Food waste prevention at Spar

Vienna, 25. Feb 2016

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SPAR AUSTRIA GROUP

From an Austrian retail company to a Central European retail group

GROWTH LEADERSHIP

On our way to a Central European retail group
GROWTH LEADERSHIP

The business year 2014

- growth leader for the fifth year in a row
- food retail business in Austria: turnover of 5.91 billion euros (+1.9%)
- market share Food retail business 29.9%
- turnover of the SPAR Austria Group: 12.63 billion euros (+1.9%)
- all information: www.spar.at/unternehmen

Regional and local Sourcing

40,000 regional Products
2,400 regional supplier
Rise Awareness in Management

Where to start

From Company analysis (2012) to Austrian food retail analysis 2014
Company Study published

Where to start: analysing data

- 1.4% of Austrian Food Sales are wasted in SPAR stores
- Gap between stores
  - Smaller stores have a higher rate of food losses
  - No big difference between urban and rural areas
  - Transfer of best practices is key
- Find a solution for bread and pastry
Food Wastage Hierarchy

The following image depicts this hierarchy, and is based on existing food waste hierarchies:

- **Prevent**
  - Redirect to feed People
  - Redirect to feed animals & to industrial use
- **Recycle**
  - Soil enrichment & renewable energy
- **Disposal**

Waste Treatment

Most Preferable

Least Preferable

Prevent: Customers First

Consumers choose the quantity they need for all the fresh categories
Prevent: Food Losses 30%?

Food Losses

- Agriculture, Food industry, restaurants, households
- Food retailer

Prevent: replenishment tools, delist nonsellers

Order right quantity: Computer aided Replenishment for all categories

Category Managers analysed their SKUs and delisted nonsellers
Prevent: Evaluate Best Before Date

Ripened slowly for at least 9 months

Best before date:
30 days instead of 10

Prevent: repack

Images of repackaging items.
Prevent: Communicate the **Value** not only the **reduced price**

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Prevent: communicate to employees

Store managers have ethical problems with food waste

So they expect good solutions
Challenge for Food Retailers

- Freshness
- Gross profit
- Choice
- Waste

Challenge for Food Retailers

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FUSIONS RPM Vienna, Feb 25, 2016
More than 90% of SPAR stores have a contract with Charities

Food banks, SOMA, Caritas, Youth center, Foodsharing etc

+86% food donation

Redirect to feed animals: unsold bread and pastry

Start: Feb 2015
Waste Treatment: Renewal Energy

Biogasanlage Kaiserwinkl

Prevent Upstream: collaboration with Fruit & Veg Suppliers

Damage caused by hail
Summary

- Food retailers are THE experts in food – so they offer solutions for reducing food losses.
- Awareness: rise the value of food
- Food waste at retail stores: edible, but consumers are not willing to pay the price
- Each member in the value chain has special responsibility and solutions

For more Information

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