



THE Bidvest GROUP LIMITED

Bidvest New Zealand

Online Sustainability Report 2011

Our company

Bidvest New Zealand is the country's leading wholesale foodservice distributor, supplying a large range of frozen, chilled and ambient food and food-related products. Our range includes most grocery items, including fresh meat, fish, fruit and vegetables.

We operate more than 260 trucks from 22 depots, serving more than 17 000 customers throughout the country. Our customers include cafes, restaurants, hotels, schools, canteens, prisons, hospitals, airlines and aged care facilities.

Bidvest New Zealand operates as a responsible company, avoiding any anti-competitive behaviour.

New Zealand is essentially corruption-free with no unethical interference from political parties and industry bodies. As we grow, we recognise our company has a role to play in shaping industry regulations.

Our commitment

Bidvest New Zealand is committed to:

- working within environmental regulations relevant to our operations
- optimising consumption of resources and energy and minimising waste
- including environmental considerations in our decisions
- encouraging employees to take responsibility to help protect our environment through conscious choices that reduce pollution and waste and promote efficient use of resources and energy; and
- acting as a good corporate citizen with ethical responsibility towards all people we come in contact with, including suppliers, employees, customers and the public

Labour practices and decent work

Bidvest New Zealand is an equal opportunity employer. We do not discriminate on the basis of race or gender, and offer employment to whoever has the appropriate skills and willingness to work.

Our pay rates are above the minimum wage and we believe in recognising good staff performance by offering annual pay rises and incentives. We provide a subsidy towards retirement funds at double the rate required by legislation.

Ninety of our staff belong to the distribution workers' union. There has been no disruption by industrial action.

There were no redundancies during the recent downturn in the economy following the global credit crisis. Bidvest New Zealand was able to 'ride the storm' and grow during the crisis.

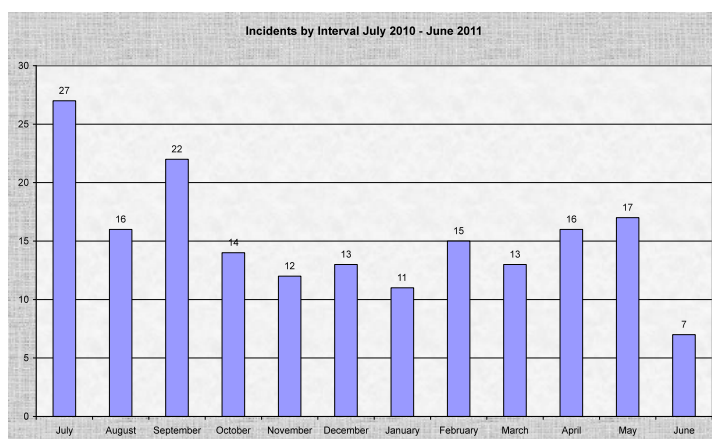
Our staff turnover rate was 30,72%. The earthquakes that struck New Zealand had some effect as people left Christchurch in the following months.

Our staff service bands show employment periods as:

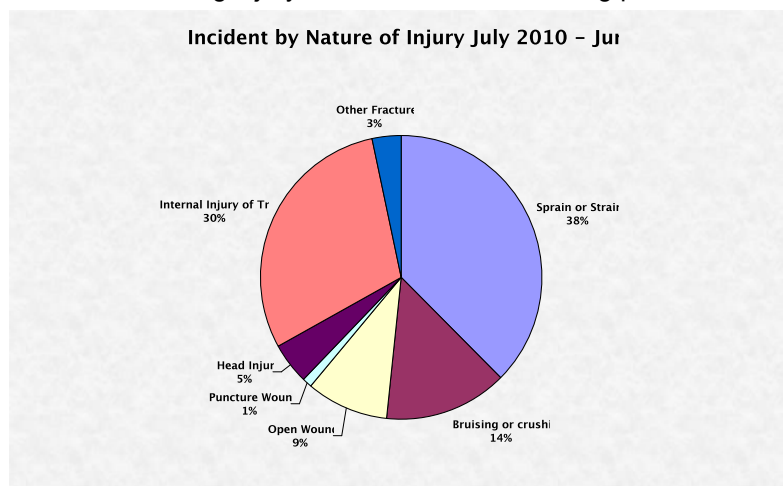
< 5 years	66%
5 – 9 years	22%
10 – 14 years	7%
15 – 19 years	3%
> 20 years	2%

Staff absenteeism is measured each month. In June 2011, our unplanned absenteeism was 4,2% of total hours worked, compared to 4,4% in June 2010 and 5,0% in June 2009.

Accidents are recorded and investigated. The frequency of accidents for the past 12 months is shown below.



Accidents involving injury are shown in the following pie chart.



Health and safety

We have run a food safety programme for 10 years. It is externally audited by Assure-Quality, ensuring Bidvest New Zealand meets required standards for safe storage and delivery of food products. We are well aware of the need for safe food-handling practices and we lead the industry in helping customers understand how the food we supply must be stored and processed.

Environment

Our Findfoodfast e-commerce programme enables customers to reduce paperwork and increase efficiency. Customers can access information online and place orders. We are also developing an online payment facility that will further reduce the need for manual systems.

Bidvest New Zealand continues to investigate ways to reduce energy consumption. Our ongoing expansion has meant our energy use continues to grow.

One initiative to reduce electricity use entails the replacement of older warehouse lighting with new fluorescent bulbs with motion-detecting switches, creating anticipated savings of up to 75% on lighting costs. This should equate to savings of around NZ\$10 000 per year per site.

Local management is encouraged to schedule the defrost cycles in freezers to achieve peak period savings when prices are highest.

We monitor and replace trucks that have reached a point where maintenance becomes costly. New trucks have advanced fuel systems that reduce diesel consumption. Worn tyres are replaced with advanced profile tyres designed to reduce surface drag and forward friction.

Our ice cream delivery trucks use Italian-designed and -built eutectic refrigeration bodies. Eutectic plates are more efficient and cost effective than air-blown chillers. The solution in the holding plates is cooled to around -34 degrees Celsius overnight. During the day, no further energy is required to cool the chiller despite constant access to the stored product as deliveries are made.

Corporate social investment

We participate in the communities in which we operate. We provide sponsorship at grassroots level to schools and local sports teams through donations of food and money.

We support a major charity, Project K, which is part of the Foundation for Youth Development. Project K seeks to identify youth with high potential but low confidence who are slipping behind their peers. These teenagers are supported through one-to-one mentoring with trained adults and are put through physical challenges in New Zealand's outdoors to help them gain respect for themselves and for the community they belong to.

Part of the profit from our own-brand range of products is donated to Project K each year. This year our donation was NZ\$46 000.

The city of Christchurch suffered from a 7,1 magnitude earthquake on September 4, 2010 and a deadly 6,4 magnitude aftershock on February 22, 2011. Our local staff suffered loss of homes and property in these shocks. Other Bidvest employees around New Zealand and the world decided to help, donating money from their wages to create a pool that eventually swelled to over NZ\$100 000. This money was distributed back to Christchurch staff in need in the form of grocery vouchers and other aid.