

Operating in Australia and New Zealand for over 20 years, these businesses offer a full end-to-end national distribution service. Bidfood is a one-stop wholesale solution distributing products to the foodservice and catering industry, offering a comprehensive range of products and services as the customer determines. This division leads the group in ecommerce innovation, developing and driving the online “myBidfood” customer engagement solution, a key differentiator in the foodservice industry.



## OUR BUSINESSES

- Bidfood Australia**  
CEO: Rachel Ruggiero
- Bidfood New Zealand**  
CEO: Phil Struckmann



Show casing at demo kitchens and trade shows.



Investing in electric trucks.



New Zealand processing team.



"Day for Daniel" charity event.

Please link to individual country websites for more detail, using the buttons alongside.

### HC

**Our team**  
Male employees (#)  
**3 142** 2021: 3 031  
Female employees (#)  
**1 336** 2021: 1 182  
**30% female**

**Fatalities**  
**Zero** for the past six years

**Payroll spend**  
**R3,8bn** 2021: R3,4bn

**Employee training spend**  
**R3,9m** 2021: R3,7m

### FC

**Revenue**  
**R33,3bn** ↑ 1%  
2021: R33,0bn  
**Trading profit**  
**R2,3bn** ↓ 6%  
2021: R2,5bn

### CONSTANT CURRENCY

(at 2021 average exchange rates)

**Revenue**  
**R34,6bn** ↑ 5%  
**Trading profit**  
**R2,4bn** ↓ 3%

### MC

**Depots (m²)**  
**298 236** 2021: 297 961

**Vehicles (#)**  
**1 179** 2021: 1 106

**Capex investment**  
**R924,8m** 2021: R577,3m

Split between:

Depots	Vehicles	IT
<b>82%</b>	<b>16%</b>	<b>2%</b>

**Investment in IT**  
**R20,3m** 2021: R19,0m

Split between:

HARDWARE*	SOFTWARE
<b>R11,4m</b>	<b>R8,9m</b>
2021: R8,0m	2021: R11,0m

\* Hardware includes IT and office equipment.

### IC

**Our customers**

**Mix 2022**

Independent	<b>66%</b>
Chain	13%
Logistics	12%
Retail and other	9%

**Ecommerce platform sales**  
**65% of 2022 divisional revenue**  
2021: 65%

**Our suppliers**

**Foreign suppliers make up**  
**13% of purchases** 2021: 11%

**Our products**

**Mix 2022**

Frozen	<b>40%</b>	<b>Product SKUs (#)</b>
Chilled	25%	<b>78 283</b>
Ambient	30%	2021: 82 119
Non-food	5%	

**Own Brand**  
**19% of 2022 divisional revenue**  
2021: 18%

### SC

**LIVES TOUCHED**

**Our employees (#)**  
**4 478** 2021: 4 213

**Our customers (#)**  
**51 020** 2021: 46 609

**Our suppliers (#)**  
**4 266** 2021: 4 293

**COMMUNITY PROJECTS**

New Zealand supported:

- **I am hope** charity
- **Graeme Dingle Foundation**, supported for the past 12 years

The Australian team continued their support for:

- **Day for Daniel** contributing to the Daniel Morcombe Foundation
- **Kickstart for kids** providing breakfasts and lunches
- **Eatup** serving school lunches

For more detail on these and other programmes, please go to the company websites.

Refer to the 2022 sustainability report for more information

### NC

**TOTAL CARBON EMISSIONS (tCO<sub>2</sub>e)**

**63 916** ↑ 2%  
2021: 62 866\*

**Fuel and gas**

**SCOPE 1 emissions (tCO<sub>2</sub>e)**

(excl refrigerants and aircon gases)  
**26 064** 2021: 25 229 ↑ 3%

**SCOPE 1+ emissions (tCO<sub>2</sub>e)**

(only refrigerants and aircon gases)  
**2 101** 2021: 2 543 ↓ 17%

**Power**

**SCOPE 2 emissions (tCO<sub>2</sub>e)**

**32 807** 2021: 32 948 **Marginally lower**

**Waste and water**

**SCOPE 3 emissions (tCO<sub>2</sub>e)**

**2 944** 2021: 2 146\* ↑ 37%

\* Restatement, details in 2022 sustainability report.



# Our value creation stories

## Bidfood Australia

Rachel Ruggiero, CEO of Bidfood Australia, unpacks the benefit that comes from being close to your customers

I'm delighted to be able to report a very strong all-round 2022 performance by Bidfood Australia at a time when 50% of the country was locked down for half the year, costs went through the roof, and, like everyone else in our sector, we often struggled to recruit people.

Our trading margin was slightly better than that of 2019 and our trading profit was 8,6% higher than what we achieved in that year. We succeeded in managing our expenses well, in a highly inflationary market, working closely with our customers on stock shortages and supporting our staff through challenging times.

Our operating and financial success demonstrated that our strategy of having a large number of depots closer to customers and strategically positioned throughout Australia does pay dividends.

### Skills shortages

Throughout the year, filling driver and warehousing positions was particularly difficult as labour costs soared and there was mounting competition for these scarce resources. However, our determination to look after staff during the pandemic was clearly rewarded with loyalty – unlike a number of our competitors who were unable to deliver, sometimes for extended periods, which even led to their customers calling us.



### People and planet

In February 2022 our facility in Lismore, New South Wales suffered multimillion-dollar flood damage. For our customers that were not directly impacted by the flood we were able to continue to service them from other branches. A great example of how having multiple sites is key to great service.

Customers in Australia are acutely conscious of climate change and increasingly expect their suppliers to demonstrate that they are acting to reduce carbon emissions. Since 2018, I'm proud to say, Australia has led the group's journey towards net zero, slashing our emissions by 40% and (with New Zealand) accounting for a third of all the solar power generated by Bidcorp worldwide. We have achieved this largely by investing in renewable energy in new build facilities. Investment in the latest eco-friendly infrastructure has also resulted in refrigeration and air conditioning gas consumption falling by half.

Five new facilities being built in 2023 will all be fitted with 100kW to 200kW solar arrays and power saving lights. In 2023, hybrid and fully electric vehicles will be bought for sales reps.

Negatively, both waste and water consumption rose in the year although I should point out that the higher waste figures derived from us applying more stringent reporting protocols. Environmentally friendly packaging is a strong focus and the use of non-recyclable plastic has reduced by 93%. Sales of eco-friendly products have risen from 1,6 million units per year to over 10 million.

In the year we undertook various campaigns to highlight healthy school catering, indigenous foodstuffs, and low sodium nutrition while corporate social investment rose by nearly 30%.

### Gearing for growth

In 2022 we succeeded in growing our light manufacturing reach as well as the production of our Own Brand range. Import activity also rose sharply thanks to closer cooperation with the Bidcorp Procurement Community and peer Bidcorp companies. A number of relatively small acquisitions boosted our manufacturing capability.

Liquor is an increasingly important value-add to our offering and new initiatives to raise this included exclusive imports and our own wine labels.

I believe in 2023 we will continue to see the success of the group strategy by being close to our customers; transitioning to being a preferred supplier; ramping up imports; and building a value-add light manufacturing offering.

## Bidfood New Zealand

For three-quarters of 2022, New Zealand was effectively shut off from the outside world – and from much of itself. Sales held up remarkably well though, but the cost of multiple, unpredictable, and often severe disruptions ate into profits to the point that our financial bottom line (profits) declined to 2018 levels.

### Multi-tasking

The reported results do not however reflect the extraordinary effort that our team put in during the year. Workplace rules and restrictions wrought havoc with shift planning and scheduling and, during the worst of the pandemic wave in February 2022, some branches had to contend with absenteeism rates of up to 65%. Multi-tasking, job sharing, and going the extra mile became the order of the day. Office staff supported the warehouse during the day, and then caught up their own work at night. I am extremely proud of the extent to which our traditionally excellent levels of customer service were maintained.

On top of COVID disruptions, like the rest of the group, we experienced runaway increases in fuel and food costs as well as major supply chain difficulties. This meant that while on paper, our total sales shrank by just 1,2%, adjusted for inflation, this actual number was closer to a negative 7%.



Bidfood NZ – taking work and cost out of our customers' kitchen, CEO Phil Struckmann tells us how

newer equipment and technology saw a significant improvement in yields, while the focus on higher margin value-add lines also reaped benefits.

### Staffing our business

Manufacturing's performance in 2022 was especially pleasing because we believe that this part of the business offers the greatest growth opportunities. The hospitality industry is severely constrained by staff shortages, creating a strong demand for the sort of value added products which we are delivering from our manufacturing operations. Bidfood is effectively taking work and cost out of the kitchen.

Staffing is likely to remain our biggest challenge with unemployment at record low levels. To this end, the business has appointed a learning and development manager, whose efforts have already had a noticeable impact on skills, staff morale, and retention.

Notwithstanding all of these difficulties, our team has shown that they are up to the challenge – we have a clear plan for the year ahead and are 100% focused on getting our growth trajectory back on track.



As challenges mounted, and the unexpected became the norm, branch managers were able to quickly and effectively adjust service levels, manage expenses, and work with customers to mitigate the impact of rising food prices, all while keeping staff welfare as the primary concern and priority of the business.

Foodservice and Fresh revenue declined and trading profit slumped, with the fresh produce market in particular being affected by lockdowns and staff shortages.

Manufacturing enjoyed an excellent year with profits up 38% notwithstanding a decline in volumes. Recent investment in

