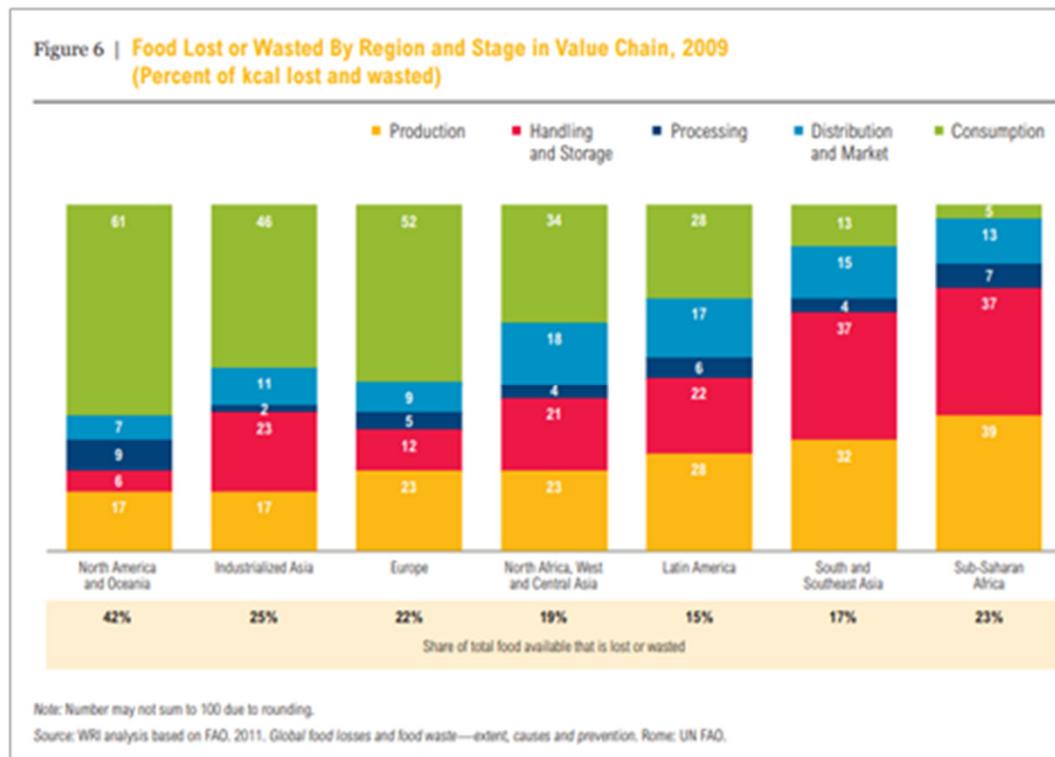


Foodstuffs – Realising the Hidden Opportunity of Food Waste



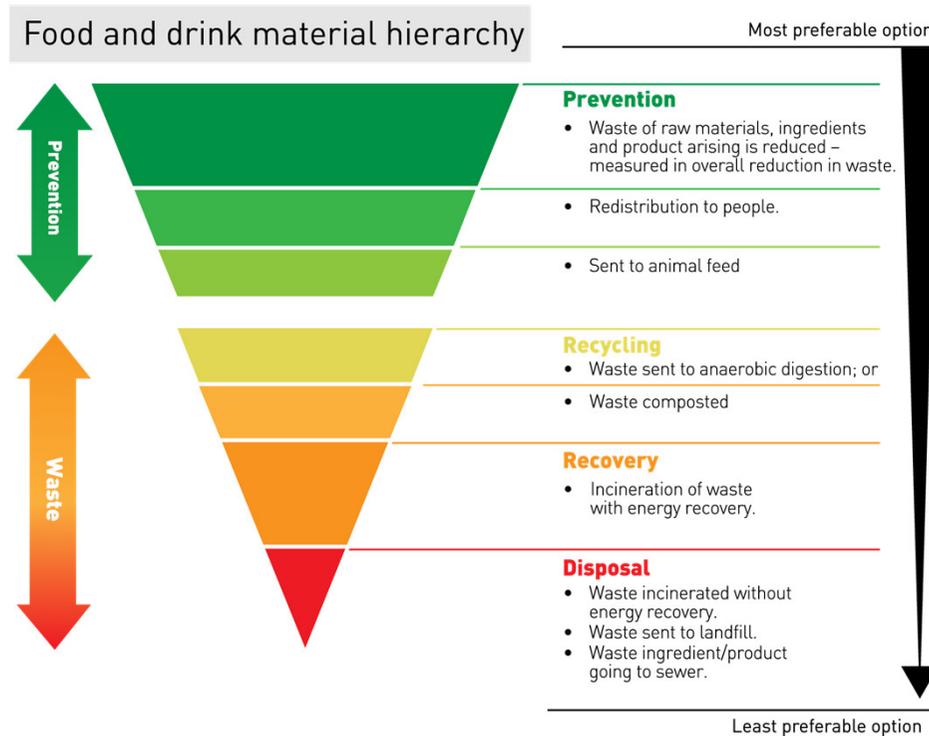
Retail food waste

- Globally, a third of all food is lost or wasted between the farm and the fork.
- For North America and Oceania, 7% loss occurs at the 'Distribution and Market' stage, which would include retail, compared with 61% at 'Consumption'.



Preventing food waste

- Waste costs money and businesses have strong incentives to minimise waste because of this (including food waste).
- Foodstuffs operates a national waste minimisation programme for distribution centres, corporate sites and stores. Food waste is managed in alignment with the best practice “Food Recovery Hierarchy”.





Where we began ... 2012

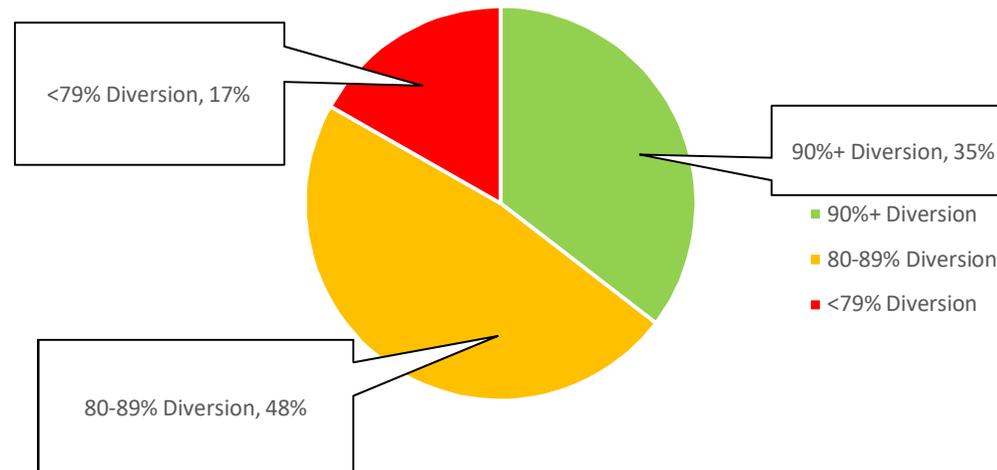
- Individual responsibility for waste management
- No common waste management practices across sites
- Baseline audit showed an average landfill diversion rate of 64%

Foodstuffs Waste Minimisation Programme ... 2012-2014

- Potential for greater efficiencies at national level
- Development of the national waste minimisation plan
- Tender process to establish preferred supplier relationship with Envirowaste

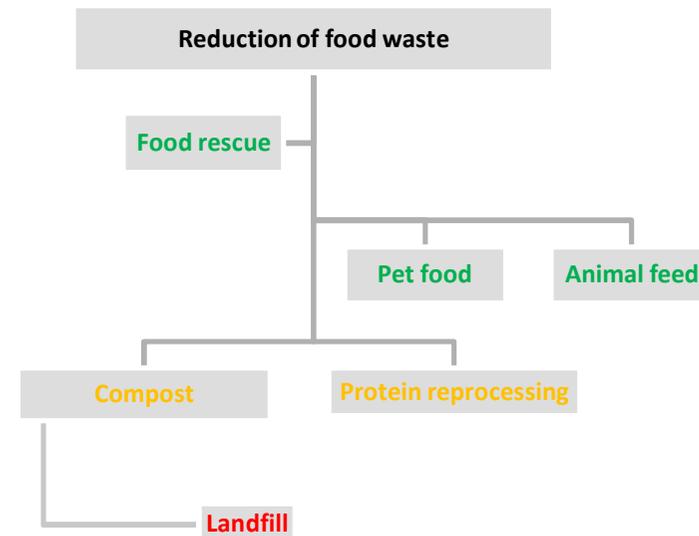
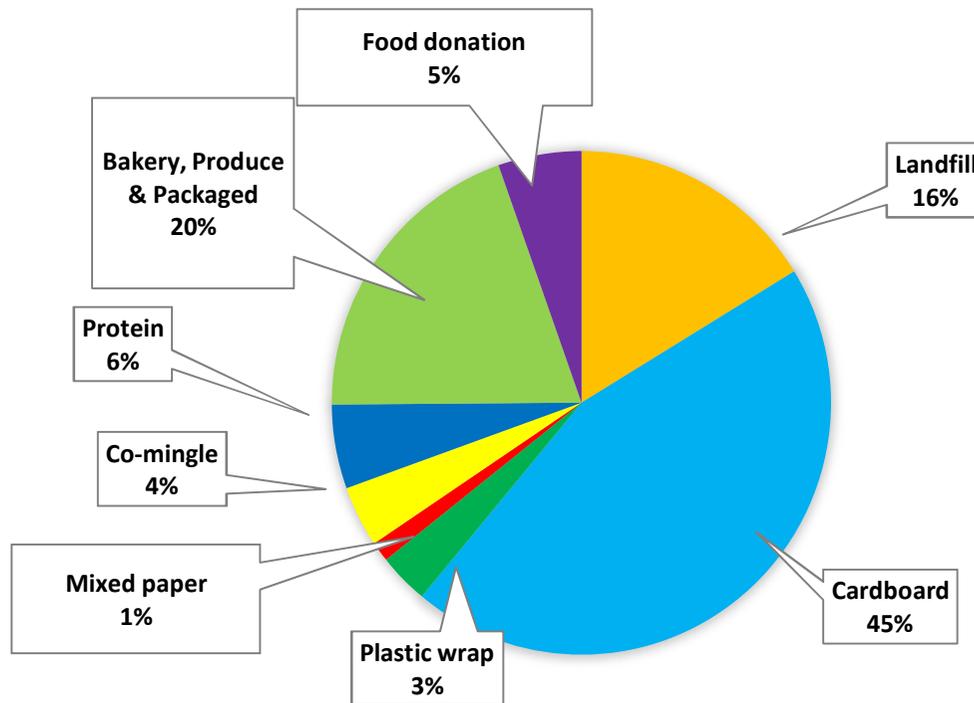
- We now have **132 sites** on the programme
- **117 stores** (approx. 60%) and 15 other business sites.
- Individual site landfill diversion targets: 80% by end Year 1, 90% by end Year 2
- **Twenty-eight** stores reached or exceeded **90% diversion** in May 2019.
- **Ninety-four** stores were diverting **80+%** of their waste from landfill over Q1 of 2019

Q1 2019 diversion results for PNS and NW stores



Composition of diverted waste

- Diversion of up to ten different waste streams
- On average, sites divert 84% of waste (26 T/m) from landfill
- 35% of all diverted product is food

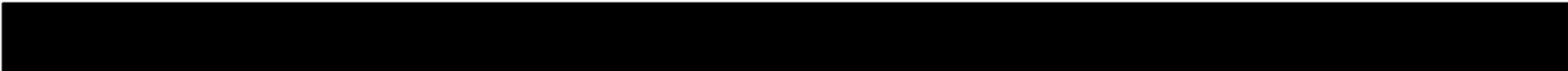


Food rescue

In the year to May 2019 sites on the programme donated equivalent to **6.4 million meals** to local communities



- In order to focus our waste reduction efforts we are working on a strategy for waste and recycling
- The strategy includes targets such as:
 - All Foodstuffs supermarkets on the waste minimisation programme
 - Zero edible food waste to landfill
 - Food donation across all sites
 - 90% + diversion rates across all supermarkets and distribution centres
 - Supporting customers to reduce their food waste at home
 - Expanding our waste minimisation programme across the business



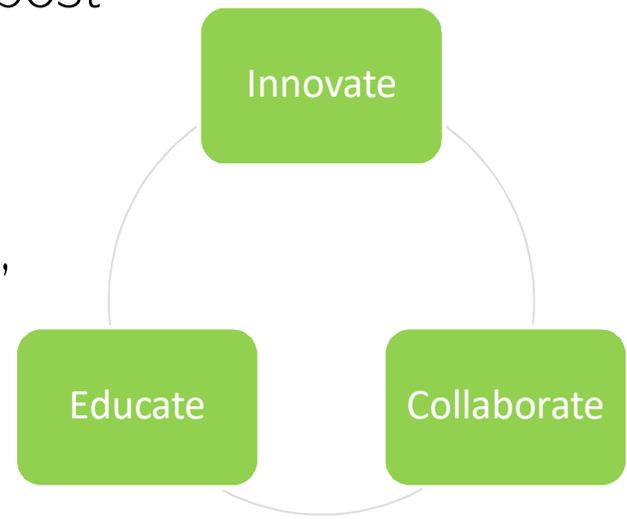
SUSTAINABLE DEVELOPMENT GOAL 12

Ensure sustainable consumption and production patterns



“By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses.”

We need to work across the food supply chain, taking a co-ordinated approach to food waste reduction targets



Innovation from urgency



- Educate: retailers about the value of meat and fat trimming

- Innovate: making bird feeders and selling bones instore



- Collaborate: partnering with local butchers and pet food producers

Power of consumer demand



Consumer demand for decreased plastic in produce

Innovate: new store setup/distribution process to reduce food waste

Love your leftovers

University of Otago research shows that simply storing your produce in a reusable container lined with a paper towel can keep your fruit and veg fresher for longer. **Waste less food with these simple storage solutions.**

Let's go reusable

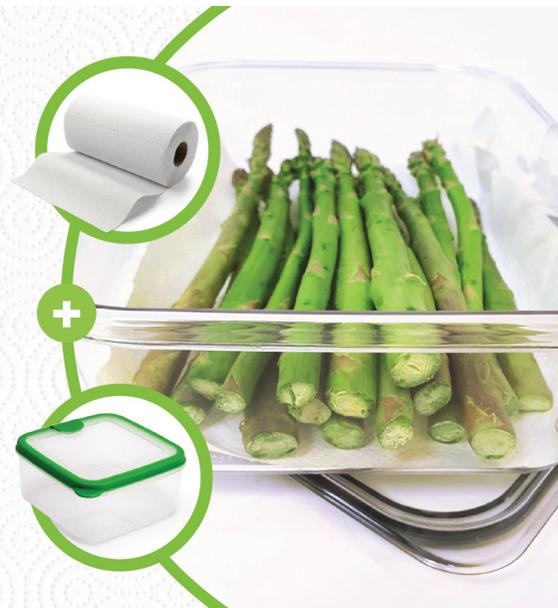
Containers are a great way to store, transport and freeze your food, and now you can BYO container to store.

Love your left overs

Save time and money by eating your leftovers. Store them correctly by:

- Refrigerating within two hours of cooking
- Consuming them within two days
- Or put them straight in the freezer and they will last for two months

When you reheat your left overs make sure they are piping hot (or eat them cold straight from the fridge)



Collaborate: with suppliers to specify unwrapped produce, and logistics systems to protect this

Educate: storage advice to support customers to reduce food waste



- Educate consumers about produce waste from grading → increased consumer awareness can spur demand for imperfect produce
- Increased consumer demand gives retailers the mandate to go back to producers/suppliers and specify this
- Producers can sell more product/ less food waste
- Retailer has certainty of sales and can continue to stock the product

Collaborate

- How do we encourage different parts of the food supply chain to team up to improve processes to reduce waste and harness value from waste that does occur?

Innovate

- How do we create a sense of urgency that spurs rapid innovation?

Educate

- How do we create a consumer movement around food waste like we have seen for plastics?
- 