

For more than 20 years as a leading foodservice wholesaler, Bidfood has supplied fresh, frozen, ambient food, beers, wines, spirits, catering essentials, and catering equipment to customers in a wide range of sectors. We supply over 50 000 products to more than 50 000 customers. With a depot network spanning the country, a truly local presence is experienced. The multi-temperature supply chain ensures the full consolidation experience of frozen, ambient, and chilled products on the same delivery truck.



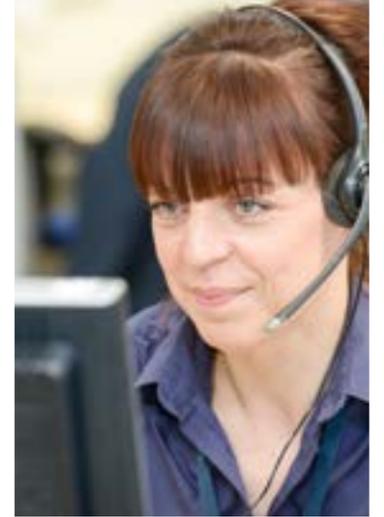
## OUR BUSINESSES

### Bidfood UK

CEO: Andrew Selley  
 – Foodservice  
 – Fresh  
 – Caterfood Buying Group



Unity Wines, consistently raising the bar.



Our award-winning telesalers ready to help.



Our Scottish dairy range from Orkney, Arran and the Isle of Kintyre.



Oliver Kay at the CH & CO Kitchen Live, London.

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

## HC

### Our team

**Male employees (#)**  
**4 588** 2021: 4 445 **22% female**

**Female employees (#)**  
**1 328** 2021: 1 308

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

**Payroll spend**  
**R5,0bn** 2021: R3,6bn

**Employee training spend**  
**R9,8m** 2021: R4,3m

## FC

**Revenue**  
**R37,8bn** ↑ **51%**  
 2021: R25,0bn

**Trading profit**  
**R1,5bn** ↑ **289%**  
 2021: R0,4bn

**CONSTANT CURRENCY**  
 (at 2021 average exchange rates)

**Revenue**  
**R38,7bn** ↑ **55%**

**Trading profit**  
**R1,6bn** ↑ **298%**

## MC

**Depots (m<sup>2</sup>)**  
**216 293** 2021: 229 564

**Vehicles (#)**  
**2 243** 2021: 2 155

**Capex investment**  
**R564,6m** 2021: R528,9m\*\*

Split between:

Depots	Vehicles	IT
<b>62%</b>	<b>23%</b>	<b>15%</b>

**Investment in IT**  
**R82,0m** 2021: R82,9m\*\*

Split between:

HARDWARE*	SOFTWARE
<b>R21,7m</b>	<b>R60,3m</b>
2021: R33,4m**	2021: R49,5m

\* Hardware includes IT and office equipment.

\*\* Reclassification of capex WIP has resulted in some 2021 comparatives being recategorised.

## IC

### Our customers

**Mix 2022**

Independent	<b>44%</b>
Chain	<b>56%</b>
Logistics	<b>0%</b>
Retail and other	<b>0%</b>

**Ecommerce platform sales**  
**63%** of 2022 divisional revenue  
 2021: 55%

### Our suppliers

**Foreign suppliers make up**  
**4%** of purchases 2021: 8%

### Our products

**Mix 2022**

Frozen	<b>35%</b>	<b>Product SKUs (#)</b>
Chilled	<b>23%</b>	<b>56 510</b>
Ambient	<b>36%</b>	2021: 61 104
Non-food	<b>6%</b>	

**Own Brand**  
**20%** of 2022 divisional revenue  
 2021: 21%

## SC

### LIVES TOUCHED

**Our employees (#)**  
**5 916** 2021: 5 753

**Our customers (#)**  
**50 800** 2021: 44 943

**Our suppliers (#)**  
**8 838** 2021: 7 602

### COMMUNITY PROJECTS

Charitable donations were up 252%; some of the projects include:

- **Springboard**, helping alleviate poverty through hospitality sector job creation
- HCL's **Fit, Fed and Read** programme
- **Plan B Mentoring** focused on development of women
- **Catalyse Change CIC** an inclusivity project
- **Hospitality Action**, support programme in the hospitality sector
- **The One Foundation**, leading ethical drinks brand "One Water"
- **FareShare** the biggest UK charity fighting hunger and food waste

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

## NC

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

**72 868** ↑ **17%**  
 2021: 62 475\*

#### Fuel and gas

**SCOPE 1 emissions (tCO<sub>2</sub>e)**  
 (excl refrigerants and aircon gases)  
**51 610** 2021: 42 313 ↑ **22%**

**SCOPE 1+ emissions (tCO<sub>2</sub>e)**  
 (only refrigerants and aircon gases)  
**7 032** 2021: 6 387 ↑ **10%**

#### Power

**SCOPE 2 emissions (tCO<sub>2</sub>e)**  
**13 848** 2021: 13 464 ↑ **3%**

#### Waste and water

**SCOPE 3 emissions (tCO<sub>2</sub>e)**  
**378** 2021: 311\* ↑ **21%**

\* Restatement, details in 2022 sustainability report.

www Refer to the 2022 sustainability report for more information



# Our value creation story



Against almost all metrics by which our performance is measured, Bidfood UK excelled in 2022. It was a performance that spoke to the strength of our people and the value we deliver to our customers.

## 2022 quarter-by-quarter:

- Q1** Sales boomed after pandemic lockdowns and restrictions were lifted and a buoyant summer "staycation" boosted demand.
- Q2** As the education year started, volumes continued to rise but logistics challenges tested our ability to consistently deliver service excellence; COVID-related self-isolation limited the Christmas season.
- Q3** Labour shortages and soaring wage bills combined with rising fuel and energy costs put pressure on margins. Restrictions from the Omicron variant dampened demand in the hospitality sector.
- Q4** Wage, energy, and food costs continued to soar as volumes recovered and we worked with our customers on price reviews.

The full-year revenue was 7% higher than that of 2019 and H2 trading profit reflected a more normalised trading period. The Foodservice business grew trading profit by a remarkable 85% on the prior year results, and Fresh turned a significant loss into a satisfactory profit.

At the end of the day, I'm extremely pleased with trading and financial performances that were achieved in the face of soaring cost hikes and mounting supply and logistics difficulties.

## Strategic focus

Our business strategy is built around these key themes:

- ✓ Being a technology-led business
- ✓ Growing sales and margin in all areas
- ✓ Simplifying the business while striving for greater service excellence
- ✓ Adopting a sharper, stronger focus on ESG performance and impacts

## Our Vision

To be the best foodservice provider and a positive force for change

because we care about...

OUR PEOPLE



OUR PLANET



OUR CUSTOMERS



OUR COMMUNITIES



OUR PRINCIPLES



Bidfood UK CEO, Andrew Selley, reflects on the benefits derived from looking after their people



Like all Bidcorp businesses, the UK is a people business. Every week, almost 6 000 employees in the UK delight their customers. In 2022 our UK team had to work harder than ever to delight – to keep up with demand and to keep a lid on expenses.

And our managers had to work harder than ever to recruit, retain, and motivate the brightest and the best in the UK foodservice industry. In the three months to June 2022, the UK's unemployment rate was at 3.6%, the lowest level since 1974. In a year when total headcount increased by 3%, our total payroll costs rose by more than a third.

In 2022 we invested R564.6 million in capex, to improve and enhance our ability to maintain the highest standards of service offerings. R82 million was invested in the division's IT estate, to make information systems simpler, faster, and more secure. Digital innovations were aimed at enhancing the security and reliability of data and making it more useful – to our salespeople but also to our customers.

The health and safety of our people at work – whether it's in our depots and warehouses or on the road – is our utmost priority. Our ongoing investment in the best tools and equipment to support and protect our team underlines this. In this financial year we invested R177 million in new solutions to improve our team's work experience.



## People focus

In recent years the UK workforce has begun attaching much greater importance to how they believe the company treats them and how seriously managers take their health and wellbeing. We have always seen this as a high priority and have done an annual people survey for over 10 years. Our response rates are always nearly 90% and our engagement score is 86%. Just some of the engagement improvements we made in 2022 were:

- a new health and wellbeing strategy is being implemented, including the appointment of a "culture and wellbeing manager";
- rolling out mental health awareness training to three-quarters of managers and establishing various in-depot health groups while piloting on site physiotherapy in Slough; and
- an employment applicant tracking system was developed and is now expected to go live in January 2023.

The Foodservices business derives a considerably higher percentage of its revenue from large national customers (almost 70% of whom are national account and public sector clients). Our business will continue to service these customers while raising its focus on independent, mostly higher margin business. Fresh has a far greater concentration of smaller independent customers, and in our Caterfood Buying Group, our customers are all mainly independent. At present, manufacturing is largely confined to ready-meals and ice cream, but investment in processing and manufacturing is being prioritised.



Ethnicity and Hospitality  
Time to deliver on diversity



## Getting closer to customers

Regardless of the size of the customers we supply, getting physically closer to them is a key priority. This is especially important in a sector in which smaller competitors consistently emphasise their "localness" and reliability and service excellence are prized. To get within 30 minutes of most customers, we invested in expanding our presence in Scotland and the north of England.

Unlike most of our major competitors, we are not increasing depot sizes. When we get to capacity in any depot we look to build additional infrastructure to continue to grow locally with our customer base. While this adds some costs, this approach brings us closer to customers and reduces mileage – a key consideration given a growing energy crunch and customers' heightened focus on their suppliers' carbon footprints. Our structure – Foodservice, Fresh, and the Caterfood Buying Group – plus local presence gives the division a growing, more flexible competitive strength, and more routes to market.

After two years of relatively low spending, capital expenditure to aid growth and get us closer to customers will increase in 2023. Emerging from the worst effects of COVID and its attendant lockdowns, our Foodservice team's flexibility and ability to maintain service levels in the face of severe supply disruptions played to our long-term advantage. New business worth more than £150 million has been won – which will stand the division in good stead as we navigate an uncertain future of continued cost increases, labour pressure, and harsher economic conditions.

