



Bidfood UK is one of the UK's leading foodservice providers, acquired into the group in 1999, and for more than 20 years has been at the forefront of foodservice in the UK. With a depot network of 24 sites spanning the country from Worthing on the south coast to Oban in Scotland we provide a truly local presence, both in terms of service, products, employment, and community engagement. Our multi-temperature supply chain gives our customers full consolidation of frozen, ambient, and chilled products on the same delivery, making their lives easier.

We share our customers' passion for great food.

Bidfresh, previously known as Seafood Holdings, was acquired in 2011 supplying fresh produce, fish, meat and dairy products to chefs throughout the UK, from specialist businesses local to the customer. Bidfresh has a national footprint made up of 11 specialist fish businesses, and a national brand "Direct Seafood" delivering across the UK; meat specialists are located in Scotland and Southern England and through our delivery network deliver nationally; greengrocers that are able to deliver each day, to caterers around England, Scotland and Wales; and dairy offering in Henson, Oliver Kay, and Noones positioned around the country, all supply dairy lines along with commodity cheeses to the whole of the UK.

The government furlough programme contributed to job retention across the Foodservice operations, however some rightsizing of the specialist businesses did mean that there was a reduction in headcount. Staff motivation levels and commitment remains high, as reflected in internal survey results.



Our chief executives

Andrew Selley
Bidfood UK

Brian Hall
Bidfresh

"We're proud to be joining the Better Business Act coalition alongside some iconic leaders across the UK who share our passion and determination to create a cleaner, greener and fairer future for all. We believe that it's crucial for every business to play its part in not only shaping our future but protecting it too. We plan to work closely with the coalition to help it grow, through putting our people, and the planet, at the heart of our plans to deliver sustainable profits."

Andrew Selley
CEO, Bidfood UK



Bidfresh has invested in training of butchers and filleters in the meat and seafood divisions to overcome the acute staff shortages of these skillsets. The admin and back-office functions have now been fully integrated into the Foodservice operation, presenting significant cost reductions and efficiency gains, but has meant that job losses were recorded in the year.

In the UK, many industries have experienced a shortage of drivers. Industry sources estimate a shortage of more than 75 000 drivers, with the impact felt right across the supply chain, and in retail as well as wholesale and foodservice. As a result of these exceptional circumstances **Bidfood UK** have had to be agile, challenge our ways of working and adapt our operations rapidly to provide the best possible service to customers. We have run an extensive recruitment and retention programme, partly through advertising on social media channels in addition to using more traditional approaches. These initiatives have been successful, helping to close the gap for Bidfood.



Bidfood UK, driver recruitment.

HC Human capital

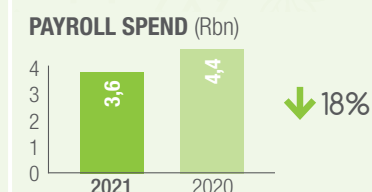


Total employees
5 753 ↓ 15%
2020: 6 807

Male employees
4 445 ↓ 14%
2020: 5 172

Fatalities
Zero
for the past five years

Female employees
1 308 ↓ 20%
2020: 1 635

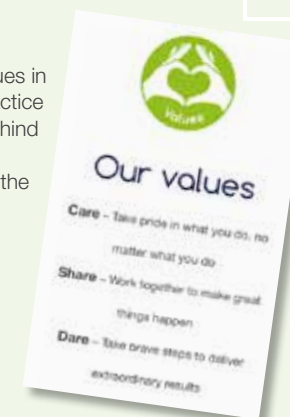


Employee training spend
R4,3m
2020: R4,0m

"Having the best team is a key ingredient in our recipe for success"



Bidfood UK have also launched Values in Practice in April. The Values in Practice will provide clarity and purpose behind each company value so that no matter where somebody works in the business, they understand exactly how they are expected to behave and have clear guidance on how to develop.



Adhering to strict COVID workplace protocols, including using lateral flow tests for detecting asymptomatic staff within the workplace, allowed our staff and depots to operate throughout the year. Managing the impact that the pandemic has had on our depots appears to be working well, with new policies and procedures well communicated and implemented across all branches. We believe the biggest risk now is staff complacency and managing communal meeting points such as smoking areas and canteens. We are working on our approach to staff communications to ensure they remain regular and compelling.

Employee survey

Employee surveys have always been a hugely valuable process, but with the huge challenges faced in 2021, we questioned the timing of the survey. We are delighted that the survey took place, in November/December 2020, producing some exceptional results and extremely valuable insight into our people. The highlights of the survey are:

- 86% overall engagement score! A 5% increase on 2019
- 90% completion rate across the entire business
- 7% higher engagement than our industry benchmark
- People felt proud to work for Bidfood during the crisis and supporting the vulnerable
- When asked what the best thing is about working for Bidfood, 'the people' was overwhelmingly the most given response. This is what sets us apart from our competitors!

- Top 3 most improved questions from 2019 (6% increase):
 - ✓ Working in our company makes me want to do the best work I can
 - ✓ I care about the future of Bidfood
 - ✓ I am encouraged to speak up and suggest ways to get better results

A Health and Wellbeing (HAWB) working group has been set up to develop a HAWB strategy for the business; providing a one-stop shop resource guide and rolling out mental health awareness training within the operations.

Members of the Order of the British Empire



Jim Gouldie.



Steve Clarke.

Bidfood duo recognised for going the extra mile during Covid in New Year Honours list 2021.

Jim Gouldie and Steve Clarke worked tirelessly to ensure continuity of supplies and service to customers whilst dealing with the unknown. Whether addressing availability challenges as manufacturers struggled to maintain production levels, (with social distancing or closed facilities), delayed food imports, contingency planning for Brexit, or juggling excess stocks when much of the hospitality sector had to close its doors, and mitigating the food waste that could have resulted."

United Kingdom

FC Financial capital

Revenue
R25,0bn ↓ 21%
 2020: R31,5bn

Trading profit
R0,4bn ↓ 41%
 2020: R0,7bn

The 2021 year really has been a tale of four very different trading quarters. The UK hospitality market suffered with the COVID lockdown implemented by the government in our second financial quarter which lasted well into the third quarter. Recovery was immediate as restrictions were eased in the UK springtime and activity levels into schools and some dining resumed. By the onset of summer (largely post the financial year), most market segments were back at pre-COVID levels of activity, other than tourist and business travel activities and large-scale catering, mostly allied to inner-city activity. Revenue declined 20,7% to R25,0 billion (2020: R31,5 billion) pushing trading profit down to R394,3 million (2020: R666,8 million), a decline of 40,9%.

Bidfood UK achieved sales of near 2019 post-year end, an impressive achievement after a very difficult year that presented unique and significantly different challenges in each quarter. Specialist businesses Caterfood and Cimandis both finished well ahead of expectations, and South Lincs and Elite both bettered their prior year performance.

In June 2021, net sales were just 1% below 2019 levels, with most sectors trading above at least 70% of 2019 levels, the exceptions being workplace catering and travel industry. The speed of the recovery has challenged operations and reduced delivery runs. Working capital was a key area of focus and was overall very well managed throughout the year.

New business wins and strengthening of key account relationships have been positive, and substantial new business has been secured in the municipal, education, and health sectors. Contract extensions and growing existing accounts indicate that market share growth has been achieved.

Bidfresh UK, although buoyed by the positive summer activity, was drastically impacted by the severity of the government lockdown through quarters 2 and 3. Timeous restructuring and scaling back in late 2020 proved fortuitous. About 18% of the Bidfresh customer base have not made it through the pandemic. An aggressive programme has been put in place to win new customers. Our regional business is beginning to perform well, however, the inner cities have been slower to recover. This is especially evident in hotels where the cities are missing tourists, but the regional towns are benefiting from the staycation boom.

Foodservice focus

-  A market leading digital customer journey.
-  Organic growth by selling across the group. Targeting new business across all areas.
-  Ensure our people and processes are fully focused on delivering service excellence
-  Delivering profit and purpose with a focus on sustainability, social impacts and strong governance

MC Manufactured capital

Depots (m²)
229 564 ↑ 3%
 2020: 223 720

Vehicles (#)
2 155 ↓ 10%
 2020: 2 382

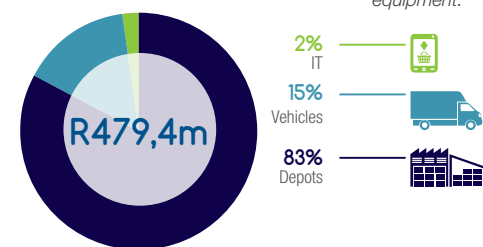
Investment in IT
R50,0m ↓ 52%
 2020: R103,2m

Capex investment
R479,4m ↓ 21%
 2020: R607,3m

HARDWARE*
R0,5m
 2020: R15,9m

SOFTWARE
R49,5m
 2020: R87,3m

* Hardware includes IT and office equipment.



Capital expenditure for the last year has been substantially lower than the prior periods as expenditure has been focused on committed and essential spend only.

To minimise costs **Bidfood UK** had to make some tough decisions in the year, such as the decision to close two sites temporarily. All the teams at the Liverpool depot were on furlough for a period and the volumes were transferred to the Manchester depot, providing important cost savings. In addition, the Warehouse, Stock and Administration teams from the Stowmarket depot went on furlough and the teams operated a cross-dock function with the volumes transferring to the Harlow depot.

The number of depots reported shows an increase on prior year due to the Elite acquisition, which introduced an additional seven depots. Despite the increase in the number of sites, our total sqm is down with the added Elite sites being relatively small, and the two Oliver Kay depots transferred to **Bidfresh** being larger.

The number of owned vehicles has also risen, again this is largely due to the inclusion of Elite vehicles (140). The business has handed back lease vehicles during the year where possible and capex for new vehicles has been reduced.



Bidfood UK, Manchester.

IC Intellectual capital

Customers (#)
44 943 ↑ 7%
 2020: 42 089*

Customer mix 2021

40%	Independent
60%	Chain
0%	Logistics
0%	Retail and other

Ecommerce platform sales
55% of 2021 divisional revenue
 2020: 48%

Product SKUs (#)
61 104 ↑ 14%
 2020: 53 740*

Product mix 2021

34%	Frozen
22%	Chilled
34%	Ambient
10%	Non-food

Suppliers (#)
7 602 ↓ 4%
 2020: 7 940*

Foreign suppliers make up
8% of purchases
 2020: 13%

Own Brand
21%
 2020: 21%

* Comparative restated.

Bidfood UK launched the new eLearning platform for the care sector, Caterers Campus. With 6 interactive online modules designed to support on areas like dementia, dysphagia, and menu costing, this is a market leading platform that gives us a competitive edge in the sector. It helps us support more customers in a cost and time efficient way. We have over 150 customers using the platform.

Our “Talking Food with Bidfood” podcast series proved a highly valuable resource for customers throughout lockdowns. We’ve had all sorts of experts on and even had support from our colleagues at Bidfood Australia and New Zealand involved. We’ve grown total listens by 1,050% and we average over 900 listens per episode.

At the start of the year we launched our communications plan on ‘Natasha’s Law’, a new piece of legislation coming into effect in October 2021 that will directly impact a significant number of our customers. The legislation changes mean a lot of work for those impacted so we devised a plan made up of webinars, a podcast, a ‘making sense of’ brochure and a series of customer communications to help support our customers and suppliers whilst the entire supply chain navigates the changes.

August 2020 saw the launch of the “Eat Out to Help Out” scheme, encouraging people to visit restaurants on certain days to benefit from a 50% discount, funded by the government. The scheme was in place for most of August and gave the hospitality sector a real welcome boost. The weather was good in the month and with foreign travel limited, the UK staycation market had a real boom.

In addition to this capitals-related overview, please link to individual country websites for more detail, using the buttons below.

‘Bidfood at home’ – our new B2C ecommerce platform launched in November 2020.



Online customer engagement

The Bidfood Kitchen live culinary webinars have been a huge success this year. Hosted by our Customer Marketing and Food Development teams, the live webinars take us into the heart of the kitchen – with close-up product and top-down camera shots, showcasing ingredients as our expert food development team present and cook the latest trends, innovative products and answer questions live from the audience. We have reached almost 1000 customers through this digital content.



Online customer engagement – The Bidfood Kitchen.

In January, we launched a new dedicated vegan range, V Kitchen, to help our customers tap into this ever-growing trend. Recognising the growing need for easily available vegan products, the brand will be available to both trade via ‘Bidfood Direct’, and the general public via ‘Bidfood at Home’. Boasting a wide selection of both branded and Own Brand products, the range offers an array of pre-prepared dishes, protein alternatives, desserts, cupboard ingredients, bakery and snack products, and vegan wines, beers, and spirits.

Early in the year we completed the upgrade of our BidFood Direct online shop, providing additional functionality for customer menu planning and promotions

In March we launched our Relaunch Ready activity where we engaged with our customers to understand their developing product requirements to help guide our supply chain. We also provided them with a series of Relaunch support tools to aid them in driving footfall and profitability.

In April 2021 we held our first ever fully virtual conference where we hosted just under 500 customers online for three days, with a series of keynote speaker talks, cooking demonstrations, and a live supplier exhibition.

A typical Bidfresh customer is:

- ✓ Food focused
- ✓ Inspirational and willing to experiment with food
- ✓ Individually crafted and specialist
- ✓ Restaurants and caterers but can also exist in other sectors
- ✓ Driven by experts who demand expert suppliers

United Kingdom

NC Natural capital

DIVISIONS TOTAL
CARBON EMISSIONS (tCO₂e)
62 500 ↓ 15%
2020: 73 154



Fuel and gas

SCOPE 1 EMISSIONS (tCO₂e)
(excl refrigerants and aircon gases)
42 313 ↓ 14%
2020: 49 306

Fuel consumption is lower than last year linked to the downturn in trade. Our petrol usage has reduced more significantly than diesel given the level of car drivers on furlough, coupled with a general work from home instruction from the UK government. Diesel usage although down, does not compare to the sales decrease as smaller drop sizes

SCOPE 1+ EMISSIONS (tCO₂e)
(only refrigerants and aircon gases)
6 387 ↓ 11%
2020: 7 149

to customers who have remained open have impacted this.

Gas usage after 6 months of the year, is down quite significantly, partly due to the lack of active canteen operations within depots, either being closed or being used on a much-reduced basis.

It is also worth noting we have started to see a slow but steady increase in fuel and gas prices in recent months

Fleet decarbonisation challenge

Scientific studies and field trials have shown that Hydrotreated Vegetable Oil (HVO) produces 33% fewer particulates than fossil diesel, 30% lower hydrocarbon emissions, 24% less carbon monoxide, and 9% less NOx (nitrogen oxide). HVO is considered a medium-term, transition fuel for fleets that want to reduce carbon emissions.

Currently, HVO supply is limited, and use restricted, the fuel is also 10% to 15% more expensive than diesel. However, there are indications of cost savings in other areas such as maintenance and fuel economy.

Power

SCOPE 2 EMISSIONS (tCO₂e)
13 464 ↓ 17%
2020: 16 208

Electricity usage early in the year recorded an increase, following the inclusion of usage by Elite and Simply Food Solutions. However, as the year progressed reduction in electricity usage was as a result of the lesser presence of staff at sites and a small number of temporary site closures, although the bulk of costs continue with fridges and freezers switched on.

The reduction in water usage reported reflects the reduced number of staff on site, along with the temporary depot closures, and the impact of the implementation of staggered operating days

SUPPLY CHAIN – Collective water stewardship activity in southern Spain

Bidfood is glad to join retailers and fresh produce businesses in club-funding a joint scoping study into water scarcity in Southern Spain, which is a critical production area for produce imported into the UK, and one that is forecast to be exposed to a high degree of water stress as a result of climate change.

The study aims to give a more informed and context-based approach to develop a delivery approach that might allow for multiple parties each individually playing their part – but with a wider collective outcome and stronger business case to do so.

The One Foundation

One Water are the UK's leading ethical drinks brand. Every bottle bought helps to fund projects supplying safe and clean water in the world's poorest countries.



Waste

SCOPE 3 EMISSIONS (tCO₂e)
336 ↓ 32%
2020: 491

Waste to landfill in **Bidfood UK** has reduced partly linked to the drop in volume, but also with Simply Food Solutions (our biggest waste to landfill producer) increasing their focus on recycling moving away from waste to landfill. Ongoing reductions and

improvements are noted, when compared with prior periods as we look to recycle wherever possible, coupled with reduced volume.

We are now better able to split our reporting by depot, so in June we have made an adjustment to reflect Oliver Kay depots under **Bidfresh**, which is why we see an increase in the recycling results. Food waste results reflects this improved, updated data provided. The meat segment generates the most food waste that can be reused. However, the overall reduction in sales and activity levels across the division, means a corresponding decrease in usable food waste is noted.

Water

MUNICIPAL WATER

(kilolitres)
97 669 ↓ 32%
2020: 142 972

SC Social and relationship capital

Serving up sustainability – Bidfood UK has been actively involved in sustainability activities for more than a decade, so now it's part of their DNA. Today the issues are more urgent than ever, and the range of issues our strategy needs to address are wider.

Sustainability served – Our mission

“In the UK, we will use our relationship with food to address hunger, improve nutrition, and reduce poverty by engaging with the most disadvantaged communities in the UK. In developing countries, we will contribute to improving the provision of clean water and sanitation. We will also support charitable causes at corporate and local level through both financial giving and volunteering.”

Hospitality Action

Hospitality Action

Hospitality Action offers vital assistance to all who work, or have worked within hospitality in the UK including help, advice and support whenever times get tough, whatever the challenge from physical illness or mental health issues: from financial difficulty and family problems to addiction.

Our hospitality voices – the climb

Following the UK national lockdown at the end of 2020, forcing hospitality to close their doors once more, Bidfood and the charity Hospitality Action announced the release of a song, a charity single in response to the pandemic, to raise vital funds for the industry. Released on December 7th the single, which is a cover of Miley Cyrus – The Climb, aimed to shine a light on the importance and resilience of the industry in these testing times. Singers include Patron of Hospitality Action and Celebrity Chef, Brian Turner CBE, and employees from Subway, IPC, Hospitality Action, and Bidfood.



Springboard

The Springboard Charity helps young people achieve their potential and nurtures unemployed people of any age into work. It helps alleviate poverty by supporting disadvantaged and underprivileged people into sustainable employment within hospitality, leisure and tourism.



FareShare We're proud to have supported FareShare, donating **91.6 tonnes** of surplus food which contributed towards **281 000 meals** for people in need.



“plate2planet.co.uk” home of Sustainable Foodservice

Bidfood UK is the driving force behind plate2planet.co.uk, our leading online initiative dedicated to creating positive change for sustainability in foodservice.



Our employees supported more than 200 different charities, volunteered nearly 2 500 hours and fundraised over £65 000 for these charities

Supporting gender equality – Catalyse Change

Bidfood UK is a corporate supporter of www.catalysechange.com a Bristol-based social enterprise supporting girls and young women to develop sustainability skills and knowledge for ‘healthy, happy and green’ communities, careers and planet. Aligning their goals to support gender equality advancements, as they focus on advancing women to greater decision-making roles.

“Gender inequality remains a key challenge. Britain has one of the worst records on gender equality at work, and men continue to fill the majority of the highest paid and most senior roles. Women also continue to be under-represented in leadership roles, in particular, those that influence policy. Yet, as identified by the 2030 Agenda for Sustainable Development, gender equality is key to creating an inclusive and sustainable world.”



Click here for the **Bidfood UK Environmental Report**