

Tesco NURTURE

Protocol For

TESCO NURTURE SCHEME



Version known as TN10

Issued **January 2010**

Tesco NURTURE

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INTRODUCTION

BACKGROUND:

All Tesco produce must be attractive to look at and good to eat. So freshness, taste, appearance, performance and value are key criteria for which standards are set for suppliers and no product that falls below these very high quality standards is allowed for sale. However, Tesco are determined that this is achieved by adopting production and produce handling practices which are sustainable and protect and where possible enhance the well being and biodiversity of the environment. It is for this reason that Tesco developed Tesco Nature's Choice- re-branded as the Tesco NURTURE Scheme, which has been implemented through a Code of Practice since 1991. This Scheme identifies key principles and practices which when complied with by Tesco's Producers and Suppliers of fresh fruit, vegetables and salads, will ensure that their production and produce handling systems are sustainable, environmentally sound and responsible. Tesco have also since 2007 required that all Organic suppliers of fresh produce conform to this Scheme, and in line with Tesco Policy, all suppliers of Horticultural products from April 2010 will need to comply to this Scheme. This latest version called TN10 builds on version 1 and 2, by incorporating improvements and changes in the Agricultural and Horticultural industry since 2003

There is increasing concern about the need to protect our environment and the health of the population. All Agricultural or Horticultural production causes some disruption to the natural environment, but Tesco NURTURE is about identifying and adopting sustainable farming systems and practices which will lessen this effect. It means devising and implementing ways of reducing the use of materials and energy, minimising waste and adopting the principle of recycling wherever it is practicable and environmentally beneficial to do so

As a founder member of the UK's Ethical Trading Initiative (ETI), Tesco is committed to implementing the standards set out in the ETI Base Code with all Primary Suppliers, and in turn expects Primary Suppliers to support all producers to manage their ethical standards. Tesco's NURTURE scheme will support producers to put in place measures to manage some of the key aspects of working conditions in agriculture. Appendix 5 gives suggestions for good management practice for ethical trading.

WHY TESCO NURTURE IS SPECIAL

Tesco's NURTURE Scheme demonstrates Tesco's commitment to protecting and wherever possible enhancing our environment and to raising standards in the relevant industries. It seeks to allay customers concerns about environmental issues and provides them with the assurance that Tesco fresh fruit, vegetables and salads are sourced only from those who have demonstrated that their production and produce handling systems are environmentally sound and responsible. This will now include suppliers of horticultural products such as cut flowers and pot plants. Meeting these requirements means involving personnel at all levels in the supply chain and requires a very high level of commitment and technical competence. It demonstrates that the business is diligent and it enhances its reputation and credibility.

The Tesco NURTURE Scheme, with its demanding and far reaching requirements, is leading the way in attaining production and supply of high quality produce achieved in an environmentally responsible manner.

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THE NURTURE SCHEME

Following the Tesco NURTURE Scheme and its requirements ensures that products are grown and handled in a manner that meets regulatory requirements and Tesco customers' high expectations. It also ensures that those businesses growing and supplying products for Tesco are accountable and diligent and are being responsibly run in terms of environmental protection and enhancement, protection of health and rational use of natural and other resources and agrochemicals. The Code aims to minimise the impact on the environment by identifying and addressing key aspects in the way both food and flowers are grown, packaged and presented.

Complying with the Scheme demonstrates that Producers and Suppliers have a responsible approach to the production and handling of healthy, attractive, high quality products. The Scheme sets demanding but achievable standards of production within an Integrated Management Plan, incorporating the need for environmental protection and enhancement and the development and sustaining of biodiversity. A key element in this is the formulating of a wildlife and landscape conservation and enhancement policy, linked to an action plan for its implementation. This will depend on the flora and fauna classification system, highlighted in Appendix 1.

Once the challenging requirements of Tesco NURTURE have been met they need to be maintained and wherever possible improved upon. A key feature of the scheme is one of continual improvement. Whenever significant changes in the business are being contemplated or planned, ensuring that Tesco NURTURE requirements will continue to be met will be a prime consideration. This will be assessed in the annual independent audit.

The challenge of meeting and then maintaining Tesco NURTURE requirements invariably involves personnel at all levels in a business. It is therefore essential that all staff have an adequate understanding of what Tesco NURTURE is about.

Tesco NURTURE is about sustainable production systems and therefore adherence to Good Agricultural Practice is just as important for the growing of those crops in the rotation which are not destined for Tesco.

By a structured, sustainable and scientific approach to food production, this Scheme and its Standard offers suppliers the opportunity of a long-term profitable future with Tesco.

The Standard covers the requirements in the following 8 pillars:

Section 1 Rational use of Plant Protection Products

Section 2 Rational use of Fertilisers and Organic Matter

Section-3 Pollution Prevention

Section 4 Protection of Human health and Delivery of Working conditions

Section 5 Sustainable Use of Water, Energy and other Natural resources

Section 6 Recycling and Re-use of Materials

Section 7 Wildlife and landscape Conservation and Enhancement

Section 8 Organic Supply only.

Appendix 1 – FLORA AND FAUNA CLASSIFICATION

In order to facilitate the implementation of the mechanisms for the enhancement of flora and fauna, the site must be classified according to its situation and possibilities and duly documented.

To achieve greater clarity each farm will be defined in one of three categories. Each producer must be aware of the classification of his farm for audit purposes.

In all cases the Producer should also include previous actions carried out on the farm(s), so that in the case of long term existing members of the Tesco NURTURE scheme or other high environmental schemes, future room for improvement may be justifiably limited, and this justification is demonstrable at the audit.

Category 1

Farms situated in areas of high geographical concentration e.g. protected crops.

There are some cases where the farm is surrounded by other high density sites (such as intensive glasshouses, plastic walk-in structures, industrial complexes) thus making difficult the implementation of specific flora and fauna measures and actions due to lack of physical space.

Examples of steps to be taken:

Protected crops: Where no actions are foreseen due to the concentration of surrounding farms, this must be justified by documentation, and a map of the farm with surrounding sites etc to be marked on the map.

In these circumstances, when a structure is to be renewed, plans should include space to be left free for the planting and enhancement of local flora and this should be suitably maintained.

Field crops: There should be encouragement of natural wildlife areas, suitable management of field margins to encourage beneficial flora (correct timing of mowing and or cultivations), conservation and maintenance of old buildings, designation of free space or space destined for other crops.

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Category 2

Farms situated in areas of medium concentration or bordering on areas of environmental interest.

In this category there are areas and zones of separation between sites and fields allowing for the implementation of specific measures with co-ordinated and documented actions aimed at the enhancement and conservation of flora and fauna.

An inventory of points for maintenance and enhancement on the farm should be carried out. The specific actions to be undertaken during the next 12 months should be documented.

Examples of steps to be taken:

Control and care of fallow lands, ditches, dry river beds, canals, protected trees, farm buildings, field margins, areas of environmental interest and areas designated as vulnerable, and no spray buffer strips for water courses.

Category 3

Farms situated in low density areas or isolated by other farms.

In these circumstances a full, documented integrated management plan for flora and fauna should be carried out and developed in order to minimise the impact of agricultural processes in the area. This plan should catalogue the areas and aspects of interest of flora, fauna and architectural characteristics of the farm and qualify the actions and measures to be implemented as well as later follow up actions.

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Appendix 2 - THE CREATION OF AN INTEGRATED MANAGEMENT PLAN

In the introduction to the Protocol it says that the Tesco NURTURE Scheme requires Producers and Suppliers to take a responsible approach and set demanding but achievable standards within an **Integrated Management Plan**.

WHAT IS AN INTEGRATED MANAGEMENT PLAN?

An **Integrated Management Plan** (IMP) is a written action plan based on a careful and thorough review of existing activities.

Integrated, because it considers and combines the competing interests that impinge on, or are associated with the development of the business.

Management, because it implements, monitors, regularly reviews and revises the plan.

Plan, which must be written because objectives are rarely clear and are more difficult to monitor if this is not done.

The IMP states what needs to be achieved and how it will be done to ensure the business fully complies with the Code of Practice. It ensures that the business not only operates legally but also behaves responsibly towards its employees, the public and the environment within the spirit of Tesco NURTURE.

WHY HAVE AN IMP?

Primarily to comply with Tesco NURTURE and to demonstrate commitment at the highest level within the business.

There are likely to be other benefits resulting from such a far reaching and broad review of existing activities and statements of intent. Enhancing environmental protection can give a 'feel good' factor which can be extremely important in motivating staff. It will undoubtedly give the producer/PMO a marketing edge with other Schemes and retailers by ensuring that the business is complying with the need for 'due diligence' and other legislative requirements and in turn it will help towards public liability and other insurances.

SUMMARY - WHAT MUST BE DONE

The philosophy of Tesco NURTURE is about working progressively towards and meeting the high ideals and expectations of Tesco customers. Clearly, any supplier of Tesco NURTURE must be operating within the law and in accordance with official Codes of Practice, for example those produced by in the U.K by DEFRA for the Protection of Air, Soil and Water.

The first stage in the preparation of the plan is to carefully read and examine the Tesco NURTURE Scheme Regulations and Standard. Then, a careful and thorough examination of the business and its practices will establish what does or does not seem to meet the requirements specified within the Tesco NURTURE Scheme and a plan of remedial action can be prepared. Next, identify those areas of the business, in particular landscape, wildlife or architectural features which are considered worthy of preservation or indeed enhancement. A detailed record of these features should be made.

The Plan must also address the working practices and the requirement for the business to maintain a high standard of technical and practical skills, whilst minimising the risk to employees, the public or the environment. It must also see that non-renewable and natural resources are conserved or used as efficiently as possible.

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Finally, an action plan considering all the information gathered should be prepared detailing 'what will be done, when and by whom'. It is not anticipated that the whole plan will be implemented immediately, rather that this should be a continuous and progressive process based on specific objectives, regularly reviewed and revised.

THE FIRST STEP - ASSESSING THE CURRENT SITUATION

Systematically look at all aspects which relate to the Tesco NURTURE Scheme. Each business will have specific areas of importance that must be addressed. They should be identified by considering the relevant eight pillars of the Scheme, namely:

Section 1 Rational use of Plant Protection Products

Section 2 Rational use of Fertilisers and Organic Matter

Section-3 Pollution Prevention

Section 4 Protection of Human health and Delivery of Working conditions

Section 5 Sustainable Use of Water, Energy and other Natural resources

Section 6 Recycling and Re-use of Materials

Section 7 Wildlife and landscape Conservation and Enhancement

Section 8 Organic Supply only.

The following example is not exhaustive and is restricted to the Section 7 on **Wildlife and landscape Conservation and Enhancement** but it will serve to illustrate some of the issues that have to be tackled and give an indication of how to proceed.

Landscape and Wildlife Survey

The purpose of the survey is to consider the character of the surrounding locality and the important components which make up the landscape.

This is achieved by considering and describing the landscape; the topography, drainage, vegetation and land use patterns which characterise the area; the surrounding land uses, vegetation, structures, etc; the holding itself should be evaluated in relation to the context and immediate surroundings to determine whether the current treatment of the holding is appropriate and to determine whether remedial action needs to be taken. An attempt should be made to identify and describe the different wildlife habitats and the diversity of species they support.

The information gathered will build up a picture of the landscape and the part the holding plays in adding or detracting from the character of the landscape. It will then be possible to make recommendations.

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EXAMPLE LANDSCAPE ELEMENTS

Farm buildings	walls	woodland	river	footpath
Churches	fences	plantation	waterfall	track
Ruins	hedges	shelterbelt	rapids	roads
masts, poles	banks	tree clumps	falls	motorway
Pylons		isolated trees	pond	railway
Car park		hedgerow trees	canal	natural water holes
lay-bys			river beds	Oasis

A map of the holding is required which should identify for example:

- * all landscape, archaeological and historic features
- * water courses, wet lands
- * areas of grassland/rough pasture by type
- * public rights of way
- * distinctive wildlife habitats
- * existing wildlife corridors
- * areas that require improvement
- * areas that have already been improved in the last 10 years.

Consider also the following questions

- 1) Do you have a policy for managing wildlife habitats and for maintaining and enhancing species diversity?
- 2) Is the holding managed for game?
- 3) Has there been staff training in environmental management?
- 4) Do you maintain footpaths and bridleways?
- 5) Do you maintain and manage the banks of waterways?
- 6) Do you help to preserve the existing farming environment and promote landscape conservation and enhancement?

Appendix 3 - APPROVED PLANT PROTECTION PRODUCT LIST

Each produce line supplied to Tesco under the Tesco NURTURE Scheme must have an approved list of plant protection products to which the suppliers must comply and which is reviewed at least once per annum.

The first stage in the creation or amendment of a plant protection product list is to provide a proposed pesticide usage list to the Tesco Primary Supplier. The list will be examined and discussed, if appropriate, with their advisers and an independent consultancy company.

The purpose of that review is to determine the suitability of the proposed plant protection products use, considering the target pathogen, pest or weed, the efficacy of the proposed products, and any alternative control methods or plant protection products, so that products of retail quality can be grown with the minimum use of chemicals, safely and with the least detrimental impact on the environment.

The approval process determines firstly, whether chemical use is appropriate. Where use is appropriate, the most relevant chemicals are approved and normally, the authorised rate of use is given. As far as is practicable, frequency of application and the circumstances for use are also considered and specified.

By relevant chemicals, the Scheme refers to those which are least hazardous in terms of the operator, the public and wildlife whilst being effective for the purpose. Where use of a very hazardous pesticide is the only option, as far as possible the circumstances justifying use will be specified too.

Every product line supplied under the Tesco NURTURE Scheme must comply with the PPPL and the relevant uses and requirements as found in the NURTURE Standard.

Only plant protection products listed in the approved list may be used on products supplied to Tesco.

Existing approved plant protection product lists are to be reviewed annually and revised as necessary. Once again the process involving grower, Tesco Primary Supplier and review by an independent consultancy company, is to be followed and the considerations are the same as those applying when the original version was produced.

Suppliers of Organic produce to Tesco will have to comply with the relevant Plant Protection Products that are authorised for use on Organic Produce. Organic Suppliers of Produce will find them specified in the Appendix of the Specific Section 8 section of the Tesco NURTURE standard. All Organic Suppliers are required to meet all other requirements relating to the use of PPP's (such as the authorised use, qualified advice, safe handling, correct use of, safe storage and disposal, detailed recording, restriction of access to non authorised personnel etc) as found in the rest of the Tesco NURTURE Standard Sections 1-7.

Suppliers of Horticultural product will also have to comply with both the relevant PPPL's and the requirements of the standard as mentioned above.

All Plant Protection Products (designed for consumable or decorative products) are hazardous and those subject to the Poisons Rules 1982 and the Poison Act 1972 are particularly so, and are therefore only permitted in the most exceptional circumstances where there is no alternative that will enable produce to be grown to retail quality standard.

Tesco seeks, through the co-operation and goodwill of the growers, to eliminate or substantially reduce the use of the more hazardous pesticides over time and will encourage and support the commissioning of research and development necessary to achieve this objective.

Appendix 4 – WATER RISK ASSESSMENT

Water Usage and Water Quality on farm has always been a major part of the Tesco NURTURE Standard, and has a Pillar devoted to cover this specific area.

With changes to Agricultural and Horticultural practises throughout the whole supply chain from Producer to pack house, the focus for TN 10 moves from not only the Quality, Use and Availability of water, but to increased emphasis on the Quality and Quantity of water used in Production Processes.

From April 1st 2010, all Producers who produce High Risk Crops as defined in Appendix 2 of the Tesco NURTURE General Regulations will have to complete the On-line Water Risk Assessment annually.

This water Risk Assessment will be in addition to any other Control Points as found in the Tesco NURTURE Control Points and Compliance Criteria.

The WRA is found by accessing the NSF-CMi website, <http://www.nsf-cmi.com> and accessing the Tesco NURTURE website under Partner sites. There the WRA Manual can be downloaded. Full instructions can be found in the manual regarding login, passwords and completing the on line Risk assessment.

Further details regarding this are also available from the relevant Primary Supplier.

The results from the WRA should be retained on farm for the appropriate actions if applicable, and for examination at the independent audit.

Appendix 5 – ETHICAL TRADING

In 1998 the Ethical Trading Initiative (ETI) was set up to bring together retailers, suppliers, trade unions and charities to agree, deliver and uphold acceptable common standards in the supply chain. Recognising our responsibility and importance of this initiative Tesco became one of the founding members, helping to shape and evolve the ethical standards of our primary suppliers over the years.

The Ethical Trading Initiative established the ETI Base Code which is a set of standards for decent working conditions which are based on international labour law.

The ETI Base Code principles

- Employment is freely chosen
- Freedom of association and the right to collective bargaining are respected
- Working conditions are safe and hygienic
- Child labour shall not be used
- Living wages are paid
- Working hours are not excessive
- No discrimination is practised
- Regular employment is provided
- No harsh or inhumane treatment is allowed

Please visit the ETI website for the full ETI Base Code and good practice guidance:
www.ethicaltrade.org

Suggestions for good management practice

Tesco has several years' experience working with primary suppliers around the world to implement the ETI Base Code and to continually improve working conditions. This experience has shown that there are good management practices that producers can adopt to manage working conditions. The following steps are set out as a guide only, as it is recognised that companies' management systems vary.

1. Senior management are aware of the ETI Base Code and applicable local labour laws.
2. Appropriate managers are identified to take responsibility for ensuring labour standards.
3. Basic employment processes are in place to manage working conditions. For example:
 - Written contracts for every worker
 - Accurate monitoring of working hours
 - Written payslips which include the detail of working hours, wages and any bonuses or deductions
 - Risk assessment and management plans for health and safety
4. Workers are trained on health and safety.
5. Senior management regularly review conditions and identify areas for improvement.
6. Workers have a confidential means of raising concerns e.g. through a worker representative.

Producers are encouraged to work with their supply chain partners to establish good management practices and to resolve issues if necessary.