

TACKLING FOOD WASTE ACROSS THE SUPPLY CHAIN



Mounting natural resource shortages are already serious in many regions and are forecast to reach a worldwide crisis point by 2030. With a rapidly growing population and additional environmental challenges, food waste is now both a local issue and a global challenge.

Businesses can't afford to ignore food waste

With real financial, reputational, ethical and sustainability factors at stake, businesses cannot afford to ignore food waste. Four key trends are currently driving this urgency:

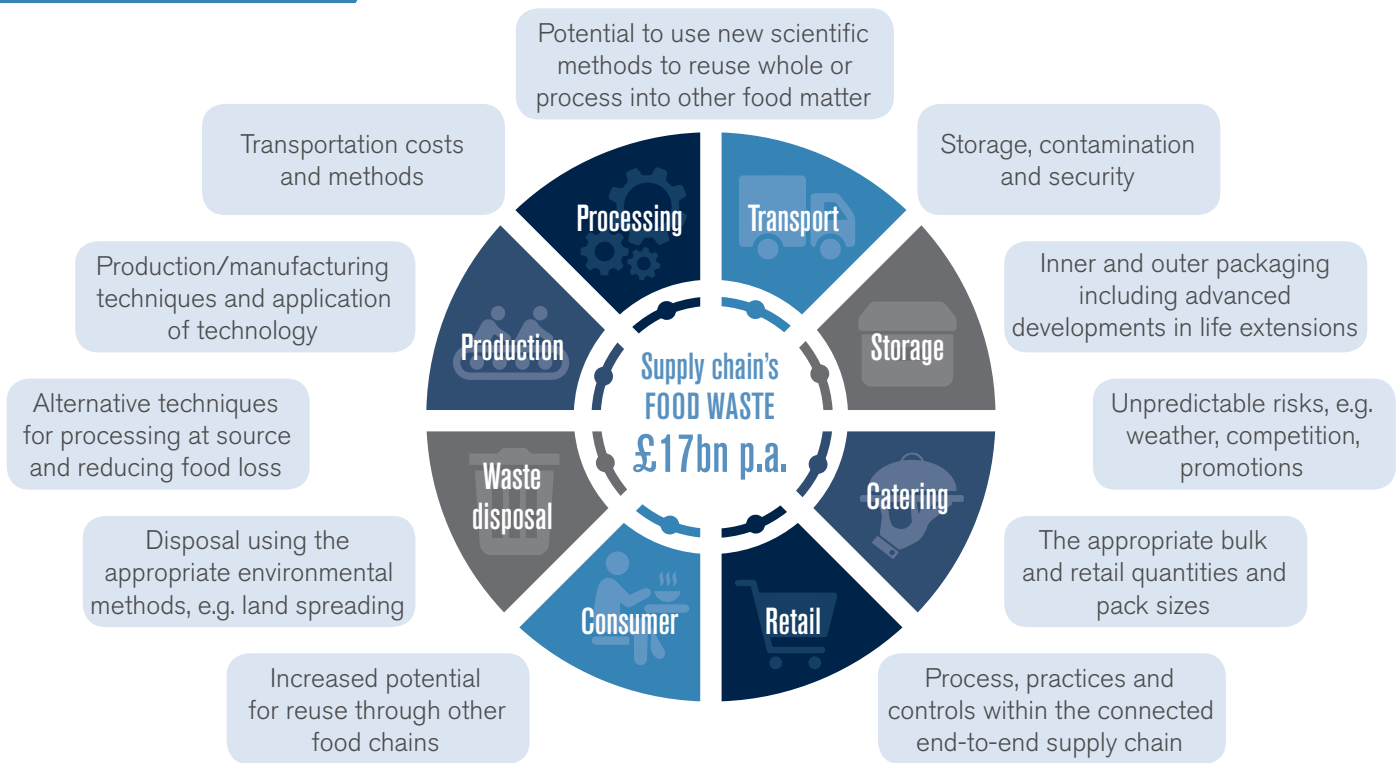
Tackling food waste across the supply chain

- 1 Opportunities for tangible savings and competitive leadership:** In the U.K. alone, food waste has reached 10 million tonnes, costing a total of £17 billion. The U.K.'s top four food retailers alone have combined waste estimated at £350 million per year. Companies that act now to reduce waste will be poised to realise significant, immediate savings and to take a leadership role in the use of emerging research and technologies.
- 2 Impending legislation:** Governments across the globe are now taking action to set targets, implement legislation, regulate industries, and provide investment and best practice support for their local economies. The European Commission's goal is to halve European waste by 2030. The U.K. is working to reduce food waste by 23 percent by 2025 as France and Italy ban the disposal of unwanted food. In the United States, the Department of Agriculture is working with retailers and foodservice businesses to reduce food waste by 50 percent by 2030. While there have been past attempts to reduce waste through influence and legislation, there now seems to be real political will behind the efforts.
- 3 Brand reputation risks:** Early adopters of new waste management strategies will get a head start on enhancing their brand reputations and avoiding the risks that have been well-documented in media coverage, such as a global supermarket chain that was found to be throwing away more than 1 19,000 meals per year.
- 4 Changing consumer preferences:** With household refuse as the greatest contributor to overall food waste, consumer awareness and changes in buying behaviour are becoming more mainstream. As a result, leading high street and consumer brands are pushing to further transform the way their customers think about food waste and their businesses operate, while targeting substantial savings. Many brands have taken an ethical stance, with leading consumer packaged goods businesses changing packaging formats and other corporations committing to zero landfill waste.

Act now to leverage supply chain solutions

Businesses can now take advantage of innovative solutions to avoid or reuse waste to enhance brand value, financial results and competitive advantage. The waste in your business can be identified, targeted and quantified across your end-to-end supply chain to realise wider benefits across your company, suppliers and customers.

Traditionally, food waste has been measured simply by excess food that is unused and discarded. However, by examining the overall supply chain and calculating food loss throughout the process, the complexity of the issue increases, as do the opportunities to realise benefits.



A&M's targeted supply chain solutions

Alvarez & Marsal (A&M) has extensive experience working with companies in a variety of industries and supply chains to build the case for change, engage stakeholders and achieve a step change in performance.

Our strategy focuses on five key factors that are critical to success:

- Visible measurement of waste before and after, through relevant KPIs, which set targets.
- Systemised tracking and reporting of results; both financial and ethical.
- An agile supply chain which shares information and enables decision making.
- Integrated collaboration and creative thinking across all the supply chain participants.

- Engagement with customers and employees to identify and implement changes.

We help companies to realise significant and sustainable benefits:

- Tangible financial returns include reduced direct waste and waste management operating costs, potential savings associated with sourcing reassessments, and increased revenue by rethinking how waste is managed and considering alternative uses and productive recycling.
- Sustainable operations optimise resources and ensure acceptable practices in the long term.
- Ethical brand security provides confidence in leadership and reassurance for the future.

To find out how our experts can support your business, please get in touch.

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