

REDUCING FOOD LOSS AND WASTE

“ Food waste is an immense problem globally as well as in South Africa. It is estimated that ten million tonnes of food is wasted each year in South Africa, a country in which millions of people still go hungry. For this reason, we’ve committed to reducing the amount of food that we waste by 20% by 2020, as we continue to work toward the CGF commitment of halving food waste by 2025. ”



OUR POSITION

Pick n Play has a long and remarkable history of sustainability and progressive social action. This may in part have reflected the particular challenges facing South Africa in the early decades of the business. But at its core were the vision and values of Pick n Play’s founder, Mr Raymond Ackerman, his belief in the consumer, and his commitment to the principle that doing good is good business.

Our sustainability strategy responds to a range of societal needs that interface with business risks and opportunities. The need for reliable access to a sufficient quantity of affordable and nutritious food is a core consumer and social need. It is equally an opportunity to drive the delivery of a more efficient and competitive business.

Food security is a complex issue which can be impacted by politics, economics and climate change. Whether in buying locally, supporting small suppliers, sourcing sustainable products, helping consumers make healthy food choices, working towards carbon reduction or creating food gardens, our sustainability efforts ultimately aim towards a more food secure society and a more efficient business.



**GARETH
ACKERMAN,
CHAIRMAN
PICK N PLAY**

OUR ACTIONS

In July 2015, Pick n Pay announced a broad campaign aimed at combating waste, including reductions in energy and carbon and food waste, while increasing the number of jobs created.

Pick n Pay's 'War on Waste' is a set of stretch goals that will deliver significant shifts by 2020. We have developed a comprehensive three tiered waste reduction strategy. The strategy is centered on the following three focus areas:

1. Prevention of waste being created

In terms of prevention, our objective is to ensure that our in-store processes are efficient and effective. Reducing food wastage at store level involves accurate demand planning, increased focus on maintaining the cold chain, improved product layout in stores, and selling products close to sell-by date at a reduced price.

2. Supporting communities in need through food donation

Pick n Pay is committed to ensure that any food that is still safe for human consumption is distributed to those in need. Pick n Pay is Food Forward SA's largest retail partner in South Africa. Over the past financial year, we donated more than 2,000 tonnes of excess food to the organisation, which was used to create more than 20,000 meals every day.

3. Diversion from landfill

We are committed to reducing the amount of excess food

that is not fit for donation being sent to landfill. To this end, rather than for example only sending excess food to an Anaerobic Digestion Plant, we set up a cross-sectorial partnership to develop a composting project, which can process up to 4 tonnes of food waste every day. Food waste is rich in energy and nutrients that can be used to produce high quality vermi-compost – and ultimately, wholesome fresh food.

The ambitious composting project has taken five years to develop and is based on three hectares in Philippi, Cape Town. Food waste from Pick n Pay is converted through in-vessel composting as well as vermi-composting. High quality organic compost products will be ready for Pick n Pay to sell in the second half of 2017. A quarter of a hectare of greenhouses has been established on site for seedling and vegetable production, as part of the PEDI Urban Agriculture Academy. Full-scale crop production on the farming area is expected in August 2017 and these crops will also be sold in Pick n Pay stores.

The model enables PEDI to provide training to young, aspiring farmers, to promote small sustainable commercial farmers, business entrepreneurship and job creation. A further programme will aim to ensure that those trained, in turn transfer their skills. Our aim is to achieve our 20% food waste diversion target through this three-tiered strategic framework. Achieving our food waste target would mean that approximately 4 000 tonnes of food waste is diverted from landfill every year.

OUR RESULTS

In a developing country where large scale infrastructural solutions such as AD plants are not readily available and landfill costs are still so low they deter investment in newer waste disposal technologies, finding alternative financially viable solutions to sending excess food to landfill is very challenging.

This multi million-rand investment in an urban agricultural precinct is set to not only reduce the amount of excess food Pick n Pay



sends to landfill, it will also provide an economic boost to the Philippi farming community in Cape Town. The investment has only been possible due to the developed of long-term partnerships between retail, local and national government, an NGO representing the local community and a waste disposal company and highlights the growing importance and potential of developing and using cross sectorial partnerships, to address many societal issues.

KEY POINTS

- Compost made from our excess food is used on site to both grow produce and bagged for resale.
- Pick n Pay is converting its excess food into a valuable resource that can be resold in our stores, while creating employment in an impoverished community