

# **EFF Event: Hungry for attention to food poverty**

**METRO AG response to food waste  
and food donations**

**Brussels 26.04.2023**



# METRO AT A GLANCE



€29,75

4 million  
Group revenue

€1,389

million

EBITDA<sup>1</sup>

## ◉ Pure wholesaler

We are a pure wholesaler for customers in the hotel, restaurants and catering (HoReCa) industry as well as independent merchants (Traders).

## ◉ Multichannel business model

We combine a wide network of modern wholesale stores with an extensive delivery service (Food Service Distribution/FSD) and an online marketplace, all supported digitally.

## ◉ Service companies

The Others segment includes entities such as the service companies, which provide services within the group in the areas of real estate, logistics, information technology, advertising and procurement.

## ◉ Digitalisation activities

The group's digitalisation activities are also bundled in this segment.



94,94

employees<sup>2</sup>

4



In

countries<sup>3</sup>



At

66

locations

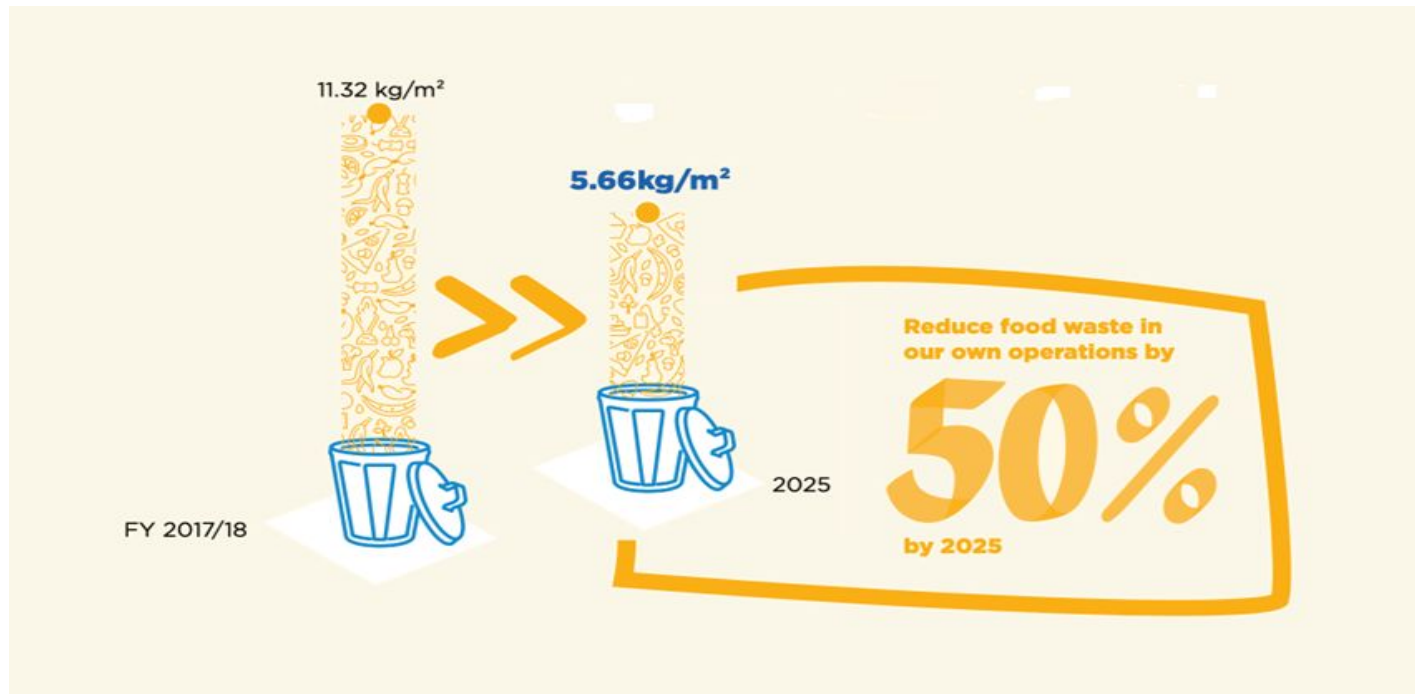
1

<sup>1</sup> Adjusted EBITDA (excl. transformation costs and earnings contributions from real estate transactions). <sup>2</sup> Annual average number of employees (headcount) 2021/22, incl. trainees.

As of: 30 September 2022

# FOOD WASTE REDUCTION

**METRO Target:** 50% reduction in own operations in 2025  
–baseline FY 2017/18



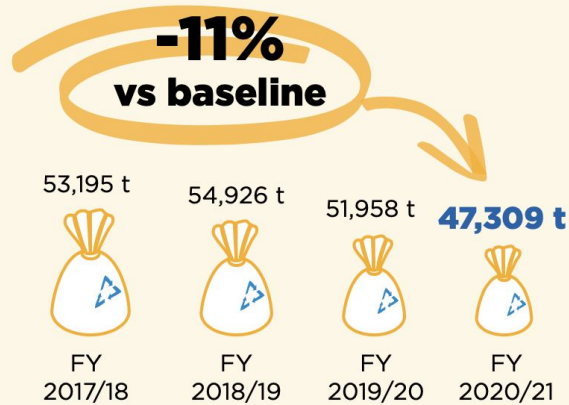
# PROGRESS on FOOD WASTE

## Reduction both in absolute and adjusted terms

### Absolute performance

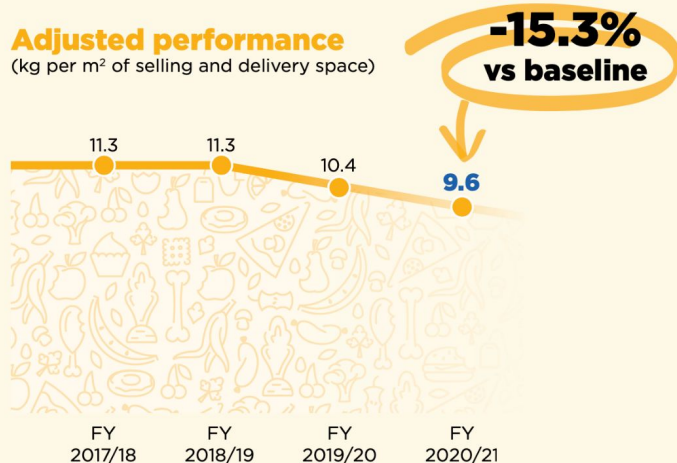
(tonnes)

In absolute terms, we produced 47,309 tonnes of food waste in FY 2020/21, which represents a reduction of -11% from the 53,195 tonnes of food waste produced in FY 2017/18.



### Adjusted performance

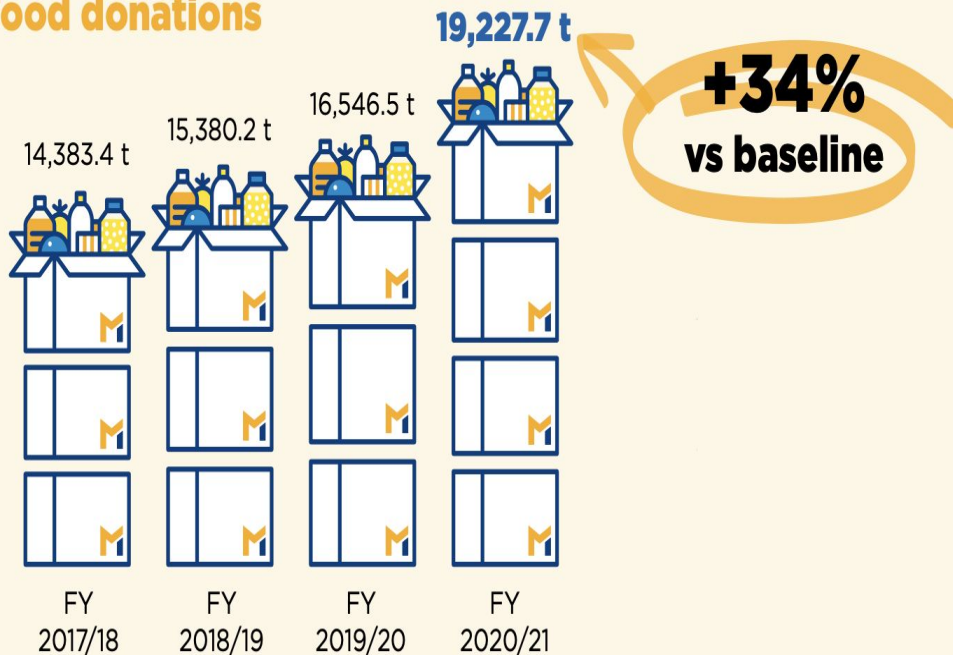
(kg per m<sup>2</sup> of selling and delivery space)



In FY 2020/21 we produced 9.6 kg of food waste per m<sup>2</sup> of selling and delivery space, which represents an adjusted reduction of 15.3% against the FY 2017/18 baseline. This performance puts us well on track to achieve our 50% reduction target in 2025.

# FOOD DONATIONS

## Food donations



- Increasing in quantity and value
- Partnering with food banks in 23 countries



# CHALLENGES FOR DONATION

## Logistics

- Availability of food banks, suppliers, METRO platforms

## Legal

- Ownership of goods in international trade
- Costly registration procedures in respective countries

## Financial

- EU VAT Directive (Council Directive 2006/112/EC)
- In some countries little or no VAT is paid on donations, in others on market value or purchasing price of donated amount
- VAT Problems with VAT returns when different countries concerned

# RECOMMENDATIONS

## VAT issues should not hinder food donations

### Legal and Financial Incentives

- Easy tax and commercial registration
- VAT exemption for donations
- Zero VAT rate (input VAT deduction on related costs and purchases)
- Further financial incentives regarding corporate tax possible via tax deductions and tax credits

# THANK YOU

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