, Co-op members voted to support a motion to further our Fairtrade commitment. The motion encourages Co-op to help shoppers to understand the Fairtrade mark and increase visibility of Fairtrade products in Co-op stores all year round.
- ✓ This year we're proud to celebrate 25 years of supporting Fairtrade and the difference Co-op customers make every day when they choose Fairtrade products. For 25 years Fairtrade and Co-op have been fighting against exploitation and making a huge difference to producer's lives around the world. There is more to do though, to tackle exploitation in trade and support the world's poorest farmers in a volatile market. That's why we're proud to continue to support Fairtrade as the gold standard certification and celebrate the 25th anniversary proudly.

We said we would: Engage and empower our producers and suppliers through co-operation

✓ We co-produced the food industry's Responsible Recruitment Toolkit

responsiblerecruitmenttoolkit.org

We have joined forces with Aldi, M&S, Tesco, Sainsbury's and Waitrose to announce our sponsorship of the Responsible Recruitment Toolkit.

By joining with others we have created the opportunity for all suppliers to gain access to free online and face-to face training sessions on responsible recruitment and how they can eliminate recruitment fees. Chapter 3

Learning & celebrating together

We said we would: Help communities understand the true value of food and celebrate the people who produce it

- ✓ We're launching a training programme for our Co-op Member Pioneers with Love Food Hate Waste to help members round the UK to reduce food waste at home.
- ✓ We've introduced a number of in-store refillable water stations, which allows cash donations to be made to The One Foundation when bottles are topped up.



We said we would: Educate and empower the generations of today and tomorrow to make informed choices

- ✓ We supported the 'Eat Them to Defeat Them' campaign created by The Food Foundation in partnership with ITV.
 - This campaign has been designed to get kids eating more vegetables and is funded by all of the UK's major supermarkets, including Co-op. It ran on TV and out of home in January 2019. We also shared learning packs with children in our Co-op Academies.
- ✓ We hosted the annual Fairtrade schools conference in January, supporting Co-op Academies to educate students about how Fairtrade can change lives around the world.

Students from 21 schools received campaigning packs to deliver events during Fairtrade Fortnight 2019, to spread the word to fellow students and their own communities.

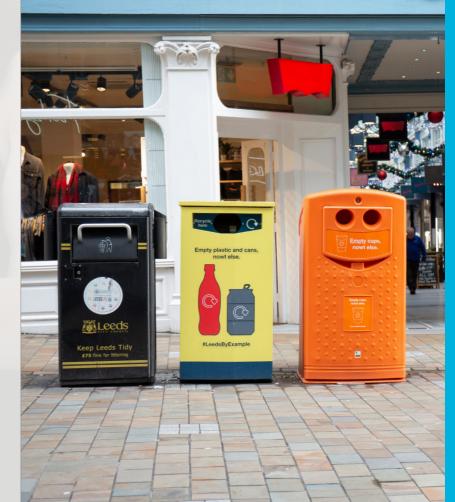


We said we would: Improve community wellbeing by creating solutions for a healthy and sustainable future



- Co-op members can have meaningful conversations with us and help to shape how we do business through our Join In programme
 - We have run two Join In projects with members to get their views and ideas on the issue of plastics and food waste, working with them on sustainable solutions.
 - One member's idea for an alternative to plastic produce packaging has now launched in Co-op stores.
 - We have also been working with members to capture their Fairtrade memories for Fairtrade's 25th anniversary this year. We asked them for their ideas on how we could further strengthen our support for Fairtrade, at a time when many market prices for ingredients are at their lowest and farmers need support from UK retailers and brands more than ever.

- ✓ We worked with other retailers to run behaviour change trials in the Lambeth and Southwark areas of London.
 We worked with 22 of our London stores to reduce sales of sugary soft drinks by encouraging sugar free choices.
- ✓ We ran campaigns in January, in Summer and Autumn to highlight healthier choices in stores calling out their nutritional benefits and nudging customers to pick up the healthier products.
- ✓ We partnered with Hubbub on their 'Leeds by Example' recycling trial, introducing coffee cup recycling bins in the city centre to encourage responsible recycling.



Chapter 4

Action on Plastics progress

We launched Future of Food at a time when plastics were very much front of mind for citizens and businesses. That remains unchanged, and we've continued to do some ground-breaking work on our packaging, with the support of our suppliers and backing from our members.

Since setting our targets in 2018, we have made outstanding progress, and we are committed to accelerating our plans in partnership with our suppliers

How we're doing:

- ✓ We've already made 76% of all the weight of plastic packaging easy to recycle by line.
- ✓ This equates to three out of four Co-op branded products being widely recyclable, which accounts for 95% of packaging when measured by weight.
- ✓ Where packaging can't be made recyclable, we've been removing or replacing it with a recyclable alternative.

We will use a minimum of 50% recycled plastic in PET bottles, pots trays, punnets and HDPE bottles by 2021

✓ Since 2016, we have moved 565 tonnes of our plastic to recycled PET, including all Co-op water, soft drink and oil bottles.

We will eliminate OB CPET, black and dark plastic packaging by 2020

- ✓ We are on track to remove all black and dark plastic packaging by 2020.
- ✓ We're working on plans to eliminate CPET, even when it's not black or dark in colour, and replace it with widely recycled material.

We will work with partners to improve recycling rates and help customers reuse & recycle easily

- ✓ In 2019 Co-op has been involved in 25 projects with universities, NGOs, charities, packaging and product suppliers, and industry groups to encourage new behaviours.
- ✓ See our Chapter 3 update for an exciting project we worked on with Hubbub to encourage coffee cup recycling.
- ✓ We trialled DRS (deposit return scheme) machines at summer festivals, helping festival-goers to recycle plastic bottles. We also trialled compostable sandwich packaging at Glastonbury this year.



We rolled out compostable carrier bags to 1,069 Co-op stores in communities where local authorities collect food waste. These bags reduce plastic contamination and also the amount of food waste going to landfill.

We've been working hard to lobby local authorities that don't collect food waste to change their position and accept the bags where they can. We've had impressive results already with even more to follow soon.

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Looking forward

Cathryn Higgs, Head of Food Policy

Our ambition for Future of Food was to bring together our colleagues, customers, members and suppliers to take action together to secure a safe, healthy and sustainable future for the planet and the people who share it.

One year on we are already seeing benefits across the board, in both engagement with the challenges and a real desire to find solutions together. We have seen how co-operation not only brings people together, but challenges us to think differently and create solutions that will drive sustainable change.

Over the last year we have worked closely with our suppliers on our Action on Plastic commitments, with hundreds of local community groups via our Food Share programme, with our fellow retailers on the issue of responsible recruitment and with our Coop members to further strengthen our support for Fairtrade.

Going forward we'll continue to reach out to everyone to help us shape our agenda and achieve our goals. Whether you're a customer, member, supplier or partner - your feedback and ideas for a more sustainable future are vital to us, and we look forward to working together to build a better food system and society.

Thank you,

Cathryn Higgs





