

TUCO North-East Regional Meeting

Thursday 9th March 2023 at 10:00 am via Teams

MINUTES

Attendees:	Peter Anstess [Chair]	Sheffield
	Tom Armstrong	Huddersfield
	Michael Arthur	Sheffield Hallam
	Kim Ashley	TUCO Category Manager
	Sarah Hodgson	Huddersfield
	Steven Hogg	Newcastle
	Judith Hoyle	TUCO
	Sarah McLoughlin	TUCO Academy
	Julie Tong	Leeds
	Chris Whaley	Lincoln
Apologies:	Jon Broadhurst	Sheffield Hallam
	Lesley Carden	Leeds Beckett
	Anne Copcutt	Leeds
	Joanne Jordan	Leeds
	Richard Mangan	Leeds Beckett
	Anita Northing	Leeds Beckett
	Isobel Southon	Northern School of Art
	Sharon Swales	Leeds Beckett
	Julia Taylor	Newcastle

1. Apologies for Absence

Apologies were as above. Peter welcomed everyone to the meeting.

2. Presentation by Mike Haslam and Andy Weir from Reynolds

The presentation is attached to these Minutes.

3. TUCO Framework Update (Kim)

Members discussed the positives of working with TUCO ie despite the pricing pressure on the food market, being part of TUCO was helping to manage this and reduce some of the impact. This has resulted in the report of recent quarterly savings for the region.

The UKUPC Impact Document, Brakes and Bidfood's Market Reports and the TUCO Intelligence Q4 report are available on the website. Spend/saving reports were issued for the period Oct-Dec 2022.

More price increase are expected due to:

- Cost and availability of labour
- Cost of energy and manufacturer products
- Cost of transportation

TUCO are in a strong position and members are part of that collective. From October to December 2022 the region has spent around £2.6 million on products from the frameworks with TUCO savings of £138K.

TENDER RENEWALS - AWARD STAGE

Awarded/Live

Soft Drinks – The new agreement went live from 1st October 2022. Same Lots as the previous agreement apart from Lot 6 which is a one stop shop (Lots 1-4, so carbonated, still, energy & water). The Buyer's guide and supporting documents are available on the website. LRS no longer deliver direct. They have not retendered and are leaving the route to market to members own choice.

CCEP are changing their RTM in the very near future. CCEP tendered and sit on Lots 1-4 & 6 of the soft drink's framework agreement, however, don't deliver direct. Their RTM (wheels only) is via Bidfood. Basically, members order products from CCEP who send the order to Bidfood to deliver. Once delivered, Bidfood advise CCEP who then invoice the member. Moving forward, the member will purchase CCEP products from **an agreed supplier** (in TUCO's case it will be ANY supplier on the soft drinks framework agreement lots 1-4 and Lot 6). Once received and paid for, the member will send the invoice to CCEP who will reimburse the difference between Bidfood price for example and their CCEP/TUCO agreed price.

Fruit & Vegetables – The new framework agreement went live on Monday 3rd October. There are 27 suppliers in total. The Buyer's Guide is available on the TUCO website along with supporting documents. Tendered pricing was fixed until 10th November and reviewed quarterly from that point on.

GFC – Tender submissions are currently being evaluated estimated to be live from 1st May 2023

TENDER RENEWALS - RESEARCH/STRATEGY STAGE

Alcohol expires 15 Jan 2024 – Expression of interest survey is currently live so please take a few minutes to complete that. It gives members the opportunity to suggest new suppliers that TUCO are not currently working with.

Catering Light & Heavy – Evaluation work is underway. Due to volume of submissions this has been further extended and due to go-live 13th April 2023.

Kitchen Equipment Maintenance, Deep Cleaning & Ventilation Ducting Services

Re-tender is in progress, selection stage closed on 3rd February 2023, 18 SQ submissions received, evaluation is completed, shortlisting recommendation is with TWP for approval. ITT should open on 6th March and the new Framework Agreement due to start on 1st June 2023.

DIPCHEM – Framework is due to expire in December and some initial prep work has started. The pre-tender survey has been issued out to members and suppliers have been asked to supply 12 months spend data.

DPS TENDER UPDATES – ONGOING

EPOS System – Li Davies is now Category manager for this agreement.

Kinetics (run by APUC) 4 Lots - (Accommodation, Event, Catering and Hotel management software) - tender issued with return date 15th August 2022. Have not had any other updates from APUC on this as to the outcome.

Delivery App – (Supplier is Checkfer t/a Order Pay) Loughborough are close to finalising their delivery app which will then be rolled out to members. Should you require further details, please contact Jane Eve at TUCO.

CICS (Catering Innovation & Concept Solutions) – The following suppliers have been added to the DPS:

- Brewfitt Ltd
- YumChop

Temporary Structures – Nationwide Marquees have been added.

CONTRACT REVIEW MEETINGS

Since the previous regional meeting, Contract Review Meetings have been held for:

Vending, Food Waste Management contract reviews took place in October.

Dipchem were completed in December 2022.

Sandwiches and Associated Products and Milk & Bread were done in January.

Meat & Poultry and Alcohol were completed in February.

The minutes are available on the TUCO website.

Hot Beverages – will take place in May/June

PRICE CHANGES – Food inflation around 17 – 19%

Alcohol – Price continues to be impacted by rising energy costs, raw material availability & cost - in particular grains, fruit and sugar. Glass and aluminium have seen massive increases mainly because of how energy intensive their production is and knock on effect of the War in Ukraine. The cost of moving goods is also higher. Brand owners and suppliers are looking at ways to mitigate this such as using less glass.

Convenience Retail – January increases processed. Next increases due in July 2023

Fresh Fruit and Vegetables – Reviewed quarterly. Increases processed for November '22 and Feb '23.

Catering Light & Heavy – impacted by soaring raw material costs like Stainless Steel (39%) Aluminium (51%).

Churchill products will be around 2 times higher than 2020 due to soaring energy costs, clay, labour, packaging. Mirrored by other manufacturers. Again, due to fuel hikes, expect more increases on crockery! Hobarts have submitted increases towards the end of the framework.

Hobarts have introduced a 9% increase across all ware washing items effective 01/11/22. Energy costs continue to influence the costs of manufacturing.

DipChem - Increases across 10 lines from Nivek effective 1st December.

Diversey introduced increases via Bunzl effective 31st December.

Ecolabs have introduced 2023 price increases stating cost to source raw materials, availability & continuity of supply, manufacturing costs, storage costs, delivery costs and inflation all contributing to the increases.

Ecolabs price increases will be effective via Bidfood from December / January and via Alliance from March 1st.

Proctor & Gamble introduced increases across their professional cleaning range effective 1st February.

In addition to the major chemical producers, the following suppliers have submitted reviews effective from January / February; Alliance, Stephenson's, Instock, Tri-Star, Bunzl Catering Supplies, Catering24 and Wray Brothers.

Bidfoods have submitted price changes effective 1st March.

Fresh Fish – The high prices reported for salmon last year have dissipated somewhat, but price remains high.

Fresh Fruit & Vegetables - Product availability & issues

As well documented in the press and demonstrated with empty supermarket shelves, there are exceptional issues with the cost/supply of namely salad items and some brassicas (Tomatoes, Cucumber, Courgettes, Peppers, Iceberg & Cos Lettuce, Broccoli and Cauliflower). TUCO suppliers are able to source these but at a higher price. Where available the price of these items have increased and are expected to remain high for 4-8 weeks. Prices will reduce and markets settle.

Hot Beverages – New pricing went live Jan 23

GFC – New pricing went live Jan 23

Meat & Poultry – Suppliers are still unable to commit to long term price holds but most have advised that pricing in 2023 will be more stable on the price increases already experienced in 2022. Many believe the increased costs in pork products are here to stay as it has been priced too cheaply in the past.

Pork

In Q4 of 2022, the cost of production for pig farmers was £17 per head. Whilst pig prices stabilised for Q4, these prices fail to cover the full economic cost of production. UK pig meat production fell by 7% in Jan compared to the same period last year. UK natural gas prices are now at levels seen prior to the war in Ukraine, but are set to remain level this year, which could keep fertiliser prices high in 2023. Historically high feed ingredient and fuel prices are continuing to drive agricultural price inflation. However, in January feed ingredient prices, and delivered feed wheat prices fell overall.

February 2023 has seen a surge in price of pork with some suppliers unable to hold pricing that has been passed on to them with short notice. The reason is the enormous shortage of pigs on the continent. Germany is struggling with African Swine Fever and cannot export outside Europe, because of that they started to grow, kill and debone less pigs.

On top of that Spain is struggling with shortage of live pigs, they are even bringing live piglets all the way from Belgium to try to top up their own supply.

Everyone is chasing for meat and demand is higher than what is actually available and so prices are inflated across the whole pork product range. Increases appear to be as high as 35% in some cases.

It is speculated the cost of feed may increase further due to the Turkish Earthquake. Turkey is considered to be a key player in the wheat market. Market players suggest operations might slow down due to power stations and power lines that have been damaged, along with the country prioritising rescue operations.

Chicken

Continues to increase availability has remained tight. Polish feed prices are the principal cost driver in poultry and feed components, the price is currently having an impact on the market.

Beef

Cattle have become extremely short in supply across the UK and Ireland and therefore expensive. Demand for imported beef remains high in the UK driven by labour shortages in many key UK beef production plants.

Milk & Bread – Pricing is showing signs of stabilising however suppliers are still reluctant to commit to 6 monthly pricing due to ongoing processing costs being passed down to them and increasing farmgate prices. At the recent Contract Review Meetings, suppliers were asked to revert to 6 monthly pricing.

Pensworth Dairy went into administration this month. TUCO are working with the new owner to novate the contract.

Sandwiches and Associated Products – All prices on Procure Wizard are up to date.

Soft drinks – This is a new agreement and agreed prices have been uploaded to the website/PW. Bidfood and Brakes have recently requested price increases.

Vending – Last year Selecta issued a price increase on products across their range of goods. It is in the tender documents that all prices should be agreed with members prior to any increase. Suppliers should not take it upon themselves to increase prices without speaking with members first. In the current climate where all suppliers are increasing prices due to Brexit, COVID, and the war in Ukraine, I would suggest members meet with suppliers such as Selecta to discuss prices and see if there is any negotiation to reduce certain products or maybe absorb it in the royalty payment.

SUPPLIER UPDATES:

M&B Some suppliers have already introduced clear caps which will enable recycling plants to recycle into 'food grade' plastic. Will continue to be rolled out by suppliers.

Soft Drinks – CCEP have changed all their small bottles to recycled plastic, however struggling to change their full portfolio due to lack of recycled plastic.

Vending – The DRS scheme is due to go live August 23 for Scotland and next year for the rest of UK, however, there are talks this could be delayed again.

NPD – Please visit the NPD page to request samples of new products. Suppliers are seeking feedback on packaging, price, range, flavour and potential to sell within membership. All feedback helps producers to gain a route to market. Products featured this month include Frozen Ready Meals, Handmade Honeycomb, Pre-mixed Cocktails and Hummus.

E-procurement system - currently seeing what other systems are out there. Members were asked what they are using.

During the NE meeting Peter mentioned that he is looking to carry out a tender for EPOS systems (ideally linked to a smart app). Leeds University (Julie) and The University of Huddersfield (Sarah) both added that they will be going out to tender for this category too this year.

We do have an existing EPOS agreement to help speed up the process for members to appoint a supplier. The agreement consists of two lots:

1. Lot 1: Hardware & Software
2. Lot 2: Software only

There are further details on the EPOS DPS here:

<https://www.tuco.ac.uk/procurement/frameworks/epos-hardware-and-software-systems>

Last year Jane and Mandy carried out a call off on behalf of The University of Aberdeen (for Calum Maclachlan). If any members of the North East would like to speak to Calum about his experience tendering for this service, TUCO would be happy to put you in contact.

With Mandy leaving, Li Davies is now the Category Manager overseeing this agreement.

Peter also suggested that the members of the region could work more closely together to drive further savings for the region, ie members choose a particular product category, agree a range/specification and then only buy that product in the region. This consolidated volume could further support regional cost savings. Kim suggested that Bidfood and Brakes be a good starting point to discussion savings options.

TUCO Online Update:

Last user meeting was held on 15th November, we will be arranging another one for April. A number of issues have been fixed with Access and some of the historical supplier issues have been addressed. We are in the process of arranging a training session for suppliers to better understand how to correctly upload price files etc.

New Ordering Portal has been live with Nottingham since the beginning of December, this has highlighted a few performance issues that Access are in the process of fixing. Once this has been resolved, we will test for a further couple of weeks and then start working out the roll out plan to members.

Workspace, we are working with Access to get a roll out plan for Workspace. There are a number of benefits that come with this, including analytics dashboards.

Date Code Genie labelling integration, this is in development and testing is due to start 1st week of March. Once complete then we will communicate with all members currently using Date Code Genie to tell them about the integration.

VFM – online saving = savings achieved using TUCO Online. Those not using TUCO Online will show 0. It is recording savings achieved by using TUCO Online.

4. TUCO Academy Update

We have been delivering compliance courses at the following prices:

Level 2 Allergens	£15
Level 3 Allergens	£25
Level 3 Food Safety	£75
Level 4 Food Safety	£99*

*This takes place over 5 days spread over several weeks with an examination at the end.

The cost of the compliance courses are that price for Full Members regardless of being delivered online or face to face and that includes all course materials as well ie there are no additional travel costs or daily rates for the trainer.

Camilla Hayes, who previously worked for the Academy pre-COVID has now re-joined us which has meant that we have been able to add to our number of courses offered both online and in person. We have recently run in-person courses at Royal Northern College of Music, Sheffield and Leeds. RNCM offered their recent courses out to other North West members, for example Edge Hill.

Visual Merchandising has been very popular with a theory course to start with followed by a visual merchandising safari afterwards. This has proved so popular online that we have added a retail / food safari which starts with face-to-face introduction to the theory and then followed by a look at how the private sector does it well in practice – there is one in Manchester and one in London in June.

Other courses coming up are:

- Report Writing
- Environmental, Social and Governance
- Mental Health First Aid
- Presentation Skills
- Time Planning
- Recruitment and Onboarding
- Leadership for New Team Leaders
- Finance for Non-Financial Managers

We also have some Development Days scheduled, including Food Photography taking place in London.

Upcoming Study Tours include:

- **Food To Go** in Paris with two bursary places available, looking at retail units in Waterloo then travelling on to Paris
- **Reynolds Study Tour** over 2 days in April including a Development Day and a visit to the Reynolds' Box in the evening to see the Elton John concert at the O2 Arena.
- **Liverpool Study Tour** taking in the four universities – Liverpool John Moores, Edge Hill, Liverpool Hope and the University of Liverpool and looking at the African/Asian culture there, ending in a visit to an African themed food festival.

- **CIA Conference** this is available online now with two bursary places to New York State.
- **Studentenwerke Conference** 5th to 7th July in Neustadt near Mannheim.
- **LWC Italy** pairing beer and wine with food.
- **Colombia 2024** a Caffeology Study Tour – details yet to be announced.

Other events coming up include a webinar 'Food Market Update' by James Payne from Brakes; MSC webinar on 'Chain of Custody'. There will also be a 'Plastics Day' update in July on legislation coming in in October 2023.

Our Winter Conference 2023 will be held on Wednesday 6th December at the University of Kent.

5. Sustainability

The Sustainability Group met on 7th December 2022 and the next meeting is set for Tuesday 28th March 2023 at 10:00 am.

Sustainable Supplier Meetings –Category managers are carrying out separate supplier meetings to discuss supplier NET positive plans covering social value, modern slavery and scope 3 emissions. This has seen a rise in the number of suppliers using the NETpositive development tool and we now have 76% of suppliers registered. (Recently done Alcohol & Milk & Bread)

TUCO Swap shop Forum is now up and running.

Menus of Change – is about embedding sustainability into healthy menus by adopting a fresh food approach and using less process foods using the MOC 24 principles. The intention is to gain more uptake through the frameworks, for example, will be looking for F&V suppliers to offer Leaf Marque/fairtrade/organic etc and links with the fish agreement and MSC as part of the assessment.

What has happened so far:

Strategy document

Updated the excel assessment Toolkit to include UNSDGs.

Met with Alison from CIA to get them onboard to the accreditation.

Met with EAUC and P&P as we are hoping the accreditation will gain points on the green league, who wish to see more on governance.

Met with Jimmy Brannigan from NETpositive who has suggested their new, updated system could provide governance for Menus of Change.

We issued a member survey which closed on 16th February and the outcome will be added to the minutes.

Sustainability Insights – from the recent survey in which 28 members responded, 12 have sent through their CSR insights and have indicated where TUCO could help, such as photographs, videos, writing up a case study etc.

Local Producers. A lot of members are requesting help with local suppliers/producers around fresh produce, microbreweries etc. We asked a few questions in the recent CSR survey and results will be included in the minutes.

Food Waste was also covered in the survey.

We asked if members were interested in learning more about WRAP's Guardians of Grub programme.

We asked if members were interested in TUCO work with a single cost-based supplier (Leanpath /winnow /chefs eye) who provide software to monitor and manage food waste.

We asked if members thought that **Energy Management for Commercial Kitchens systems such as** Loopcycle, should be managed by Catering Departments or FM/Estates.

All results of which, will be shared with the minutes of the meeting.

A reminder that **Food Waste Action Week** will run from Monday 6th – Sunday 12th March 2023. WRAP will provide further details on how they/TUCO can help members during this week, which will be downloaded to the TUCO Sustainability forum.

RSPO – the situation has been exacerbated by the war in Ukraine.

17 members from 28 surveyed would attend a TUCO hosted RSPO day as previously hosted pre-COVID. Sarah has been given the outcome of the survey.

Cadbury's – Mondalez statement following April 2022 'Dispatches' programme *'We were deeply concerned by the incidents documented in the Dispatches programme. We explicitly prohibit child labour in our operations and have made significant efforts through our Cocoa Life programme to help improve the protection of children in the communities where we source cocoa, including in Ghana. We strongly refute any allegation that Mondelēz International benefits from child labour.*

Our efforts continue to focus on understanding how we can provide support. As part of our Cocoa Life programme, we work with community members and NGO partners to set up Child Labour Monitoring and Remediation Systems (CLMRS) in Ghana to help provide assistance to vulnerable children.

Mondelēz International does not tolerate any form of retaliation and we continue to communicate that to our supply chain partners.

We will be having a panel debate on the supply of cocoa and hope to have the likes of Nestle, Mars, Cadbury, Chocolonely participating.

6. TUCO Update

A couple of people left the Board recently and as a result we have 3 new Board Directors – Peter Anstess (Sheffield), Graham Paterson (Strathclyde) and Keith Williams (Kent) who will be attending their first Board Meeting on 16th March.

7. Member Updates

Sheffield

Have not increased their selling prices since pre-COVID. In 2019 across the commercial operation, they made around 10% Net (£½ million). Food costs then were 35% and are now 41.6%. Labour costs have continued to rise. Peter has just completed the budgets for next year. In their Real Ale Bar the heating, light and water bill is running at £1,000 per week. Peter would need to put up selling prices by 27% to cover this. At some point he will have to put prices up by getting on for 20%.

Huddersfield

There was an uplift in prices of 10% last year which was mostly contested by the staff. Sarah will be in discussion with the Deputy VC to bring in another increase of 10%. The university is currently absorbing some of the cost increase. On top of that, staff costs are rising all the time. Their hot meals are on sale at £1.99. The sandwich meal deal – sandwich, snack, drink, is £3.85 with soup and a sandwich offered at £3.25.

Lincoln

Chris reported that food and staffing costs are through the roof. He is dropping the number of 52-week staff. Food costs are currently running at 33%. Their sandwich meal deal is £3.50 and £4.50. Paninis and hot products are excluded from this. This year, he has budgeted for a £½ million loss.

Leeds

Leeds have not put their prices up but have introduced some new menu items with re-pricing. Price of hot drinks was increased last summer. Rather than an across-the-board increase they will choose certain items. Their standard meal deal is £3.95 with a premium offer at £4.95 and the hot drink is included. They are using mostly Tiffin and Simply Lunch for one site. Their Coffee and Cake deal at £3.75 has helped with their Value for Money customer feedback scores. Cakes are from Artisan Bakery in Wakefield.

Peter added that Sheffield are making their own brownies and flapjacks – 6,000 portions per month, which are being included in the meal deal. The cost to them of flapjacks is 15 pence and brownies 25 pence. On fruit there is no margin.

Sheffield Hallam

Michael explained that they make all their own sandwiches using Roses Bread in Sheffield. Meal Deals are £3.75 (salads from Fresh Food for Now) and £4.75 (paninis). They are relying on coffee to help their margin. They also have hot buffet bars where a medium box is £2.75 and a large box £3.50. They run a £1 Wednesday on the last Wednesday of the month where everything is discounted to £1 but in the run-up to Christmas, they did that every week. Sarah asked whether everyone was treating that in terms of percentage of sales as Huddersfield are at 75% now. Their hybrid working policy is 3 days on campus, 2 days at home. Monday and Friday are very quiet days but Wednesday is their busiest.

At Leeds, hospitality is back to pre-pandemic levels but recent strikes have affected them. At Sheffield, the Management School is running at 28% as few people are coming onto site. Licensed bars/pubs are running at 125%. Events/delivered catering are running very well.

Newcastle

Up until Christmas they were running at 70% of pre-COVID levels. Libraries are at 50-60% of turnover. In some outlets you can get a breakfast bun or porridge with orange juice or a hot drink for £1. The Meal Deal was around £3.50 but now you get 50 pence off the 3 items of a sandwich, snack and drink. Sheffield have just opened a new Social Sciences building with an outlet on the ground floor.

8. Any Other Business

Selecta Vending

PA is trying to get in touch with them as they need some machines moving but is having no luck. Chris advised that Lincoln threw Selecta out and as a result their income doubled.

Peter asked if anyone has a till system which connects to an App as he would like recommendations. Leeds are going out to tender on this this summer. Huddersfield are also looking into this.

TUCO asked that members of the group think ahead to the next meeting and suggest topics for discussion. These can then be researched, prepared for and presented during the session. We also asked for members to consider the list of suppliers and let us know which they would like to attend future meetings to present.

9. Dates and Venues for Future Meetings

The summer meeting will hopefully be a face-to-face one. Date and venue to be confirmed.




Reynolds
more than just a greengrocer

Our story so far



From humble beginnings to a national, family run FRESH FOODS business...

1945

Tony's grandad, William, started the business on a fruit and veg stall at Ridley Road Market, Hackney. His son, Dave later joined, initially focusing on supplying local shops.

2001

We started to move outside of London to other regions, as many of our customers expanded across the UK and required a national supplier.

2017

We introduced a meat and fish business, in line with our mission to provide a total FRESH solution for the foodservice and hospitality sectors.

July 2021

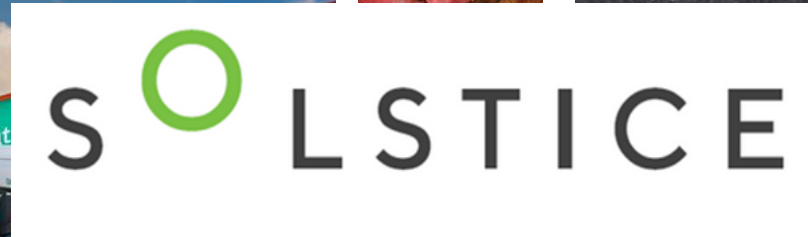
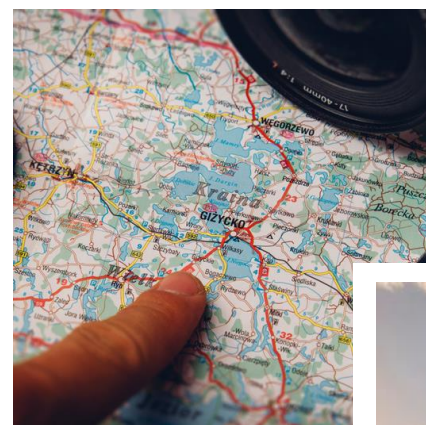
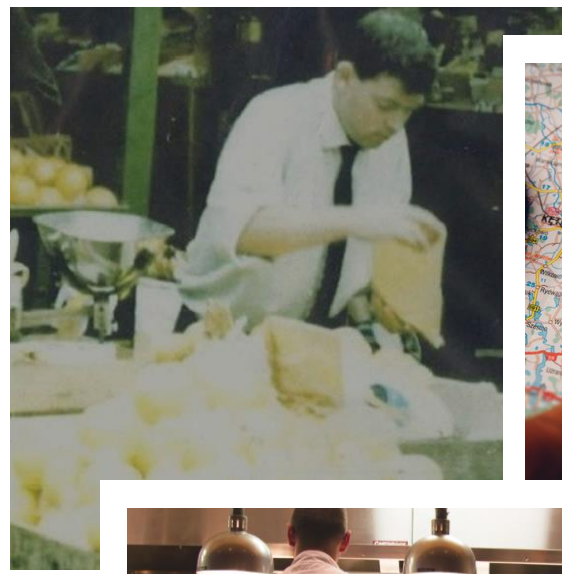
Growing Underground owner, Zero Carbon Farms announced a successful round of investment, to scale up its innovative farming method. Reynolds is announced as one of four strategic investors.

August 2021

Reynolds joins forces with Davin Foods, a supplier of top quality fresh prepared vegetables, fruit salads and juices, to some of the UK's most prestigious hotels, banqueting venues and event caterers. Operating out of two facilities in Barking and Wimbledon, Davin Foods offers both high-care and low-care solutions, now delivered nationally.

March 2022

Reynolds puts its first 100% electric vehicle on the road.



1989

After joining the business, Tony saw an opportunity to service restaurant operators in London. This big breakthrough led to rapid expansion and a move to Spitalfields, then Leyton in 1991.

2005

In need of a bigger warehouse, we moved to a former Sainsbury's wine depot in Waltham Cross. Our National Distribution Centre has expanded over time to support the continued growth of Reynolds Group.

2018

Reynolds acquires Wimbledon-based greengrocer Solsticé, supplier to Michelin star restaurants and five-star hotels.

2020

Reynolds launches industry-leading customer portal Rey-HUB.

2022

Reynolds, has joined forces with Select Butchery, a prominent meat and poultry supplier to the catering industry.

2023...

Food Town

The future of Reynolds... Reynolds' ambition is to create a collection of industry-leading, specialist food businesses, all located under one roof. We envisage this strategic partnership will become the ultimate fresh food solution for the foodservice and hospitality sector.

...that's been built category by category over the last 5 years



1945

Reynolds
& SONS

Fruit & Veg



2017

shoal
part of the Reynolds family

Fish & Seafood



2017

CARNIVORE
part of the Reynolds family

Meat & Poultry



2019

Est. 1997

SOLSTICE

Specialist Greengrocer



2021

DAVIN
FOODS

Prepared Produce



2022

select
BUTCHERY

Meat



OUR VISION

■ ■ *To be the UK's 'Go to Solution' for*

FRESH FOOD

most admired for our

*GREAT PEOPLE,
STRATEGIC PARTNERSHIPS
& UNRIVALLED QUALITY AND SERVICE ■ ■*

OPERATING MODEL

Robust, state of the art operations supplying nationally before lunch service 6 days per week

Flexibility & Agility of Service

Tailored to the individual Customer

Making Customers lives easier

Key access

Consistency of Product

Central Hub QA / QC checked

Strong Technology Platform

Providing the very best data



NDC

 Waltham Cross, Herts

 **Regional Stocking Depots**

- Bardon
- Bristol
- Grangemouth
- Leeds
- Newbury
- Stockport
- Bury St Edmunds

 **Production Sites**

- Rugby (meat)
- Wimbledon
- Barking

PRODUCE SOURCING PLAN



Our exceptional range of UK growers

Reynolds' annual fresh produce sales



- EU
- UK
- Non EU

Thomas Wilson, Lancashire – Savoy cabbage, leeks



Paul Southall, Worcestershire – courgettes



John Chinn, Herefordshire - asparagus, rhubarb



Rod Bartlett, Staffordshire – carrots, parsnips



Gareth McCambridge, Cambridgeshire – lettuce, celery

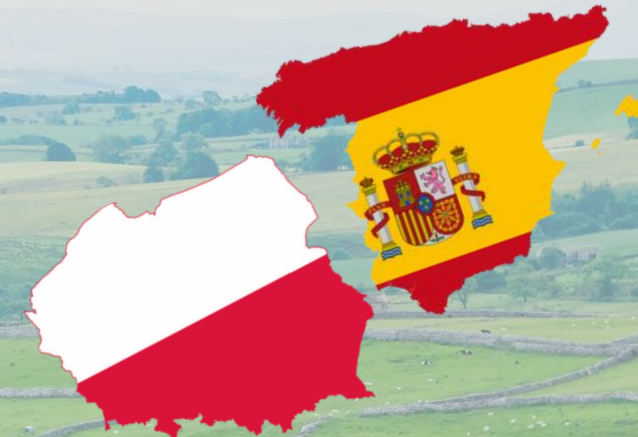


Tim Chambers, Kent – berries, cherries, currants



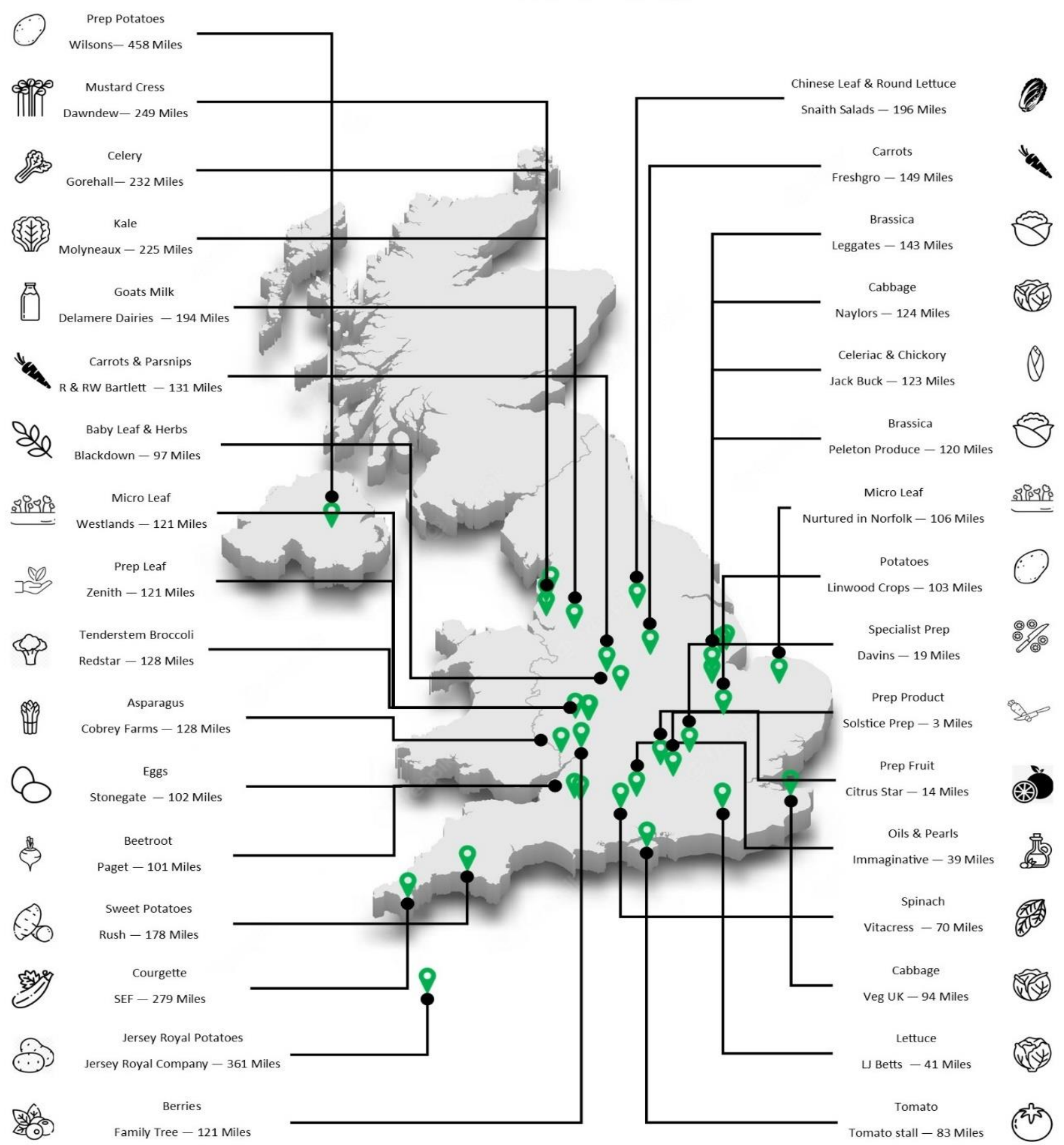
We have employees in Poland and Spain to ensure we can react quickly to any issues in the field.

This also enables us to consolidate our inbound deliveries, helping us remain competitive and reduce carbon emissions.



PRODUCE SOURCING PLAN

Our exceptional range of UK growers





Fish & seafood sourced specifically for your business, to meet your needs



Short & transparent supply chain

Contracting directly with primary producer / vessel owners, guaranteeing provenance

Sourcing from the UK where possible
 Single sourcing each species e.g. Crab from Devon, Mussels from Scotland.

Better for the environment
 Reduce packaging & carbon footprint, by avoiding additional and unnecessary processing.



Outsourced processing (retail model) - Prepped and packed at source



Optimum shelf life	Ultimate consistency delivered nationally
Unique model with 90% Fresh, not frozen	Low cost base => cost-efficient model



Making Chefs' life MUCH easier



<p>Portion accuracy Bespoke solution – We can cut to 'exact' portion sizes (3g) offering your chefs a totally prepared solution.</p>	<p>One single point of order, invoice & delivery Leak and taint proof packaging to allow all categories delivered together</p>
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Adding value to your business



Tailored Insights

- Annual Food Trends report covering key market trends and developments
- Weekly Crop reports, bi-annual market outlook, seasonal updates - helping you forecast and adapt to changing crop conditions and seasonal availability
- Bespoke insight on request - e.g. plant based, breakfast, healthy eating, new emerging cuisines
- Quarterly Innovation Days



Development & Innovation

- Food development expertise, led by our Executive Chef, Diane Camp
- Support with designing & delivering innovative menu solutions & bespoke food offers
- Recipe inspiration, Chef's tips, Cooking demonstrations & trainings



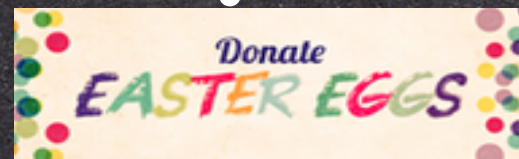
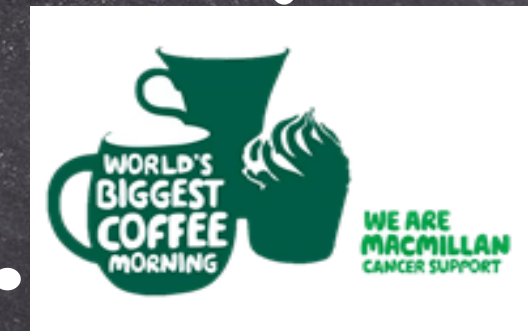
Logistics Optimisation

One size doesn't fit all - logistics solutions are designed to fit each client's needs, but in the most efficient manner.

Over time, we look to deliver even greater efficiencies through careful understanding and analysis of our customer purchasing

We support and give back to the communities we operate in

WHO WE
HAVE BEEN
HELPING



HOW WE
HAVE
BEEN
HELPING



Area of action

Energy Consumption



Packaging



Sourcing



KEY ACTIONS : WHAT ARE WE DOING?

Esos collating energy data for Reynolds

Electricity

Strategic Plan being implemented over next 24 months to

- Understand our Carbon footprint Scope 1, 2 and 3
- Recruiting an Environmental Manager to calculate and reduce our carbon footprint

- LED used in all offices and warehouse across all depots

Reusable crate Scheme

Plastic Reduction

- 2022 : 65% of our split deliveries through returnable crates scheme, saving 144 tonnes of cardboard waste in 2021
- Objective : 80% of deliveries through this scheme by 2025

- Exploring alternative packaging and trialling compostable / biodegradable : Paper bags, biodegradable netting => Cost still prohibitive

Seasonality and provenance

Regenerative farming

Ethical Sourcing

Growing Underground Partnership

- Sourcing British produce where we can, and fish and meat from the UK
- Plant based alternatives to reduce carbon footprint

- Exploring partnerships with regenerative farmers, improving welfare of soil, water, air, biodiversity, animals and people

- Full traceability, favouring sustainably sourced products with relevant accreditations such as MSC Fish, Free range eggs, Red Tractor meat,...

- Reynolds invested in Growing Underground in 2021, a large indoor vertical farm based in Clapham (London), growing carbon-neutral micro-herbs, ensuring the supply of fresh locally grown salads and herbs all year round.

Area of action

KEY ACTIONS : WHAT ARE WE DOING?

Our Vehicles



Growing our electric fleet

- 1 electric truck 7.5t March 2022 & 1 electric van March 2022
- First of its kind: 37T fully electric truck trial

Solar panels

- Solar panels on trailers' rooftop instead of fuel engine for refrigeration

Non fossil fuel

- Trial of non fossil fuel GTL in Bristol depot, to be rolled out to all depots by 2030

Backhaul

- 1/3 of Reynolds' fresh produce collected from suppliers by our own fleet, whilst returning from customer deliveries to minimise movement of empty vehicles. This helps save hundreds of thousands of food miles each year

Recycling



Waste segregation in warehouse

- Designated waste bins
- Staff training on waste segregation - all warehouse operatives go through training when they join Reynolds

Elite recycling partnership

- We use a third party provider to come and collect our segregated waste, ensuring it all get recycled

Food Waste



Zero to landfill

- We have been 'zero to landfill' since 2014

Re-routing our food surplus

- Partnering with Felix to collect our surplus
- Staff order at discounted rate

Menu Development with customers

- Root to tip : innovate by using all parts of ingredients
- Sustainability workshops with customers
- Pioneered the use of Class 2 ("wonky Veg") produce since 2001





Crop Report 3rd March 2023

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 @ReynoldsFood

 @reynoldsfood

Category	Product	Variety	Origin	Status	Highlighted Concerns/Updates
Glasshouse	Tomatoes (round)	Pitenza	Morocco, Spain	Amber	Essentially, not enough volume to meet demand. Limited volume due to restrictions in Morocco as we lead up to Ramadan. Some fruit have been affected by mildew and botrytis from the latest cold spell and rain though situation is beginning to improve.
	Tomatoes (beef)	Venecia, Maximo	Morocco	Amber	Very limited but also smaller in size. Lighter colouration due to weather.
	Tomatoes (plum)	Caniles	Morocco, Spain	Amber	Good quality, limited availability, lighter colouration.
	Tomatoes (vine)	Barbarela	Morocco, Spain	Amber	Short supply as growers need to wait until the full vine has coloured up.
	Cherry	Genio	Morocco, Spain	Amber	It was anticipated to see an improvement due to better temperatures previously forecast over the last week and the fruit colouring up, but this has not materialised and still seeing low temperatures. Small volumes from the early spring crops. Small % splitting issues have not yet disappeared completely.
	Baby Plum (red)	Angelle, Bamano, Camelot, Ivorino, Santawest	Morocco, Spain	Amber	It was anticipated to see an improvement due to better temperatures previously forecast over the last week and the fruit colouring up, but this has not materialised and still seeing low temperatures. Small volumes from the early spring crops. Small % splitting issues have not yet disappeared completely.
	Baby Plum (mixed colour)	Angelle, Bamano, Minikumato	Morocco	Amber	Mould impact in week 9 due to poor weather likely to improve going forward.
	Marzanino	Dubbo, Sunstream	Spain	Green	Some travel delays impacting intakes. Stocks generally performing well.

Category	Product	Variety	Origin	Status	Highlighted Concerns/Updates
Glasshouse	Peppers	Babieca, Eglantine	Spain	Red	Very little change with red and yellow colours with green volumes now decreasing dramatically as this colour had the better availability over the last 3 weeks. Limited supply continues as temperatures have not improved enough to impact yields. Some 'streaking' will be seen on individual peppers as growers are harvesting backward to meet demand.
	Cucumber	Estrada, Genio, Kantaka, Tantalos	Spain	Red	Very little improvement with supply still very difficult. Not only is it difficult to obtain volume, quality is beginning to deteriorate. Small volumes coming through from the new spring crops, but we are still two to three weeks away from any significant volume.
	Red Chillies	Jalapeño, Serenade	Egypt, Morocco, Portugal, Spain	Amber	Lower availability due to reduced yields as crops fruiting less due to the cooler weather.
	Chillies (long Dutch)	Hiffae, Fire Flame	Spain	Amber	Lower availability due to reduced yields as crops fruiting less due to the cooler weather.
	Aubergine		Spain	Amber	Availability was slowly becoming better only to have a draw back in the last couple of days due to the drop in temperatures again, this has decreased availability on 300gr + so to meet demand growers are having to pick 225gr +. Quality overall is good.
	Courgette	Tosc	Spain	Amber	Low availability, slow growth. Isolated skin blemishes due to the cooler weather.
	Courgette (yellow)		Israel	Red	Availability and quality limited.

Category	Product	Variety	Origin	Status	Highlighted Concerns/Updates 
Lettuce & Leaves	Iceberg		Spain	Amber	Volumes still limited. Slight tipping and lower head weights because of the cooler, windy weather.
	Little Gem		Spain	Amber	Continues to suffer from the lower temperatures and frosts leading to shorter shelf life. Most growers continue trimming back the outside leaves when cutting to avoid issues but also as a result leading to lower weights.
	Romaine	Trueba, Anduril	Spain	Amber	Continues to suffer from the lower temperatures and frosts leading to shorter shelf life. Most growers continue trimming back the outside leaves when cutting to avoid issues but also as a result leading to lower weights.
	Batavia		Spain	Amber	Slight tipping and lower head weights because of the cooler, windy weather.
	Oakleaf	Macia	Spain	Amber	Slight tipping and lower head weights because of the cooler, windy weather. Shorter shelf life.
	Lollo Biondi	Libeccio	Spain	Amber	Slight tipping and lower head weights because of the cooler, windy weather. Shorter shelf life.
	Lollo Rosso		Spain	Amber	Slight tipping and lower head weights because of the cooler, windy weather. Shorter shelf life.



Category	Product	Variety	Origin	Status	Highlighted Concerns/Updates
Lettuce & Leaves	Radicchio	Indigo	Netherlands, Italy	Amber	Quality and availability issues driven by the recent poor weather.
	Round	Various	UK	Green	Lower head weights due to cooler weather.
	Pak Choi		Spain	Amber	Lower availability due to cooler weather conditions
	Chinese Leaf		Portugal, Spain	Green	Availability and quality remain good. No issues expected currently.
	Choi Sum		Spain	Amber	Lower availability due to cooler weather conditions
	Baby Leaf Green Kale		Italy	Amber	Limited availability and a decline in quality due to cooler weather.
	Bulls Blood		Italy	Green	
	Red Chard	Firefresh, Abi, Galaxy, Venus	Italy	Green	
	Mizuna		Italy	Green	
	Watercress		Spain	Green	Good quality, weather outlook/temps have much improved therefore crop quality is improving. Last very low percentages of frost damage present in crops but improving with fertiliser and better weather as it grows. Now starting to harvest unaffected batches completely.
	Spinach	Helios, El Halo, El Furiro, 1714,	Italy	Green	
	Rocket Wild	Sele, Juno, Yuma, Rubicon	Italy	Green	Quality improving from the previous weeks.
Corn Salad		Italy	Green		



Category	Product	Variety	Origin	Status	Highlighted Concerns/Updates
Potato	Red, White	Various	UK	Amber	The very hot weather over the summer growing period slowed growth rates, resulted in some lower than average yields and made lifting conditions difficult. The hot dry weather also led to an increase in Black Dot and Black Scurf levels in some crops.
	Premium Baker 40s	Lanorma, Orchestra, Nectar, Maris Piper, Melody	UK	Green	
	Mids.	Lanorma, Orchestra, Nectar, Maris Piper, Melody	UK	Green	Good quality, all from store now.
	Baby	Charlotte, Jazzy, Maris Peer	UK	Amber	Stocks tightening up.
	Sweet	Beauregard	USA, Egypt	Amber	Some heavy skin scarring.



Category	Product	Variety	Origin	Status	Highlighted Concerns/Updates
Onions	Brown		Netherlands	Green	Irregular germination start in 2022. Slower development due to a cold spring. Drought issues during the growing season. Large differences in yields within and between crops, 20-85 ton per hectare.
	Red		Netherlands	Green	Irregular germination start in 2022. Slower development due to a cold spring. Drought issues during the growing season. Large differences in yields within and between crops, 20-85 ton per hectare.
	White		Italy	Green	
	Shallot	Banana	France	Green	
	Shallot	Round	France	Green	
	Spring		Egypt	Green	



Category	Product	Variety	Origin	Status	Highlighted Concerns/Updates
Vegetables	Spring Greens	MKC Spring Star	UK	Amber	Limited availability following the heavy frosts in December, damage to most of the leaves.
	Cauliflower	Clemen	France	Amber	Waiting for March varieties but due to fresher, cooler weather crop growth has stalled.
	Broccoli	Naxos, Parthenon, Tirreno	Spain	Amber	Crops growth stalled following frosts in the growing regions of Murcia, Lorca and Cartenaga. Harvesting has be limited due to small head size. A purple hue may be seen to the beading, this has no impact on the quality, flavour profile etc. as is the result of the cold weather and not considered as a defect.
	White Chicory	Bingo, Top score	UK	Green	
	Red Chicory	Ceraaile	UK	Green	
	Butternut		SAF	Amber	Shipping delays impacting availability.
	Leeks		Belgium, Netherlands	Green	
	Kale	Winnatou	UK	Green	





Category	Product	Variety	Origin	Status	Highlighted Concerns/Updates
Vegetables	White Cabbage	Vivaldi	UK, Belgium, Netherlands	Green	Nothing being flagged with current supply. Smaller sized heads following the drought growing conditions.
	Red Cabbage	Alfaro	UK, Belgium, Netherlands	Green	Nothing being flagged with current supply. Smaller sized heads following the drought growing conditions.
	Pink Cabbage	Pink Star	Spain	Red	Limited volumes due to the poor growing conditions.
	Pointed Cabbage		Portugal	Amber	Limited availability, early season, low head weights. Situation should improve over the next 2 weeks.
	Cavolo Nero	Yurok	UK	Amber	Potential gap in the UK crops.
	Savoy	Capriccio, Utah	UK	Amber	Supply tight. Minor quality issues due to frost damage. Outer leaves being removed leading to paler looking cabbage.
	Celery		Spain	Amber	Volume very limited. Smaller head weights of 400g plus to meet demand.
	Rhubarb		Netherlands	Red	Very limited. UK crops looking small at present, with the frosts forecast for next week there are concerns that this might affect the leaves and the exposed stems.

Category	Product	Variety	Origin	Status	Highlighted Concerns/Updates
Root Vegetables	Carrot	Eskimo, Nairobi, Nagasaki, Polydor	UK, Belgium	Amber	<p>Large processing carrots, very limited supply. Most of the open crops are suffering quality wise (crown rots etc.) and growers are having to top the product by up to 1½” to remove the affected areas. This is a result of:</p> <ul style="list-style-type: none"> • Extremely, hot dry summer during 2022 resulted in slow growth. • Easy, mild Autumn with plenty of water. • Pre-Christmas, very cold with hard frosts. Wet, open ground crops were frozen solid. • Mild weather followed, product thawed, quality deteriorated quickly leading large bacterial issues within the crop.
	Carrot	Chantenay	UK	Green	Strawed crops.
	Celeriac	Markiz	UK	Green	
	Swede	Magres, Tweed	UK	Green	Good quality, no issues.
	Mooli		Italy	Green	
	Radish		Netherlands	Green	
	Beetroot	Candy, Golden, Red	UK, Netherlands	Green	Good quality and availability continue to be seen. No issues being forecast.
	Vac Pac Beetroot	Red	Lithuania	Green	
	Parsnip	Javelin, Picador, Panorama, Pegasus	UK	Green	Crop looking good in size and quality. Weather looking to be settled over the next couple of weeks with little rain forecast making lifting conditions ideal. Do do not foresee any issues.

Category	Product	Variety	Origin	Status	Highlighted Concerns/Updates
Exotic Veg	Tender stem Broccoli	Inspiration F1	Egypt, Kenya	Amber	Kenyan growers have been suffering due to drought conditions, but situation starting to improve.
	Asparagus		Mexico	Amber	Hail storms and cooler temperatures in Mexico. Limited volumes of XL size.
	Fennel		Italy	Green	Good quality, full availability.
	Green Beans	S.V Serengata Morolida Paulista	Egypt, Kenya	Green	
	Sugar Snap		Egypt, Guatemala, Kenya	Amber	Egyptian season ending. Kenyan growers have been suffering due to drought conditions, but situation starting to improve. Guatemala reporting logistical issues
	Mangetout		Egypt, Guatemala, Kenya	Amber	Egyptian season ending. Kenyan growers have been suffering due to drought conditions, but situation starting to improve. Guatemala reporting logistical issues.
	Artichoke	Jerusalem	France	Green	
	Okra		Honduras	Green	
	Baby Carrot		RSA, Kenya	Green	
	Baby Leek		RSA	Green	
	Baby Courgette		RSA, Kenya	Green	
	Baby Beetroot		RSA	Green	
	Baby Sweetcorn		India	Green	
	Baby Fennel		RSA	Red	Weather conditions causing production issues.
	Turmeric		India, Kenya	Green	
	Lemon Grass		India, Kenya	Green	
	Chestnuts Vac Pac		France	Green	

Category	Product	Variety	Origin	Status	Highlighted Concerns/Updates	
Mushrooms	Mix		Various	Green		
		Dried Cep	Various	Green		
	Wild		Various	Green		
		Shitake	Belgium, Netherlands, Ukraine	Green		
		Trompette Dried	Various	Green		
		White Shimeji	China	Green		
		Brown Shimeji	China	Green		
		Dry Wild Mix	Various	Green		
		Eyrngi	China, Germany, Korea	Green		
		Enoki	Demark	Amber	Potential availability issues.	
		Button	Ireland, Poland	Green		
		Brown	Chestnut	Ireland, Poland	Green	
		White	Agaricus bisporous	Ireland, Poland	Amber	Ireland – low ‘pinning’ rates due to compost / cooler weather.
			White Oyster	China, Germany, Korea, Poland	Green	



Category	Product	Variety	Origin	Status	Highlighted Concerns/Updates
Soft Fruit	Strawberries	Rociera, Victory, Leticia, San Andreas, Shayda, Calinda	Spain	Amber	Sizing continues to be an issue.
	Raspberries	Adelita	Morocco	Amber	Cold weather in the growing regions, very low availability.
	Redcurrants	Rovada	Netherlands	Green	
	Blackberries	Tupi, Amalella	Mexico	Green	
	Blueberries	Ventura	Morocco, Spain	Amber	Cold weather in the growing regions, very low availability.

Category	Product	Variety	Origin	Status	Highlighted Concerns/Updates
Citrus	Lemon	Primofiori	Spain	Amber	Adverse weather conditions in 2022, with significant rainfall during March and April that affected flowering and fruit setting in many production areas. In addition, the summer had seen extreme hot temperatures and a lack of rain.
	Orange	Navelina	Spain	Green	Slightly pear-shaped. With a smooth peel, red-orange colouration
	Easy Peeler	Ortanique, Orri, Nadorcott	Spain	Amber	Isolated heavy scar and green tinge.
	Limes	Tahiti	Brazil	Amber	Availability ok, but noticing poor discolouration across various growers
		Tahiti	Peru	Green	
Grapes	White	Thompson	India	Green	Quality expectations are good. 1st arrival expected in week 9.
		ARRA 15	RSA	Amber	Quality has been good, but may begin to see shelf-life issues due to rain at source.
	Red	Crimson, Sweet Celebration	RSA	Amber	Quality has been good, but may begin to see shelf life issues due to recent rains at source.
	Black	Midnight B	RSA	Amber	Quality has been good, but may begin to see shelf-life issues due to rain at source.




Category	Product	Variety	Origin	Status	Highlighted Concerns/Updates
Top Fruit	Apple	Braeburn	Italy	Red	Good colour, clean skin finish, strong pressures. Availability is very tight as pressure values are erratic. The heat of the summer is impacting on storage and shelf life.
		Granny Smith	France	Green	Good colour, clean skin finish. Positive pressures.
			Italy	Green	Good, colour, pressures and brix.
		Pink Lady	France	Green	Pressure, colour and brix all good.
		Golden Delicious	Italy	Amber	Current availability is good but the longevity of the season will depend on pressure values ex store.
			France	Amber	As with the Italian golden, French fruit availability is currently good but the longevity of the season will depend on pressure values ex store.
		Red Delicious	Italy	Amber	Availability is tight as pressure values become more erratic. The heat of the summer is impacting shelf life
			France	Amber	Availability is tight as pressure values become more erratic. The heat of the summer is impacting shelf life
		Royal Gala	Italy	Green	Good colour, brix and pressure.
		Bramley	UK	Green	Good quality, strong pressures, good colour.



Category	Product	Variety	Origin	Status	Highlighted Concerns/Updates
Avocado	Avocado	Hass	Colombia	Amber	Stem End issues are being monitored and fruit being removed. Minor skin defects identified on arrivals, quality is being monitored.
			Mexico	Amber	Stem End issues are being monitored and fruit being removed. Last arrivals expected week 14.
			Chile	Green	Last arrivals expected in week 10.
			Guatemala	Amber	Stem End issues are being monitored and fruit being removed. Last arrivals expected in week 12.
			Israel	Amber	Minor skin defects (lenticels) identified on arrivals, quality is being monitored. Last arrivals expected in week 15.
			Morocco	Green	Last arrivals expected in week 10.
			Spain	Green	Last arrivals expected in week 13.
			Peru	Green	No issues.
			Brazil	Green	Season expected to start in week 12
			South Africa	Green	Season expected to start in week 11
			Mozambique	Green	Season expected to start in week 11
			Zimbabwe	Green	Season expected to start in week 11
Tanzania	Green	Season expected to start in week 11			




Reynolds
more than just a greengrocer

Thank You

