



Background & Scene Setting.

Sustainability globally is not only a trend but is now fast becoming lifestyle and a key priority for many nations in how they operate and in Tesco it has gone up in the list of priorities we work on as a retailer.

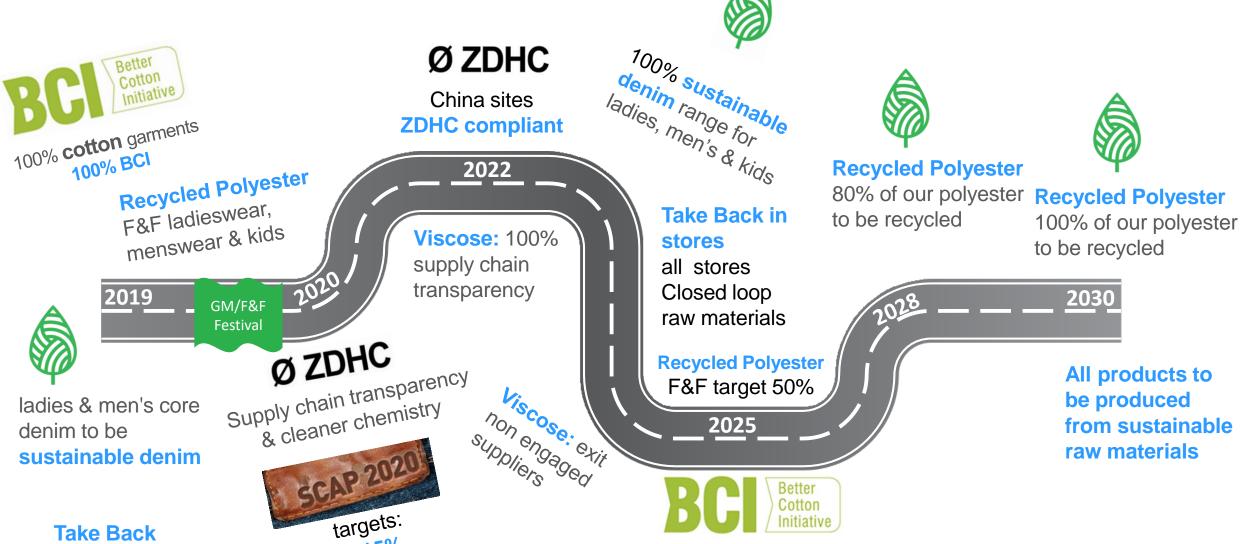
F&F does a lot of work on sustainability and has a clear strategy and a road map that we work towards under the product team. Commercial, Technical, Fabric and Sourcing focuses on many areas under sustainability and the effort and involvement of different teams are at varies levels and sometimes results in missed opportunities for synergies and ultimately better results.

Through the Tesco sourcing sustainability champions the aim is to bring more focus to the main goals by creating awareness, share best practices in the sourcing countries encouraging more initiatives within sourcing countries and the supplier base as well as implement sustainable initiatives in the way we operate in our sourcing offices.

As sustainability leads in your countries, you will bring people of different teams together to regularly to share existing initiatives, best practices, question things, trial ideas etc. can help improve our sustainability initiatives.



F&F Roadmap.



Take Back in stores Pilot May 2019

. co2 -15%

. Water -15%

. Waste -3.5%

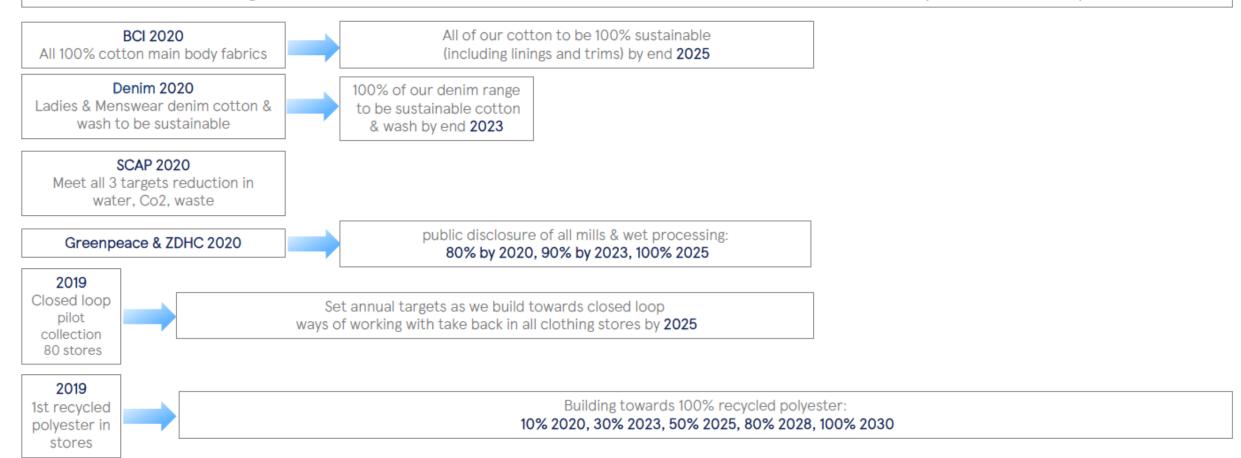
All cotton sold in Tesco will be 100% sustainable cotton (Including blends and trims)



F&F Roadmap

2019 2020 2023 2025 2030

Set annual targets and build towards all raw materials to be sustainable or from recycled sources by 2030



CANOPY and Changing Markets 2020 100% transparency and all from engaged "hot button" sources

Exit strategy for MMCF manufacturers not investing in closed loop by 2023, fully exited by 2025



Commitments.

Better Cotton Initiative

Cotton is our most important fibre but it requires a lot of water and chemicals to grow.

We support the Better Cotton Initiative which trains farmers to grow more sustainable cotton by using:

- Less water
- Less chemicals

Better for the environment Better for farmers.

Achievements.

- All of our 100% cotton products are 100% BCI.
- Ahead of our plan for all cotton including blends to be 100% BCI by 2025,
- Year to date we are 80% by volume of cotton



http://www.greenpeace.org/detox/

Greenpeace Detox Campaign highlighted the use of chemicals and environmental impact of the fashion industry.

2020 targets:

- Publicly share our list of wet processors & waste water tests
- Use preferred chemicals
- Start using recycled fibres
- Offer customer take back in stores
 - 100% transparency of our mills and waste water testing at our top 100 mills
 - Our first recycled polyester garments in stores SS2019
 - Take Back Pilot launched in stores SS 2019
 - Sustainable denim in stores AW 2018

Ø ZDHC

Zero Discharge of Hazardous Chemicals

ZDHC is the industry response to the Greenpeace Detox campaign.
ZDHC training and tool kits help our supply chain manage their input chemicals reducing the impact on the environment

- We have a seat on ZDHC mainboard
- We influence ZDHC strategy
- Our suppliers have attended ZDHC training.



Sustainable Clothing Action Plan is a UK Government initiative for brands & retailers to collaborate and achieve a set of agreed sustainability targets. 2020 targets to reduce:

- Water consumption 15%
- CO2 emissions 15%
- Waste 3.5%

(The Environmental Audit Committee praised Tesco publicly for our progress)

2 goals achieved 1 year ahead of plan by Tesco:

- Water reduced by 29%
- Co2 reduced by 16%

On target to reduce the 3rd goal to reduce waste





Viscose is our top 3 fibre. We support 2 initiatives:

- Canopy protecting ancient & endangered forests
- 2. Changing Markets
 Foundation Roadmap
 towards responsible
 viscose fibre
 manufacturing
 (This NGO praised Tesco

publicly for our progress)

- Our supply chain is fully engaged and attended training
- We have transparency of fibre source for +80% of our viscose.



We have financially supported PaCT in Bangladesh since 2013. Led by International Finance Corp (IFC), this collaboration focuses on the implementation of best practises to reduce water and energy consumption and waste water pollution.

UN sustainable development goal No 12, Responsible consumption and production, is

PaCT Overall savings:

- 21.6billion litres/year water
- 2.5million MWh/year energy
- 460,000 tonnes Co2/year

Funding Futures.

University Scholarship for +1,000 children of workers and back to school program for women workers in Bangladesh China, India, Sri Lanka, Turkey

Women worker leadership

training and career development program to benefit over **160,000 women workers** in Bangladesh, India, Pakistan, Sri Lanka F&F Little Helpers Colleague Volunteers supporting local communities, eg Hatfield homeless centre and match funding

Worker representation / empowerment and multi-stakeholder partnerships, e.g. ILO Better Work Program and other supply chain improvement

Health and rehabilitation support for 45,000 workers (including disabled workers

(including disabled workers and their families) in China, Bangladesh, India **Disaster Relief t**o support victims of natural disasters in our sourcing supply chain

