

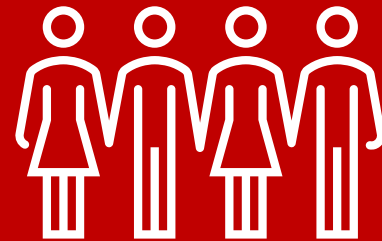


Food Waste

2021 - 22

Doing it Right
Iceland

In 2021/22 we redistributed
over 2.3 million meals
to local communities.





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A word from Richard Walker

Reducing food waste continues to be a high priority for Iceland. Our strategy of helping our customers, colleagues and the communities surrounding our stores across the UK access free food as opposed to it going to waste is especially important at a time when the cost of living continues to increase. We are proud to have grown the number of initiatives and collaborative partnerships that make all of this happen and it's really important to recognise that food redistribution is often underpinned by unrelenting voluntary work within the community.

In the last year, having set ourselves what felt like a challenging target to redistribute the equivalent of 1 million meals to local communities, we are proud to be able to report that we donated over 2.3 million meals which included 378 tonnes of food redistributed to our colleagues working in our stores. Our report also highlights the challenges of managing and reducing the generation of food waste within our business as we continue to unwind from Covid-19 whilst facing into another generational crisis of simultaneous supply chain disruption, food inflation and a wider cost of living crisis.

The year ahead is really important as we look to scale what have been individual store partnerships nationally, overcome the sustained issues we've faced in ensuring bread waste is redistributed, and continue to update and rollout the latest best practice in on-pack information to help people waste less at home. Central to all of this will be our partnership with OLIO, the UK's number one free sharing app.

People who download the OLIO app will be able to find Iceland food items nearing their expiry date in their local Iceland and The Food Warehouse stores and get them for free. The system works with the help of OLIO's 'Food Waste Heroes' who visit stores to collect surplus food nearing its best before date. This scheme is also being implemented in line with WRAP's recently published "Best practice on food redistribution after best before date."

The food items are immediately uploaded onto the OLIO app, ready to be redistributed free to those living nearby as well as to community groups. In total, nearly 1,000 Iceland and The Food Warehouse stores will supply surplus food to OLIO's 'Food Waste Heroes', with the partnership rolling out over the next nine months.

We have a responsibility to do what we can to alleviate the pressures from the cost of living crisis particularly as they fall on those least able to cope. Alongside Iceland's promotions, discounts and deals enabling customers to get the nutritious food they need, we'll strive to ensure food doesn't get wasted and that it gets redistributed to people who need it most.

Richard Walker
Managing director Iceland Foods



Our targets

We do not send any unsold food to landfill. Instead, we offer it free of charge to customers or our store colleagues, put it to good use within the community, or as a last resort have it processed into energy through anaerobic digestion.

We are proud signatories to the Courtauld Commitment 2030, which has brought together organisations across the food industry to reduce the environmental impact of food and drink.

Iceland is also a signatory to the WRAP/IGD Food Waste Roadmap, and we signed the government's 'Step Up To The Plate' pledge in May 2019.

In line with the UN's Sustainable Development Goals SDG 12.3, we have set ourselves the target to achieve a 50% reduction of food waste in our own operations by 2030, measured against our 2017/18 baseline year.



Target

2021/22

Redistribute 1 million meals to local communities. In December 2021, we updated this target to 2 million meals

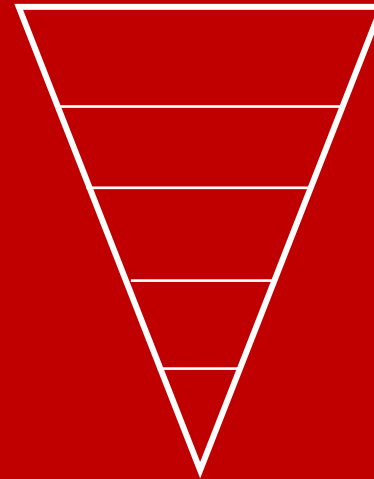
2022/23

Redistribute 3 million meals to local communities

2030

Reduce Iceland food and drink waste by 50%

Our food redistribution methodology



1. Reduce to clear
2. Colleague giveaway
3. Put to use within the local community
4. Animal feed
5. Anaerobic digestion

Our progress

In 2021/22 we sold 1,343,106 tonnes of food to customers. 134 tonnes was given away through FOLDOL (free on last day of life), 378 tonnes was given away to colleagues, 454 tonnes was redistributed to the local community and 10,988 tonnes was sent for anaerobic digestion. This equates to 0.81% of the food Iceland sells. This matches against our baseline of 2017/18. In 2017/18, we recorded 10,155 tonnes of food waste in our operations, equivalent to 0.81% of the total food sold in that year.

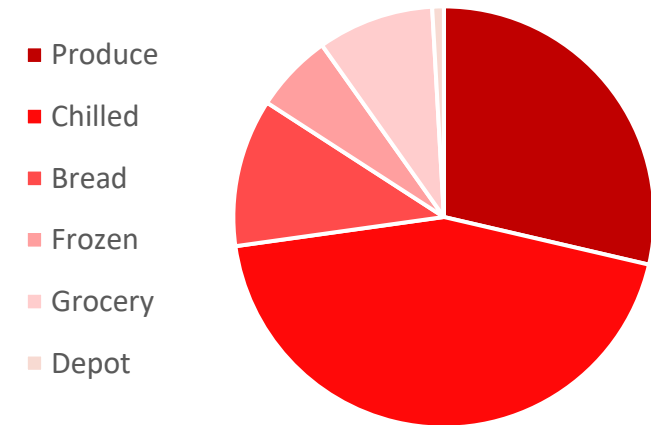
0.81% represents a 17% increase in surplus food from 2020/21 levels. This increase is largely due to ongoing issues with contamination stopping bread being suitable for animal feed. We continue working to resolve these issues with store colleagues, HGV drivers and depot staff.

We have amended how we report our data. In previous years non-food items (household, toiletries, paper and pet) were included within grocery

data, this has now been updated. We have also addressed any discrepancies through the process.

Our specialism in frozen food, small store size and our popular price reduction policies mean we have relatively small amounts of surplus food available at the end of each day in stores. This means at a store level we do not produce enough food waste for large charities with national food redistribution schemes. Over the last year we have trialled multiple back of store redistribution methods, updated our processes and increased the number of charity relationships we have to redistribute food surplus.

Food waste production by category



Sold **1,343,106 tonnes**



134 tonnes given away under FOLDOL



378 tonnes given to colleagues



454 tonnes redistributed to the community



10,988 tonnes sent to anaerobic digestion

How we're taking action to reduce food waste...

The power of frozen

Our focus on frozen food helps to cut waste throughout the supply chain, in stores, and in customers' homes. As well as saving customers money, research by Manchester Metropolitan University found that British families could reduce food waste by nearly half (47.5%) by eating frozen food¹. We continue to use these insights to inform our ongoing marketing and buying strategies to help our customers to plan, prepare and store food effectively.

As Iceland specialises in frozen foods, the shelf life of most of our products is up to two years. We continue to work with suppliers across our supply chain to develop new packaging, transportation and storage approaches to keep products safer and fresher for longer. To avoid waste, we are also improving our forecasting and ordering system.

1. The Food Centre, Manchester Metropolitan University. March 2018. <https://www2.mmu.ac.uk/news-and-events/news/story/7421/>

Food labelling

In line with WRAP guidance, we are reviewing and amending our food labelling and home storage instructions to reduce unnecessary food waste for customers.

This includes moving away from 'display until' food labelling on more products, as we increase flexibility on home freezing and storage guidance.



Fridgeable

Fridgeable launched in July 2021 on 15 products, with the aim of demonstrating to customers that they do not need to put frozen products in the freezer.

Fridgeable storage information explains to customers which frozen food products can be put in the fridge and how long they can be stored there.

Our aim is to make frozen food accessible to more people as we know that families save money and reduce food waste by choosing frozen food, access to a freezer is far from universal across the UK.





Reduced... still fresh

During 2021 we trialled new reduction policies, such as early reductions and variable price reductions. In October 2021 we rolled out early reductions, whereby stores reduce products by 12pm the day before their 'last day of life', giving products 36 hours to sell through at the reduced price. We apply a 50% reduction to all items. This includes products such as milk, bread, eggs and fresh fruit/veg, giving customers more choice when doing their top-up shops.

THIS PRODUCT IS
FREE
AS IT'S SHORT DATED

134
tonnes

319,047
meals

2021/22

FOLDOL (free on last day of life)

FOLDOL successfully piloted in July 2021 and rolled out to all stores in September 2021. FOLDOL is a new approach to our online delivery date policy. Whereby if stores do not have a product meeting our shelf life policy for online deliveries, the customer may receive a short dated item free of charge. **134 tonnes of food or 319,037 meals were given free of charge to Iceland customers in 2021/22.**

"I like that it reduces waste and it's also helpful to my family with a low household income"

Iceland customer

378
tonnes

900,000
meals

2021/22

105
tonnes

250,000
meals

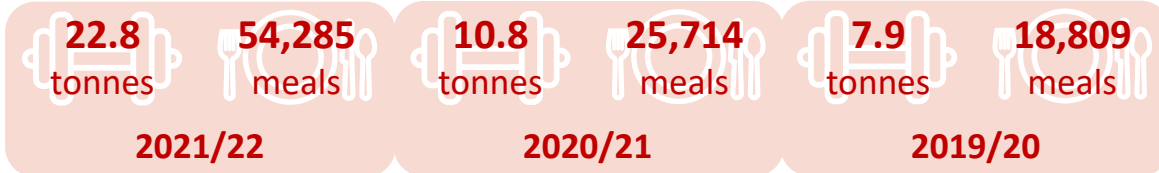
2020/21

Hello Taste, Goodbye Waste

2021 was our colleague giveaway scheme's first full year. The scheme allows store colleagues to take home, free of charge, surplus food at closing time each day. Colleagues took home **378 tonnes** of food in 2021/22 equivalent to **900,000 meals**, that would have otherwise gone in the bin.



Redistributing surplus - store



The Bread and Butter Thing

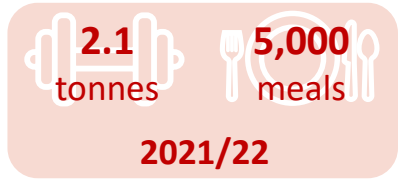
We continue to work with The Bread and Butter Thing (TBBT) to redistribute surplus from our online pick centre in Hyde, Greater Manchester. Hyde pick centre is not open to the public, and as online orders require longer 'use by' dates, this generates higher levels of surplus food than our standard stores.

TBBT is a registered charity that redistributes surplus food to families in need within Greater Manchester. Their award-winning mobile food clubs enable people to eat more healthily, enjoy a wider variety of food while affording to feed their families.



"Each quarter throughout the year Iceland's commitment to TBBT kept increasing, and our long-term partnership was extended from our relationship with the Hyde store to the Regional Distribution Centres in Deeside and Warrington, regularly offering quality produce from fruit and veg, chilled goods, ambient products and frozen goods. In total from all these sources 27.1 tonnes of food were supplied. That's a 150% increase from 2020, equating to 64,000 meals"

Mark Game
CEO, The Bread and Butter Thing



OLIO

In October 2021 we began working with OLIO at three pilot stores in the Midlands to understand the process, its impact in store, and to gather colleague feedback. The pilot has been successful with minimal impact to store operations, with positive feedback from store colleagues. The pilot allowed us to redistribute relatively small quantities of food surplus directly into the community. Between October 2021 and April 2022 we successfully redistributed **2.1 tonnes or 5,000 meals** to the community. In 2022/23 we plan to roll out OLIO to all Iceland and The Food Warehouse stores through a staged programme.

“We are delighted to be working with Iceland as part of our Food Waste Hero programme. This exciting collaboration means that, together, we can stop even more perfectly edible food from going to waste by redistributing it to local communities. OLIO has ambitious plans for tackling the food waste crisis this year, and we want to inspire and motivate the nation into thinking differently about how they buy, share, prepare and enjoy food. Partnering with such a well-known and much-loved UK brand will help us reach thousands of people, encouraging them to join the fight against food waste and create a better future for our planet”

Saasha Celestial-One
CEO, OLIO



Shrub Coop

We began working with Shrub Coop (formally Shrub Hub) in April 2021 to redistribute surplus from our online pick centre in Portobello Road, Edinburgh. Portobello Road pick centre is not open to the public, and as online orders require longer ‘use by’ dates, this generates higher levels of surplus food than our standard stores.

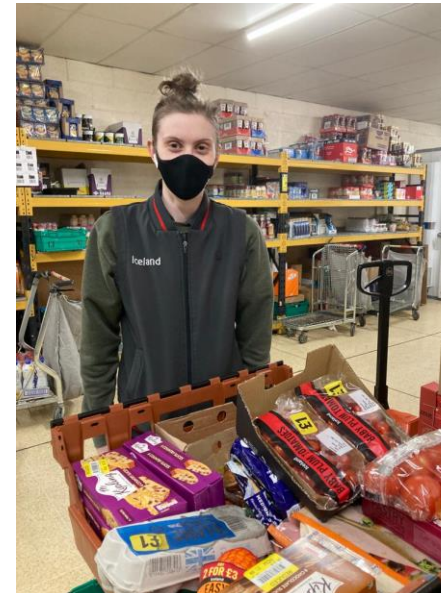
In addition to Portobello Road, Shrub Coop in Dec 2021 began collecting surplus from five additional Iceland stores in Edinburgh. The surplus is then redistributed to local charities and organisations to put to use in the community.



Additional charity partnerships

We have identified additional charity partnerships at store level: some have the ability to record the weight of food collected, whilst others do not. As more store level charity partnerships come onboard we are changing the process to ensure we are able to reliably record the weight of food redistributed through charities, instead of relying on third party data. This process will come into place in July 2022.

We have also updated our charity registration and food technical process, in line with WRAP guidelines, to ensure small charities and organisations are able to access surplus food from our stores.



Redistributing surplus - depot

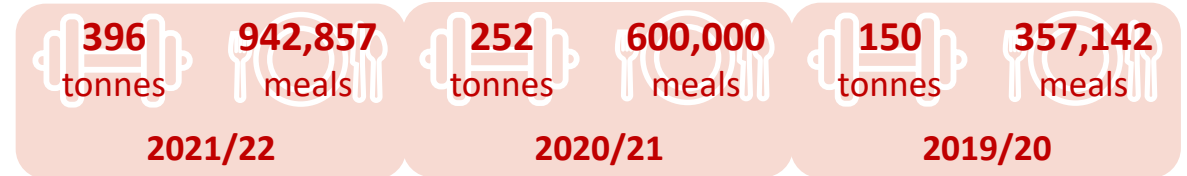
In December 2021 we amended our depot redistribution process to increase the volume of food surplus that is redistributed. As a result our depots now have both national and local charity connections to facilitate maximum food redistribution.

In line with WRAP guidance all the charities we work with are given authorisation to redistribute own-label products. Giving a large variety of charities the ability to collect and redistribute Iceland own-label products both directly with Iceland and throughout the supply chain.



Community Shop

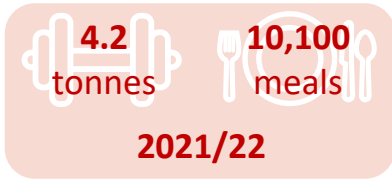
COMPANY SHOP GROUP



Community Shop

Until December 2021 we redistributed all surplus from our depots to Community Shop, part of Company Shop Group. We continue to work with Community Shop, alongside our depots' local charity partners, to ensure all edible food is put to use within the community.

Community Shop operates in some of the most deprived areas of the UK and brings together great value surplus food and personal development to build stronger individuals and more confident communities. In 2021/22 we donated 396 tonnes of surplus to Community Shop, the equivalent of 942,857 meals.



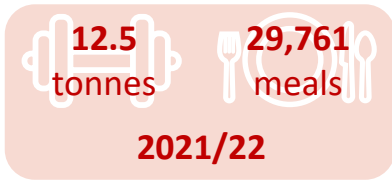
The Bread and Butter Thing

The Bread and Butter Thing (TBBT) are the local charity partner for our Warrington and Deeside depots. Between December 2021 and April 2022 TBBT redistributed 4.2 tonnes or 10,100 meals.



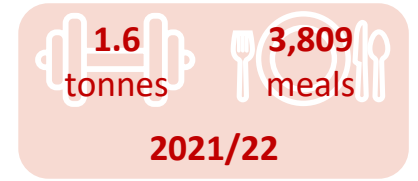
City Harvest

City Harvest London are the local charity partner for our Enfield depot. Between December 2021 and April 2022 City Harvest redistributed 12.5 tonnes or 29,761 meals from Enfield depot.



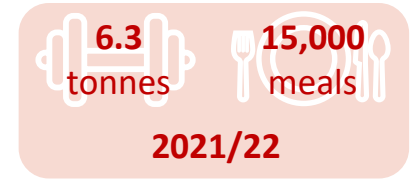
“In late 2021 Iceland and City Harvest formed a great partnership to redirect surplus food from the Iceland supply chain onto plates of London’s most deprived families. City Harvest would like to say a massive thank you to Iceland for its generous donations and looks forward to working closer together in the future, as the cost of living crisis continues to plunge more and more people into seeking support to feed themselves and their families.”

Dan McAlpine
Head of Food, City Harvest



Social Bite and Three Hills

Social Bite and Feeding Britain's Three Hills site are the local charity partners for our Livingston depot. Between December 2021 and April 2022 1.6 tonnes or 3,809 meals were redistributed to the community.



Swindon Night Shelter and UK Harvest







Swindon Night Shelter and UK Harvest are the local charity partners for our Swindon depot. Between December 2021 and April 2022 6.3 tonnes or 15,000 meals were put to use within the local community.

“The support of Iceland has really helped to provide meals at our day centre and our community foodshares. We currently feed over 600 people a month with ambient, fresh and frozen food. Our foodshares take place and support Swindon's most deprived communities.”



Dawn Prosser
Food Manager, Swindon Night Shelter

Food waste footprint

Total food waste produced

Produce 	Chilled 	Bread 	Frozen 	Grocery 	Depot 	Total
3,171 tonnes	4,889 tonnes	1,257 tonnes	669 tonnes	908 tonnes	99 tonnes	10,988 tonnes
4.21% sales	1.87% sales	3.50% sales	0.17% sales	0.16% sales	0.00% sales	0.81% sales

Total food redistributed

	FOLDOL	Colleague Giveaway	Animal Feed	Depot Charity Donations	Store Charity Donations	Total
 Tonnes	134.0	378.0	0.0	419.3	34.8	973.6
 Meals	319,047	900,000	-	998,333	82,857	2,318,095

Methodology

The data in this report is for the financial year 2022 (27 March 2021 to 25 March 2022) and covers all Iceland own label products sold in UK Iceland, the Food Warehouse stores and depots in the UK.

Use of data

Iceland is principally a high street seller of frozen food. The data we publish is not designed to be and should not be used for comparison with other retailers operating different business models, It would be inconsistent, inaccurate and would not be a fair comparison of any retailer to do so.



Iceland UK

refers to all Iceland, The Food Warehouse stores and depots in the UK



Meal

refers to 420g average as recommended by WRAP



Our stores

We use a bottom up approach; all store-level waste products are scanned out as individual units on our internal systems. We then use an average unit weight by category (calculated via our Supply Chain database) and multiply together to deduce a total waste figure, measured in tonnes. Our sales data is generated in the same way with units sold multiplied by the average category weight. The weight of any surplus food is measured by third-party sources (detailed below). We use this combined external data to calculate our actual 'food waste' by subtracting it from the food waste tonnage measured by our internal systems.



Our depots

We record the units wasted and then multiply this by an actual case weight from our Supply Chain database.



Animal Feed

Data is taken directly from SugaRich's reporting spreadsheet. Information on tonnage and number of loads is based on the weight of container when entering their processing site



Charity data

Data is provided by our charities for collections from depot and some stores, who calculate weight data by item on their internal systems or weigh products on receipt of collection.

Food waste report 2021/22

www.sustainability.Iceland.co.uk

Doing it Right
Iceland