

**Findings from METRO AG  
internal survey on food  
donation practices**

**FLW: Food donation sub -group  
meeting**

**Brussels 28.11.2023**



# METRO AT A GLANCE



€29,754

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.



94,944

employees<sup>2</sup>

In



31

countries<sup>3</sup>

At



661

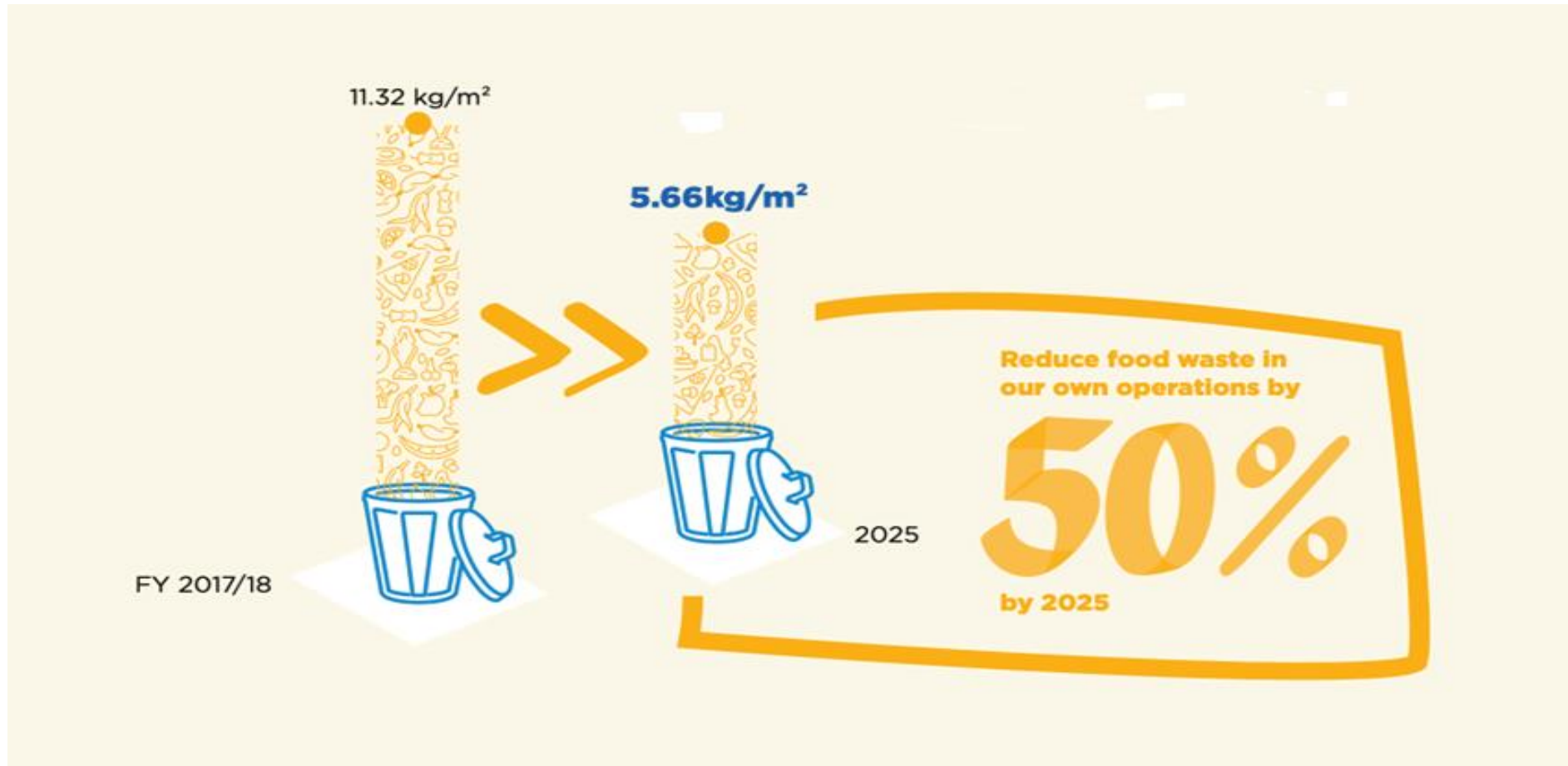
locations

<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



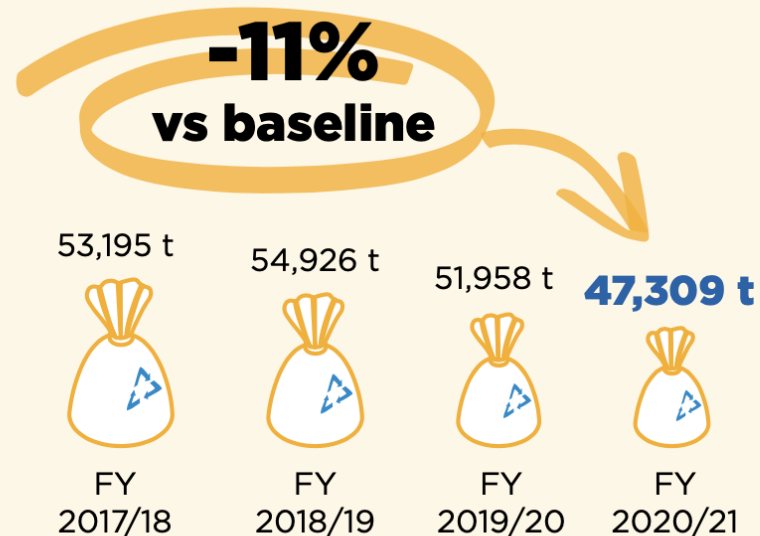
# PROGRESS on FOOD WASTE

Reduction both in absolute and adjusted terms

## Absolute performance

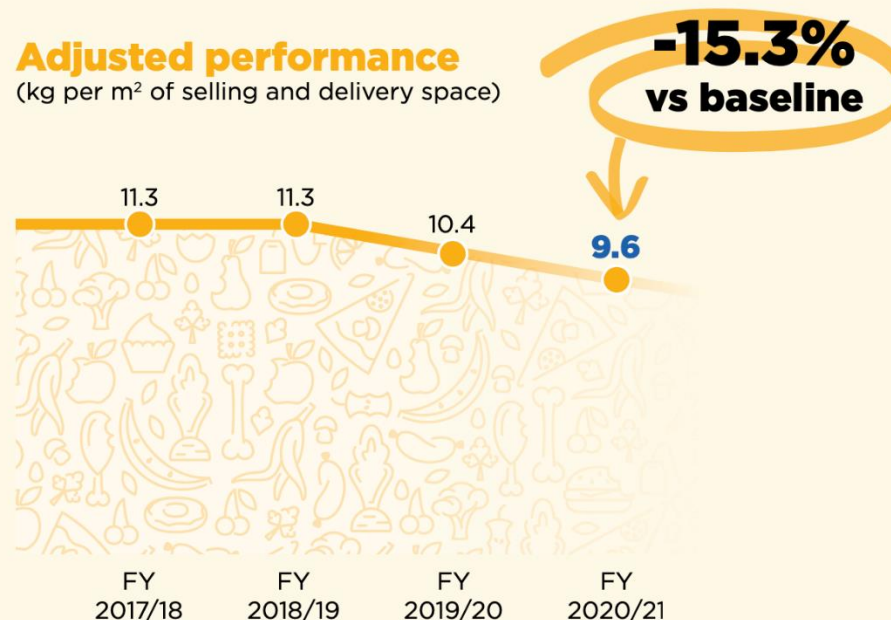
(tonnes)

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

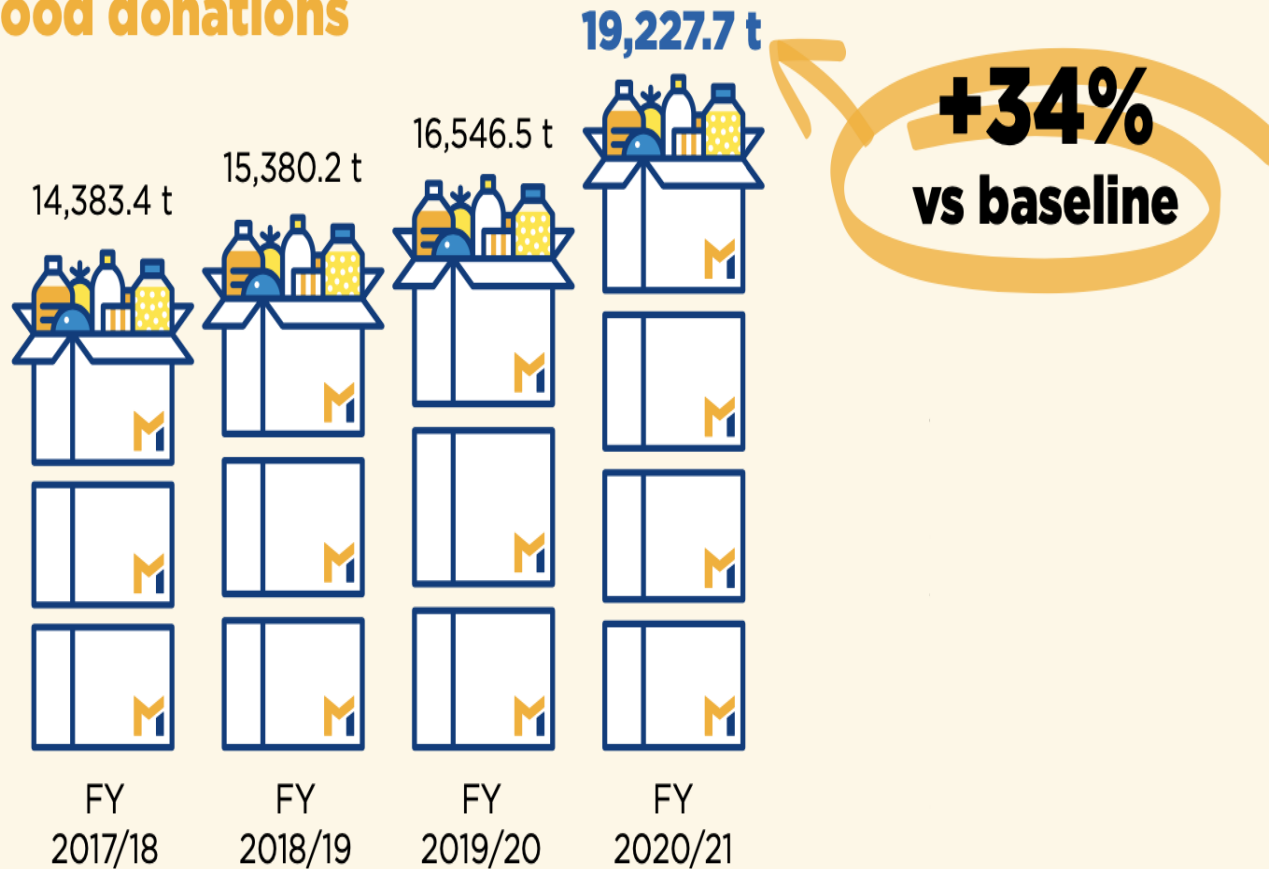
(kg per m<sup>2</sup> of selling and delivery space)



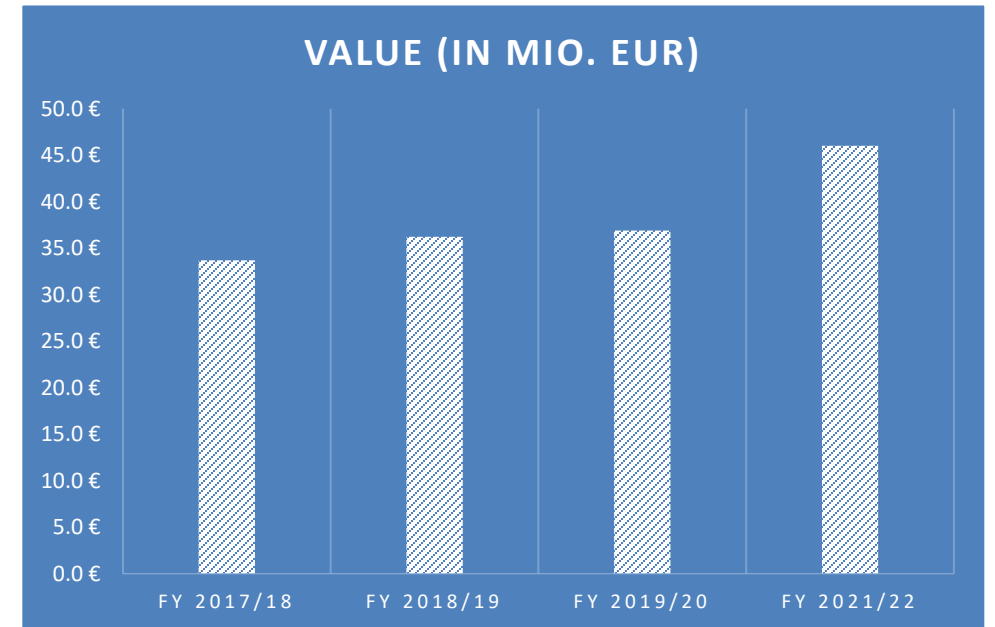
In FY 2020/21 we produced 9.6 kg of food waste per m<sup>2</sup> of selling and delivery space, which represents an adjusted reduction of 15.3% against the FY 2017/18 baseline. This performance puts us well on track to achieve our 50% reduction target in 2025.

# FOOD DONATIONS

## Food donations



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



# SURVEY ON OWN OPERATIONS

## Results from 14 EU member states

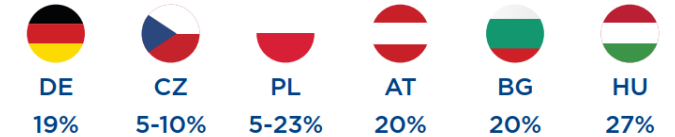
11 countries have specific food waste legislation/strategy



METRO donations to animal shelter/animal feed in 3 countries



6 countries apply VAT on donations at 5%-27%\*



METRO donations to food banks in 13 countries



Donation after best-before date possible in 3 countries



Tax incentives on donations available in 5 countries



\* Standard VAT rates, some exemptions for non-profit donations apply

# CHALLENGES FOR DONATION

## Logistics

- Availability of food banks, animal shelters, suppliers, METRO platforms, fleet

## Legal

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

## 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**

**Consumer awareness needed esp. on date marking rules**

## **Legal and Financial Incentives**

- Easy tax and commercial registration for donation purposes
- 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
- Possibility to donate beyond Best-Before dates with a clear framework



# THANK YOU

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