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EDEKA Group profile

As Germany’s biggest local supplier, the EDEKA Group stands for customer proximity and commitment to each region. Entrepreneurial thinking and acting are what drives us. Our origin and our base are the 3,700 independent EDEKA retailers. We are committed at all levels of our enterprise to reinforcing Germany as a business location, preserving natural resources and promoting social cohesion.

Three-tier structure

Well positioned: the three tiers of independent retailers, regional wholesalers and EDEKA Zentrale operate hand-in-hand. The co-operative structure allows for the best possible differentiation in terms of the areas we cater for.

Business segments in the grocery trade

Differentiation drivers: EDEKA offers custom formats to address an ideal supply structure for consumers.

Number of stores

- Independent retailers: 5,689
- Directly managed retail outlets: 1,245
- Netto Marken-Discount: 4,273

Sales floor space

- Independent retailers: 11,207 m²
- Directly managed retail outlets: 11,30 m²
- Netto Marken-Discount: 11,44 m²

Turnover development EDEKA Group

In 2019 the EDEKA Group successfully continued on its sales and earnings oriented course for growth. The sales drivers were once again independent retailers, posting robust growth of 5.2 per cent.

Net turnover, in billion euros

<table>
<thead>
<tr>
<th>Segment</th>
<th>2019</th>
<th>2018</th>
<th>%</th>
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</thead>
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<td>91.6</td>
<td>4.0</td>
</tr>
</tbody>
</table>

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The Corona Pandemic: acting in solidarity!

Interview with the Executive Board

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Growth areas in retail, independent retailers, directly managed retail outlets, new concepts for specialty stores, delivery services, large-scale consumer business

Product range

Adjustable variables in the merchandise business, brands and private labels, regional co-operative ventures, sustainable product range solutions, innovations and start-ups

Stance

Regional focus, environmental and climate protection, social commitment, promoting awareness for nutrition and sport, neighbourhood, education and integration
Overcoming the corona pandemic together: an appeal to solidarity

The coronavirus has turned our entire private, social and economic lives upside down. Our political leadership has taken drastic measures that until recently had been quite unimaginable for the vast majority of our liberal society. We all hope that these measures will succeed in containing the spread of the virus and allow the health system to cope with the increasing number of severe cases. We cannot yet be certain; the situation is still in the process of unfolding.

What we can say with certainty, however, is that we must all pull together during this difficult time and show solidarity. Corona affects everyone and it is therefore understandable that we are all concerned for our own safety and the safety of those close to us. Yet because corona affects each one of us, it is also incumbent on each one of us to make a contribution. So that we can overcome this challenge, together as a society.

The political leadership has made a start. National and state governments have reached agreement on a comprehensive set of measures. To slow the spread of the virus, support the health system, ensure the supply of the population and provide assistance to the economy. Now it is up to each and every one of us to take responsibility, within this necessarily restrictive framework – and to show solidarity.

The retail grocery sector is well aware of its own special role and responsibility during this period. And we will be able to live up to it: our stores will remain open. There are sufficient food and other products of daily use available in Germany. The supply chains are intact. Together with our partners in industry and agriculture, we are working round the clock to maintain the supply. We will do everything in our power to ensure that this will continue to be the case.

If there are instances of shelves being empty, then this is because of the enormous increase in demand. Sometimes we are unable to refill the shelves as quickly as the goods leave the store. But the supply remains secure; there is no cause for panic. Please give some consideration to those who also need these same products, and to those who cannot afford to build up their own large stockpiles.

During this time, our colleagues in the retail stores as well as in logistics are achieving things that would previously have been thought unimaginable. They work tirelessly to ensure the supply of goods for the people in Germany. We owe them a debt of gratitude and respect. They are taking on the responsibility for the well-being of us all, and they are doing so while exposing themselves to greater risk. Mindfulness and solidarity are also called for here: as a customer in the stores, please take care and practise good hygiene. Keep your distance between yourself and other customers, and between yourself and our colleagues working at the stores in order to serve you. Avoid making cash payments whenever possible, pay using a card instead. I would like to thank all our customers for observing these rules, for supporting us in this way.

Yet there is even more we can do. I am always very pleased to read or hear about people who offer to do the shopping for their elderly neighbours. Examples such as these are encouraging for all of us. These are the small acts of kindness which we all come to rely on as a society during this time. I would like to appeal to your sense of solidarity. We are living through a historic situation, one which we will only overcome if we all work together. I am convinced that we can succeed, and that we will emerge from this period even stronger than before.

Markus Mosa

In wholesale and in retail stores: employees everywhere are working to ensure the supply for the people.
Es sind außergewöhnliche Zeiten, durch die wir gemeinsam gehen. Ein riesiges DANKE geht an unsere toten Kolleginnen und Kollegen, Lieferanten und Partner für ihren unermüdlichen Einsatz. Sie stellen nicht nur sicher, dass die Regale immer so schnell es geht wieder gefüllt werden, sondern garantieren Ihnen auch dieselbe Frische, Qualität und Vielfalt, die Sie von uns gewohnt sind.

Augen auf und durch – gemeinsam packen wir das. Wir & jetzt für alle.

Wir sind und bleiben für Sie da. Mit Herz und Hand.

Es sind außergewöhnliche Zeiten, durch die wir gemeinsam gehen. Ein riesiges DANKE geht an unsere toten Kolleginnen und Kollegen, Lieferanten und Partner für ihren unermüdlichen Einsatz. Sie stellen nicht nur sicher, dass die Regale immer so schnell es geht wieder gefüllt werden, sondern garantieren Ihnen auch dieselbe Frische, Qualität und Vielfalt, die Sie von uns gewohnt sind.

Augen auf und durch – gemeinsam packen wir das. Wir & jetzt für alle.

We say thank you!

They are the focus of attention these days: the employees in our stores – from the service counter to the checkout. Their performance is almost superhuman, and they do it without complaining. They are, along with the people in medical and the public service sectors, the “heroes of everyday life”. Or, as German Chancellor Angela Merkel put it in her address to the nation: “The people working at checkout counters or filling supermarket shelves are doing one of the toughest jobs we have today. Thank you, for being there for your fellow citizens, and for literally keeping the store going.”
Heroes of everyday life: #wirundjetztfüralle

Responding to the widespread outbreak of the coronavirus in Germany, the retail grocery sector immediately initiated numerous measures for the benefit of employees and customers. For weeks now, the protection of customers and staff in supermarkets and discount outlets throughout Germany has received top priority, along with the maintenance of the country’s regular supply of food.

In many EDEKA stores during these COVID-19 times, there are signs instructing people in the new ways of interacting and observing new rules on hygiene. Markings on the floor help maintain the necessary distance between people at the checkout and at the fresh food counters. Perspex screens provide a barrier between checkout personnel and paying customers. The teams working in the stores wear protective gloves. In many locations the number of shoppers allowed into the store at the same time is also restricted. And movement control is the order of the day: in some places people enter through the main entrance, but then leave the store through the back door. To protect people’s health, keeping a distance must be given top priority. In these unusual times, a number of stores have come up with an unusual service: they open the store early for senior citizens, who belong to the group with the highest risk, and for people with disabilities – a solution born of flexibility and creativity.

“Those on the job now are all giving 150 per cent.”

Because at the merest hint of an illness, employees are sent home immediately. Single parents have no choice but to stay home. Once the gigantic shopping sprees due to corona began, everything came crashing down on us. I started pulling out job applications, hiring employees, upgrading marginal employees – all to relieve the burden on those working on the shop floor. Because what they are doing is extraordinary. And for many of our customers our role is also to provide solace at the store – while keeping our distance, of course.

“Our employees are heroes of the day”

The idea was inspired by the customers: let’s have markings on the floor so that people at the checkout know how much distance to keep between themselves and others. Our employees are heroes of the day. Unlike many others, they cannot simply work from a home office. And serving 4,000 customers a day with a reduced number of checkouts is an enormous challenge: we only use tandem checkouts from one side now, and we have screens set up around them – to maintain hygiene. Everything is extreme these days.

“The sense of cohesion is immense – especially now.”

Our employees are rising above themselves, offering to work at night and on Sundays. To protect them, we have introduced shifts that are strictly separated – with no overlap, no points of contact. Because having smaller groups reduces the risk. And a shout-out to the wholesale staff: they let us know when goods will be arriving, the drivers are doing a great job! That is the beauty of EDEKA, from the warehouse to the shop floor, from the cleaning staff to the fleet management: the sense of cohesion is immense – especially now.
Useful tips for the time spent at home

The corona outbreak has confronted everyone with many unexpected issues. Not the least of which is the stress test we have to undergo in living together with others, which poses numerous – sometimes quite unfamiliar – challenges in our everyday lives. That is why having reliable and useful information is and will remain of crucial importance in these weeks and months.

Working with famous athletes and influencers, EDEKA will therefore be regularly publishing valuable content on Instagram for all those who remain at home, under the motto #wirundjetztfüralle: simple recipes for the home office, physical exercise routines from “Team Deutschland” athletes, and suggestions for doing handicraft work with our children. We will also be posting acknowledgements to the “heroes in our stores” as well as tips for responsible, socially acceptable shopping. And to make sure the sky won’t fall on our fans and followers, the protagonists of the EDEKA “Genussmomente” (“Moments of indulgence”) will also get their turn. Instead of performing on the professional revolving stage, the chefs will spontaneously turn the hearth in their homes into a film set. In the spirit of solidarity and pragmatism, and entirely in keeping with #stayhome.

Good neighbours!

A wave of solidarity is sweeping the land. The corona virus may be putting the brakes on our everyday lives, but the numbers of people supporting each other is growing by the day. Be it the “gift fences” in Leipzig and Hamburg, locally organised support for shopping for groups of people at higher risk, or the “9pm” applause for the helpers working in hospitals, in rubbish collection and in supermarkets – solidarity comes in many shapes, sizes and colours. It may or may not be of practical value, but it will have a very important psychological effect. It is people telling each other: “We will get through this together!”

EDEKA has been committed to lively neighbourhoods since 2018 as part of the nebenan.de foundation and the “Day for Neighbours”. Now that mass gatherings need to be avoided, the event platform www.tagdernachbarn.de offers useful tips and helps network the needy with their helpers.

“EDEKA’s shopping heroes” also help support senior citizens and persons with previous illnesses in organising their shopping – fast and uncomplicated, in a neighbourly manner. Details: einkaufshelden/edeka.de.

In stores and through social media channels, EDEKA merchants advise their customers on ways to engage in active neighbourly assistance.
Breaking new ground

The year 2020 is overshadowed by the global corona pandemic. During this challenging time, the EDEKA Group is proving to be a mainstay in Germany’s food supply. In this interview, the Executive Board members of EDEKA AG, Markus Mosa, Claas Meineke and Martin Scholvin, look back on fiscal 2019, a year predominantly characterised by the power and innovative strength of the independent retailers. One thing is certain: the co-operative principle will continue to be the main driver for the Group’s growth in the future.

Mr Mosa, let’s start with the topic that is overshadowing everything else in the year 2020: the corona pandemic. How would you assess the current situation?

Markus Mosa: It is an exceptional, historical challenge for us all. The full impact on the economy and on society is impossible to foresee at this time. As a trading company, we are doing everything we can to ensure that the people in Germany are supplied with food. We want to express our sincere thanks and our respect to all our colleagues throughout the German retail grocery segment. And to the EDEKA merchants and their teams, and also our colleagues working at the wholesalers and at Zentrale. In a situation like this, it becomes clear that all the three tiers of our Group can rely on each other.

Looking back today, how do you rate the last financial year?

Markus Mosa: 2019 was a dynamic, turbulent year – even if it was not at the level we are experiencing right now. There was a lot of movement in the German retail grocery segment last year. My key insight, however: the principle underlying the entrepreneurs’ enterprise has once again proved to be strong and successful.

How did the EDEKA Group perform in this volatile environment?

Markus Mosa: We have reinforced our core business in the classic full-range segment and in our discount segment and extended our market position accordingly. At the same we also developed new ways of generating additional growth. In doing so, we are able to rely on a well-functioning merchandise business that is closely interlinked at all levels of the Group – regional, national and international. And the high level of commitment that we are demonstrating in relation to our competitors and industry today gives us the necessary tailwind for the ambitious tasks that lie ahead. My conclusion is that our model of a full-range business managed by independent retailers is more capable of actively tackling the challenges of the coming years than any other.

How is this reflected in the sales figures?

Markus Mosa: At 5.2 per cent growth, our entrepreneurs were well above the industry average; on a like-for-like basis, it was still 3.1 per cent. Today just over every second euro is earned by the self-employed EDEKA retailers. Netto Marken-Discount also performed well in a fiercely competitive market, generating 1.2 per cent growth. For the Group as a whole, we recorded a plus of 4.0 per cent in 2019, to a total of just under 56 billion euros.

At the same time, accusations that wholesale and retail firms have too much “market power” are getting louder.

Markus Mosa: We endeavour to establish fair relationships with our business partners. However, if we are confronted with unfounded price demands for branded goods, we do have to react, in the interest of the competitiveness of our retailers. The EU directive on unfair trade practices, originally intended to protect agriculture, has unfortunately been hijacked by industry. We oppose any tightening up of the implementation in German law, as this would have a one-sided negative impact on merchants and ultimately on the consumers.

Mr Meineke, to what extent do customers in not only price and quality, but also whether responsible action was taken in terms of the manufacture and distribution of products?

Claas Meineke: It is true that this criterion is becoming increasingly important when making purchasing decisions. And we as merchants do a great deal to live up to our responsibility. It is with our own brands, the private labels, in particular that we have the opportunity to set a fast pace in terms of sustainability. Take the range of drugstore products, for example: here we recently launched a natural cosmetics line, detergents made using ecologically sound formulations, and a hallmark of distinction for microplastic-free products. We are also working hard on the issue of reducing the amount of packaging, and we do so hand in hand with our co-operation partner, the WWF.
Mr Scholvin, in this competitive environment, how does EDEKA succeed in realising growth potentials?

Martin Scholvin: All the earnings we generate are directly reinvested in the further development of our business. In fiscal 2019 alone, we invested 1.7 billion euros in our trading infrastructure, that is, in expansion, logistics, IT and production facilities. In view of demographic change that is occurring, it is also becoming increasingly important to invest in recruiting and retaining employees.

Is EDEKA still “relevant” for people who are looking for jobs today, especially for young people?

Martin Scholvin: Absolutely. This is firstly due to the fact that we are constantly developing our range of vocational training courses – the “freshness specialist” is a prime example of this. Secondly, we ensure the quality of training by means of certified seals of approval such as “certified training company”. And thirdly, we are also increasingly successful in reaching school leavers through our campaigns, which allows us to convey the right messages.

Mr Meineke, why is EDEKA investing in new speciality store concepts?

Claas Meineke: Going to a speciality store is an integral element of the purchasing behaviour of many consumers. In the past, full-range retailers lost significant shares of sales, especially to drugstores and organic stores. We want to regain these lost shares, and at the same time win new customer groups for our merchants. We have already proved with “trinkgut” that we know how to do speciality stores – we are confident that we can do the same with BUDNI and NATURKIND.

What role does e-commerce involving fresh food play for you?

Claas Meineke: For now we are talking about a niche market making up one per cent share of total turnover. But that can change. In the current situation with the corona pandemic, online delivery services are experiencing a spike in terms of demand for their services. We are all curious to see how sustained this trend will be turn out to be. We are currently also testing various concepts within the EDEKA Group. It is a fact that digital and mobile solutions still offer retailers many opportunities to improve the shopping experience for customers.

We already spoke about sustainability in terms of the product range. How important is it to to be seen to take responsibility for society at large?

Markus Mosa: We take our responsibility very seriously, because it is even written down in the DNA of our co-operative. Especially during this difficult time, we are experiencing a great deal of gratitude and solidarity from the people in Germany. Never before has it become so clear just how “system-relevant” our work is – that is to say, what a vital contribution we are making towards maintaining a functioning society. I want to pass on these expressions of appreciation to all the 380,000 colleagues working in the EDEKA Group, for the great personal commitment they are showing day after day.

Enabler

Entrepreneurial start-ups need strong and, above all, reliable partners for their leap into self-employment. Young people embarking on a career look for stable conditions and clear prospects for their personal career planning. And responsible commerce needs creative masterminds and courageous enablers who are able to leave well-trodden paths behind and make innovations happen. In short: to achieve long-term professional and economic success, we need courageous, energetic pathfinders to pave the way.

EDEKA merchants are imbued with that pioneering spirit. They will engage in dialogue based on partnership, develop practical solutions and roll up their sleeves when the chips are down. That holds for all three tiers of the co-operative Group. As can be expected from an entrepreneurs’ enterprise.

At EDEKA budding retailers are given the maximum entrepreneurial freedom from day one. Young people are given numerous opportunities to take on responsibility at an early stage and to build their own stable networks within the Group. The underlying principle is “learning by doing” – with experienced merchants and colleagues acting as mentors and sparring partners at their side.

This is how know-how and food expertise are passed on from one generation to the next. It is this bond of solidarity that makes future-oriented thinking and planning possible in the first place. And, of course, the enablers who establish this bond.
Enabler

For people and stores

After his vocational training, Paul Penner successfully completed the “Junior Talent promotion” and “Retail Executive” programmes. In 2017, he received the Junior Talent Promotion award from the EDEKA Foundation for a project designed to protect bees.

Oliver Speicher is part of the bedrock at Marktkauf, having managed the store in Bielefeld, amongst others, prior to taking the leap into self-employment in Halle in 2013. With Paul Penner as store manager and with the help of a dedicated team, he developed the location into what has become a model store.

Doing something, together

EDEKA merchant Paul Penner decided to become an independent retailer two years ago and opened his own store in Geseke in Westphalia. He had previously worked as store manager for Oliver Speicher, who operates a Marktkauf self-service warehouse in nearby Halle. The two make a good team, with the start-up entrepreneur able to benefit from the wealth of experience accumulated by the established entrepreneur.

How did you two meet?
Paul Penner: That was in 2005, when I helped out on Fridays and Saturdays at Marktkauf in Bielefeld. At the checkout to begin with, and later in the fruit and vegetable department. At some point Oliver called me into the store manager’s office and suggested I should join him as a trainee once I finished school. He has since guided me in my career – and he still does.
Oliver Speicher: Even back then I knew that he was a man who gets things done, who is not all talk but can also get his hands dirty. These are the kinds of people you want on your team.

What do you appreciate most about each other?
Paul Penner: That for him, it is people who are front and centre. He gives everyone the opportunity to take on tasks that will help them grow. I now do the same with my own team. And he is always ready to lend an ear – even during the turbulent phase when I started out as a self-employed entrepreneur, I could always rely on him.
Oliver Speicher: His energy and his sense of purpose. There was never any question as to “whether” he would go independent, it was just a matter of “when”. Anyone wanting to take that route must have a burning desire. And as his manager, I must give him free rein. And then there comes a point at which I have to let go.

What does the co-operative principle at EDEKA mean to you?
Paul Penner: Entrepreneurial freedom, obviously. EDEKA gives us the opportunity to find our own way. And when we embark on this course, we receive a lot of start-up help, for example from the junior group, and from the advisors in wholesale. The network linking the merchants within the region is simply invaluable. To be able to learn from the professionals is of enormous importance, especially for us younger entrepreneurs.

What does the co-operative principle at EDEKA mean to you?
Oliver Speicher: His position is that of a role model, and this is something he should always take seriously – internally as well as externally. Next is honesty. And thirdly, authenticity: he should not try to pretend to be something he isn’t. Only in this way is it possible to generate real enthusiasm within his team and among his customers.

What makes a good merchant?
Paul Penner: His position is that of a role model, and this is something he should always take seriously – internally as well as externally. Next is honesty. And thirdly, authenticity: he should not try to pretend to be something he isn’t. Only in this way is it possible to generate real enthusiasm within his team and among his customers.
New growth areas in retail

The EDEKA Group continued its growth in the German retail grocery sector in fiscal 2019 and consolidated its leading market position. Especially in the traditional core business, the full-range supermarkets and hypermarkets operated by independent retailers, the EDEKA model once again proved its strength and resilience. Netto Marken-Discount also performed well yet again in the fiercely competitive discount segment. In order to provide retailers with additional scope for further development of their local business, EDEKA expanded its involvement in the specialist trade in 2019 by introducing new stationary formats. The course was also set for further growth in e-commerce and off-premises or delivery services business.

EDEKA merchants driving the market

According to a recent market study by the Gesellschaft für Konsumforschung (GfK), full-range food retailers are the winners of the year 2019 and, as was shown in a comparative analysis of the different distribution formats, grew at around three per cent, significantly more than the discounters. A decisive factor here is that as a result of the favourable economic situation and the high employment rate, many consumers are increasingly turning to higher quality products. Customers had come to demand, “in addition to acceptable prices, a pleasant shopping atmosphere and an attractive range of ecologically sustainable products,” according to the market researchers.

The supermarkets and hypermarkets in the EDEKA Group also benefited from this “trading up” trend. The vast majority of these stores are managed by about 3,700 independent EDEKA retailers. In total, the entrepreneurs generated a nominal turnover of 29.0 billion euros in 2019. This corresponds to a growth rate of 5.2 per cent - a record figure that again clearly outperforms the industry trend. The merchants thus continue to be the sales drivers in the EDEKA Group. Today, more than every second euro within the Group is already earned in the independent retail trade segment. On a like-for-like basis, the merchants achieved a plus of 3.1 per cent. The key factors in this success are their individual market presence, their pronounced customer proximity, and their food and consulting competence across all product groups.

The seven EDEKA wholesalers also operate full-range retail stores under their own management – always in accordance with the co-operative’s mandate to transfer each location to entrepreneurs wherever possible. In line with this strategy, the directly-managed stores achieved sales of 8.6 billion euros in 2019 – slightly below the previous year’s level, as planned. The same applies to the Marktkauf self-service warehouses, of which the majority is also directly managed. Since the 186 large sales floor spaces were transferred to the regional companies, 35 locations have been privatised, and 33 locations have been converted into directly managed E-Centres. Just how well the EDEKA full-range model works is evident in the example of the stores taken over from Kaiser’s Tengelmann at the beginning of 2017. After their successful integration into the distribution structures of the wholesalers EDEKA Minden-Hanover, EDEKA Rhine-Ruhr and EDEKA Southern Bavaria as well as Netto Marken-Discount, they have since been generating double-digit growth rates.

In the continuing effort to strengthen entrepreneurship within the Group’s own ranks, the EDEKA wholesalers transferred a total of 52 directly managed stores to independent retailers in 2019. Eighteen of these were start-ups. In total, some 82 young entrepreneurs took the leap into self-employment with the support of EDEKA. In the last five years alone, the number of start-ups has risen to about 1,000. To keep the start-up risk as low as possible, each entrepreneur receives support in the form of an individually tailored package of services that includes location analyses, attractive financing models offered by EDEKABANK, needs-based food logistics and competitive purchasing conditions to a wide range of regional consulting services.

Business segments in the grocery trade

Differentiated distribution: EDEKA utilises various formats to achieve an ideal supply structure for consumers

<table>
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<tr>
<th>EDEKA</th>
<th>Netto Marken-Discount</th>
<th>Specialist trade (drugstore, organic, beverages)</th>
<th>E-commerce</th>
<th>C+C / large-scale consumers</th>
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Netto invests in attractive spaces

Market share of the grocery discount business in Germany has been stable for years at over 40 per cent. However, as market research data from GfK shows, with sales growth of 0.9% in 2019, discounters grew much more slowly than full-range retailers. This was due above all to high consumer expectations regarding the shopping atmosphere and the diversity of the product range – expectations which supermarkets and hypermarkets were generally able to meet more successfully. In this competitive environment, Netto Marken-Discount held its own with nominal growth of 1.2 per cent, to 13.5 billion euros, maintaining sales revenues at a solid level even on a like-for-like basis. In the course of the year, Netto Marken-Discount opened 105 new stores and now operates a total of 4,273 locations. This makes the EDEKA subsidiary one of the fastest-expanding trading companies. All the newly opened stores feature significantly larger sales areas than just a few years ago. In addition, numerous existing branches were expanded, so that Netto’s total sales area increased to 3.3 million square metres in 2019. About 190 branches are operated as City discount stores. They offer a compact product range in the style of a local supplier, focusing on fruit and vegetables as well as chilled dairy products, thus catering to consumers’ last-minute shopping needs close to home.

As in the previous year, the investments made by Netto Marken-Discount centred not only on the development of new locations, but also on upgrading the quality of existing sales areas. Last year alone, 664 branches throughout Germany were modernised. Special attention is given to fresh food departments: with every new branch opening or modernisation, the sections offering fruit and vegetables, meat and cold cuts, chilled products and convenience as well as regional beverages were consistently expanded. Netto also trialled innovative services – for example by introducing self-service checkouts where customers are able to scan the products themselves and pay for them directly. Since the start of the pilot phase, such express checkouts have already been installed in around 30 cities.

New speciality store concepts

Over the past decades, specialist retailers for specialised product ranges for daily needs have become firmly established in Germany. According to a market analysis by GfK, drugstores recorded a strong increase in sales of 4.6 percent in 2019. Organic supermarkets have also been benefiting from the increasing popularity of organic products that has been going on for years – especially in the big cities.

Given this situation, it is only logical for the EDEKA Group to step up its involvement in the specialised retail segment. 2019 was the year in which the Group went on the offensive, introducing two new store formats tailored to suit the independent retailers. In January 2019, the EDEKA wholesale operation Minden-Hanover opened the first BUDNI drugstore run directly by EDEKA in Bremerhaven. In the course of the year, eight additional locations followed in the regions Minden-Hanover, Northern Bavaria–Saxony–Thuringia and Southwest. Four of these stores are managed by independent retailers – a model with a promising future. To enhance the competitiveness of the BUDNI retail outlets, all upstream structures such as logistics, purchasing, private-label development and marketing are gradually being optimised and dovetailed more closely with the processes managed at EDEKA Zentrale. The demand for ecologically produced groceries remains high. According to GfK, sales of organic products went up by 16.6 per cent year-on-year in 2019. At the same time, increasing numbers of consumers with a preference for organic products would like to do their shopping at specialist retailers. To help the EDEKA merchants meet the needs of these customers as well, the Group developed the new NATURKIND format – the...
**Specialised retail on the up**

Sales performance in the overall market, 2000 vs. 2018

Source: GfK, IRI, specialist associations

“Markt für bewussten Genuss” (“the store for enjoyment with awareness”). In October 2019, two merchants simultaneously opened the first two NATURKIND specialist stores in Hamburg-Altona and in Dinkelsbühl in Franconia. NATURKIND stands for 100 per cent organic: here consumers can find products from well-known organic brands and farming associations alongside food from regional and local production. Fresh food product ranges such as fruit, vegetables, meat, sausage and cheese are available from prominently positioned service counters. Certified non-food products as well as a range of contemporary natural cosmetics articles round off the product range.

That the EDEKA model of self-employed retailers also works well for specialty retailers had previously been shown in the C+C beverages segment. For example, the “trinkgut” stores in the EDEKA Rhine-Ruhr region, where more than 220 locations are today operated by independent retailers, saw another boost to their sales in the year 2019.

**E-commerce: a competition of ideas**

With a total volume of just under two billion euros – equivalent to a market share of around one per cent – the e-commerce segment for fresh food is still a small playing field in Germany. Yet the segment is recording double-digit growth rates, as more and more customers are taking advantage of what is on offer.

The EDEKA Group is also relying on multi-channeling: at the regional level in particular, the Group promotes the dynamic competition of ideas in order to supplement the bricks-and-mortar core business with practical web-based delivery services and pick-up stations. Many self-employed EDEKA merchants have long been offering home deliveries of groceries for their local customers. To link this service up with the digital world, EDEKA Zentrale and the regional EDEKA wholesale operations developed a shared IT platform, and in July 2019 they rolled out an updated version. Interested merchants have the opportunity to join up – reaping the benefits in the form of significantly reduced expenditure and greater efficiency for their local online shops.

Moreover, the EDEKA Group also boosted its involvement in the pure e-commerce segment with its own logistical infrastructure: firstly with the online supermarket Bringmeister, which focuses on the Berlin and Munich metropolitan regions. This subsidiary of EDEKA ZENTRALE continued to invest in the ongoing optimisation of its product range and services. And then there is the Netherlands-based online merchant Picnic, in which EDEKA Rhine-Ruhr is involved as a shareholder and wholesaler. This platform lets customers choose from a range of around 10,000 products – including well-known brands and private labels as well as fresh food produced in their own region – simply via their smartphone. Every order is delivered free of charge from a network currently comprising ten regional logistics hubs – using environmentally friendly electric vehicles, at fixed times, and with the aid of intelligent route planning. This “milk round” concept is being well received by consumers, and this is reflected in the high ratio of loyal customers.

**Joining forces: C+C customers benefit**

Increasing numbers of people in Germany are eating out more frequently - be it in canteens, at restaurants or on the road. According to estimates by the market research institute GfK based on data from the German Federal Statistical Office, spending on out-of-home consumption rose by around five per cent in 2019 alone. The EDEKA Group has also become aware of this trend and is gearing up in order to participate even more strongly in this area of growth in the future. The C+C business of three EDEKA wholesale operations (Minden-Hanover, Northern Bavaria-Saxony-Thuringia and Southwest) as well as EDEKA Zentrale were already pooled in 2018 and repositioned in the company EDEKA Foodservice, which operates nationwide.

EDEKA Foodservice took an important step in January 2019 with the takeover of the wholesale Handelshof – the two companies complement each other perfectly in terms of their product range competences and their presence in regional markets. In the course of the year, all 16 Handelshof-C+C stores in North Rhine-Westphalia, Mecklenburg-Western Pomerania and the greater Hamburg metropolitan region were integrated into the distribution structures of the EDEKA Foodservice. The wholesale now operates 90 C+C stores throughout the country. In addition to the pick-up business, the focus is on the expansion of the high-growth delivery business, which is currently operated using 570 multi-chamber vehicles making deliveries out of four main storage and 17 transhipment locations.
Enabler

For goods and values

Amelie and Timo Sperber, the inventors of a sustainably produced nut grinder, met by coincidence at the Green Week fair Jan Lingenbrinck from the EDEKA Foodtech Projects Team. Soon after, they were already members on the Foodtech Campus in Berlin-Moabit. They make use of the creative network in an effort to make their product suit the demands of both customers and merchants.

A start-up and a trading group – how do they go together?

Amelie Sperber: EDEKA loves food, and so do we. Your typical EDEKA customers are people who tend to be enthusiastic and open to trying out something new. And it is those people we want to reach with our concept. And here on EDEKA’s Foodtech Campus, we can learn how best to do that.

Timo Sperber: Especially the merchants we meet here are extremely open for new and unusual things. According to the motto: “Nobody knows about this yet, nobody has it – great!” These are the kind of partners we need as an emerging enterprise.

Jan Lingenbrinck: We must not forget what EDEKA really is: a co-operative of 3,700 independent retailers, all of whom started out as young entrepreneurs at one time. This founder spirit is part and parcel of EDEKA.

Win-win situation

What is the added value you get here on the Foodtech Campus?

Amelie Sperber: On campus there is something that almost amounts to simultaneous translation into EDEKAnese. And there is real dialogue happening here. You know exactly what works for customers standing in front of the shelf, and what doesn’t. We would never be able to get this kind of unfiltered feedback anywhere else. Many start-ups live inside their own bubble – the campus provides us with constant feedback from the world out there.

Timo Sperber: The Buyer’s Pitch was what kicked it off, and since then it has developed a life of its own. In the both sides stand to gain.

Jan Lingenbrinck: For us it is not a matter of syphoning off good ideas. Our approach is this: we create a dynamic network linking up start-ups with food and commerce professionals. Together we want to develop food innovations and digital services. We want to be part of the effort to shape the shopping experience of the future.

As part of the “Buyer’s Pitch”, start-ups face up the critical feedback from the experts of the EDEKA Group – and benefit from their suggestions.

Amelie and Timo Sperber established their company “Supernaturals” in 2017. Today EDEKA merchants are among their most important customers.
Creating value through goods

Be it EDEKA, Netto or BUDNI – the basis for the success of all the sales channels of the EDEKA Group is an attractive product range, tailored to suit the wishes of customers. To enable the merchants to exploit their strengths at the local level to the maximum extent, EDEKA wholesalers provide them with an extensive set of tools. Strongly performing branded goods, an attractively priced basic range, private labels to achieve differentiation and customer loyalty, fresh food from regional production and innovations from start-ups; presented in a perfect mix, all of this contributes towards every EDEKA store being able to rise above the competition and provide its customers with the best service. Only those who constantly adjust and coordinate all the parameters in the merchandise business are able to act flexibly in interaction between producers and consumers, and come up with the best solutions for everyone’s needs.

The EDEKA private labels

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<tr>
<th>Specialities</th>
<th>Differentiation range</th>
<th>Basic range</th>
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<tr>
<td>“EDEKA Selection”</td>
<td>“EDEKA” products offer better</td>
<td>Brand quality at</td>
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<tr>
<td>appeals to sophisticated tastes.</td>
<td>qualities and additional benefits.</td>
<td>favourable prices.</td>
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Clear structure: GUT&GÜNSTIG offers the basic range comprising all articles of daily use. The articles with the red corner match or exceed the quality of branded articles made by leading manufacturers, and at the same time they are oriented towards the most favourable price on the market. The products featuring the EDEKA logo set themselves apart by offering distinct additional benefits – such as special formulations, high-quality raw materials, or traditional production methods. This is also true for sub-brands like EDEKA Bio, or the EDEKA country specialties line extensions, which are produced in the state of origin using authentic ingredients. EDEKA Selection offers selected specialties for sophisticated tastes.

Individual profile

EDEKA stands for a broad range of strong brands. The EDEKA Group has a long tradition of being the most important partner of the branded goods industry in Germany and offers that industry an attractive environment in which to stage its brand worlds and bring them closer to consumers. No other groceries provider carries as many branded products as EDEKA. Working together with the industry, EDEKA and Netto again continued to develop new and exclusive versions of products throughout the 2019 financial year in order to present their customers with more added value.

In addition, EDEKA has launched more private labels in recent years that are characterised by independent, competitive price and quality positioning and which can be marketed through all the store formats in the EDEKA Group. They serve primarily to intensify competition in the brand business, but they also represent an additional tool for achieving differentiation and customer loyalty.

These are some choice examples, in various categories:

- **Papa Joe’s**: the new brand of ketchup and barbecue sauces stirred things up in this category and activated new buyer groups.
- **All in Fruits**: the smoothie range in five different flavours in the convenient glass bottles is an alternative for customers who appreciate a natural fruit flavour.
- **Jochen Schweizer**: the products in this new line represent “Inspirational Food” and appeal above all to people with an active lifestyle who want a modern, enjoyable and healthy diet.
- **alibi**: the traditional fruit juice brand was supplemented with new juice variants and further developed with a modern brand image.
- **BLÜTEZEIT**: the natural cosmetics range comprises more than 30 articles - all vegan and free of synthetic fragrances, dyes and petrochemical ingredients.
- **RESPEKT**: the new eco brand introduced in the autumn of 2019 uses environmentally friendly formulations with plant-based surfactants.
Regional and local strength

Responsibility also means maintaining fair and co-operative relationships with suppliers and producers – in Germany as well as in other countries. The co-operative structure of the Group also shapes the product range. The family-owned and operated retail outlets mostly have deep roots in their respective regions that go back decades. Exercising a large measure of independence, they make their own decisions about the goods they stock in their stores. They also maintain close partnerships with local producers, so that the stores often work with up to 200 locally based direct suppliers.

The co-operation with producers from within the region ensures short supply routes, and hence a high degree of freshness and quality. A typical example: over 1,000 producers and processing operations supply food products for the regional private label “Unsere Heimat – echt & gut” in the EDEKA regions Southwest, North and Hessenring. Concepts like “Bestes aus unserer Region” (EDEKA Minden-Hanover) and “Aus bester Nachbarschaft” (EDEKA Rhine-Ruhr) also helped further strengthen public awareness of such co-operations in 2019.

The EDEKA Fruchtkontor, the fruit division coordinating the purchasing of fruit and vegetables on behalf of the Group’s wholesale operations, also relies on regional sources. The Fruchtkontor purchases goods from around 80 countries worldwide – but almost half of all the suppliers are based in Germany. In the 2019 financial year, Fruchtkontor further expanded its relations with the domestic agricultural sector, achieving double-digit growth in the volumes traded. The principle of direct purchase – without the involvement of intermediaries – is also applied to all other countries of origin. This type of relationship engenders trust and offers the prospect of long-term growth for both parties.

Getting to market

Organic product boom – including EDEKA

The share of organic products in the range has been growing continuously for years across all distribution formats within the Group. EDEKA’s commitment in this field far exceeds the EU standard: for example, EDEKA is the only major food retailer with a nationwide presence that already is an active member of the Demeter Growers’ Association. All EDEKA wholesalers signed agreements with Demeter as far back as 2018, and they have been actively engaged in the development of new product ranges grown according to the association’s cultivation principles since 2019. The EDEKA Fruchtkontor is also partner to these agreements and is currently trading in over 70 Demeter products.

Commitment to the region

Regional brand programmes in the EDEKA Group (selection)

To date, some 600 private-label articles marketed by EDEKA and Netto additionally bear the black-and-white panda label, showing that they meet ecological standards recognised by the WWF and are certified according to the criteria of independent testing organizations. This is before a product can receive the WWF logo, regional water and country-specific social conditions must also be investigated.

Taking responsibility for the product range at EDEKA – nothing says it better than the black-and-white panda logo! 2019 was the year we celebrated the 10-year anniversary of the partnership for sustainability between EDEKA and the WWF. Within the framework of this cooperation, the partners have further committed themselves to the promotion of organic farming and the continuous expansion of the organic product range. To assist consumers with their buying decisions, private-label products that meet particularly stringent ecological requirements and are certified according to the criteria of independent environmental or sustainability seals also carry the panda logo. With the “EDEKA Bio” private-label organic products, a further principle to be observed is that before a product can receive the WWF logo, regional water and country-specific social conditions must also be investigated.

Private labels take responsibility

The values of “quality” and “responsibility” are closely linked for EDEKA. This accords with the wishes of EDEKA customers, who are not only particularly quality-conscious, but who also tend to evaluate increasingly whether their buying choices meet ecological and social requirements. To this end, the EDEKA Group primarily uses the potential of its own brands to gradually make the food supply chains function in a more responsible manner – from the production conditions during cultivation to transportation and logistics right through to the packaging of the end product on the shelf.
No more single-use plastic - no way!

When it comes to packaging, EDEKA and the WWF systematically apply leverage in three different ways: firstly, the use of ecologically unsound materials should be avoided wherever possible. Secondly, EDEKA adheres to the principle of “multi-use, not single-use”, and thirdly, we use raw materials made of recycled or renewable substances. Particularly with regard to the reduction of plastics, good progress has already been made over the past two years – here are some examples:

- Most fruit and vegetable departments at EDEKA and Netto provide multi-use net bags as an alternative to the conventional light plastic roll bags. Nearly all fruit and vegetable products are also available loose and unpackaged – including, since autumn 2019 – all cucumbers.

- At the meat, sausage and cheese service counters, more and more EDEKA merchants allow for the use of multi-use boxes or offer their customers the option of passing containers brought in by the customers themselves over the counter on tablets.

- For various brands of yoghurt and other dairy products sold in 500g tubs, EDEKA and Netto have been avoiding the use of plastic lids since the autumn of 2019 and instead offer the use of reusable keep-fresh lids.

- The EDEKA Group already carries around 300 microplastics-free cosmetics products under its own private label and has progressively been marking them with a new “Microplastics-free” seal since 2019.

Longer shelf life in the “freshness safe”

One innovative method, whose entry into the German market was facilitated by EDEKA and Netto in 2019, not only supports the battle against plastic packaging, but also against food waste, at the same time as achieving a longer shelf life and prolonged freshness of products: it is called “Apeel”. Having made a successful start with avocados, the first Apeel citrus fruits also arrived in the fruit and vegetable departments of the Group at the beginning of 2020. The Apeel protective coating consists of pure vegetable oils that are obtained from grape seeds or skin residues left over from pressing or juice production. This invisible “extra layer” reduces the amount of evaporation from the skin as well as the amount of oxygen penetrating the skin from the outside. The result is an ideal microclimate where the fruit continues to breathe and ripen, just at a slower rate.

Greater transparency

The seven EDEKA wholesalers have traditionally been producing many fresh foods such as meat, sausage, bread and bakery products in their own processing operations – using a high proportion of raw materials sourced from local agriculture. The 14 Group-owned meatworks continued to expand their regional branded meat programmes in 2019. One key aspect of this effort was to offer consumers even greater transparency about the origin of the products. As one of the enablers in the retail sector, EDEKA has been working together with the company FTrace GmbH to develop a digital track & trace solution for the meat and cold cuts service counters. The innovative system lets customers use a touchscreen right at the service counter or scan a QR code on their own smartphone to obtain information about the origin of the meat they are buying.

Working hand-in-hand with start-ups

In an effort to spot emerging trends even more quickly and to be able to develop innovative solutions and products for the retail segment, the EDEKA Group is systematically expanding the co-operation with start-ups. What belongs together is growing together: because EDEKA, too, is essentially an entrepreneurs’ enterprise, one that is thriving all over Germany thanks to the energy of its own start-ups.

A veritable driver for innovation is the platform EDEKA Foodstarter – the biggest B2B market place for start-up products in the food retail sector. Around 300 start-ups present more than 1,500 articles in total on this platform, and about 2,600 EDEKA stores avail themselves of the opportunity to keep up to date on food innovations and to be able to order interesting and novel articles in a convenient manner at any time.

In November 2019, the EDEKA FoodTech Campus in Berlin-Moabit celebrated its one-year anniversary. The campus is a hotspot, serving as a home and as a launching ramp for start-ups in the food industry. Here not only are new food ideas being developed, but also technologies for the market place of the future. What makes the concept unique is that members are given access to a network of real food and commerce professionals, to their knowledge and know-how.

14 Regional meatworks
15 Bakery operations
2 Wineries
2 Mineral springs
2 Fruit juice bottling plants
4 Banana ripening facilities
2 Shop construction operations

Display case for innovations: a Foodstarter shelf at the EDEKA store
Overcoming boundaries

Phanthipha Chiamchamratrot has a scholarship for the GEH DEINEN WEG (Go your own way) programme sponsored by the Deutschlandstiftung Integration (German Integration Foundation). Originally from Thailand, she works in the Human Resources department of EDEKA Southwest. Together with her mentor Carina Andersohn, who is in charge of Diversity Management at EDEKA Minden-Hanover, she is part of a transregional team.

How did this co-operation start off?
Phanthipha Chiamchamratrot: During my training I realised that my calling was in the field of human resources. So I actively went looking for role models in this field. Ms Andersohn had already been working with GEH DEINEN WEG for some time. When I read a report about her work, I knew immediately: I want to work side-by-side with this woman.

Carina Andersohn: I was very excited to hear about her enquiry. It was clear to me right from the start that I wanted to support Phanthipha with the experience that I have gained. Because I was impressed with her positive attitude, her will to succeed here in Germany.

What have you learned from each other?
Phanthipha Chiamchamratrot: In the past I used to waste a lot of energy trying to please others. Today I take a different view, and Carina has encouraged me in this. Those things over which I have control I want to develop to the best-possible outcome.

Carina Andersohn: As she is learning from me, so I am learning from her. This positive attitude, this energy, and this sense of humour – everyone should take this as an example! What I also appreciate is that physical distance does not matter. Whenever we are unable to meet in person, there is always FaceTime.

What does your participation in this programme mean to you?
Phanthipha Chiamchamratrot: The exchange with other scholarship holders and the coaching I receive here give me an enormous amount of tailwind. I now know that I am able to develop opportunities for myself and achieve goals. Today I look after trainees myself here in Offenburg, and take care of the trainees’ concerns. Being able to pass on what I have learned is an indescribable feeling.

Eleven years ago Phanthipha Chiamchamratrot and her mother moved from the Thai capital of Bangkok to the small rural town of Appenweier in Baden-Württemberg. She completed her training as a wholesale and foreign trade merchant in nearby Offenburg and now works there in the personnel division.
A hands-on approach with true dedication

Acting sustainably is in the nature of co-operative structures. This also applies to EDEKA as a group of small and medium-sized family businesses. Here it is not about short-time yields, but about investing in long-term growth – or to put it in another way: thinking in generations, not in quarters! For 112 years, the principle of fostering and safeguarding independent livelihoods has been laid down as a core mission in the EDEKA co-operative’s Articles of Association. This also means taking responsibility for the preservation of natural resources and social diversity.

Sustainability understood as the triad of economic, ecological and social responsibility is the shared task for all three tiers of the EDEKA Group. On this basis EDEKA has defined five overarching fields of activity for its organisation: regionality, product range, environment, society and employees. EDEKA and Netto Marken-Discount are implementing concrete measures through multiple projects in a targeted manner. Since 2009, the environmental protection organisation WWF has also been a strategic partner for more sustainability, acting as an independent advisor for our group of companies. In terms of quality and extent, this co-operation is still the only one of its kind in the global food industry.

The EDEKA Group has its roots in regional small-to-medium-sized enterprises (SMEs). The vast majority of EDEKA’s independent retailers have been deeply involved in their respective regions for decades and have a strong commitment towards sustainable development there. This commitment rests on a foundation consisting of longstanding partnerships with medium-sized food manufacturers, farmers, service providers and trade businesses, reaching all the way into local and state political circles. These partnerships strengthen the entire economic and social structure of those regions.

Looking at global supply chains

What began as a co-operative venture for sustainable fisheries in 2009 has now become a partnership that is unique in the world, one that acts as a beacon and is shaping the entire food industry. The co-operation between EDEKA and the independent environmental protection organisation WWF aims to reduce the ecological footprint of EDEKA step by step, and to bring customers along on the path to sustainable consumption. 2019 was the year we marked the 10th anniversary of the partnership – an occasion to draw consumers’ attention to the successes achieved through partnerships strengthen the entire economic and social structure of those regions.

Today over 300 EDEKA and 280 Netto private-label articles carry the panda logo of the WWF, which tells consumers that these articles were produced sustainably. Yet this is only one small, visible outcome of the work undertaken jointly. The greater proportion of the work by far takes place below the surface: step by step, the entire food supply chains for the national private labels – from the grower to the supermarket shelf – are holistically evaluated according to ecological criteria and optimised accordingly. This fundamental work covers eight global subject areas and three overarching projects. Every year, the results of the work are documented and published transparently in a progress report.

The eight core subjects in the partnership with the WWF: the aim is to make EDEKA and its private labels more sustainable in these fields.

The UN goal “Preserving the oceans and their resources”: almost 80% of private-label fish products sold by EDEKA already comes from sustainable sources.

The UN goal “Preserving terrestrial ecosystems”: 95% of end consumer packaging made of cardboard or paper has already been changed over to more sustainable materials.

Almost 100% of palm oil and other palm oil constituents in EDEKA contained in private-label products come from certified production.

The eight core subjects in the partnership with the WWF: the aim is to make EDEKA and its private labels more sustainable in these fields.
Avoidance is the top priority. Where appropriate, the use of reusable and recycled materials is promoted. At the same time, the recyclability of private label packaging is being expanded further. As a full-range grocery business, EDEKA already offers consumers many choices: loose goods, service counters, different container sizes and the variety of the product range give shoppers the opportunity to use less packaging, and to choose the type of packaging. For five years the partners EDEKA, Netto and the WWF have been working their way through the private-label articles in all merchandise categories systematically in order to develop individual, technically and ecologically sound packaging solutions.

Projects with a model role

EDEKA and the WWF have been showing the way towards greater sustainability with a project in conventional banana cultivation that has already been under way for six years. Extensive measures are being implemented on 23 farms in Ecuador and Colombia that are designed to promote biodiversity, to protect the climate, to use fewer pesticides and use them more responsibly, and to protect the soil, to eliminate water risks and to promote improved waste management systems. There are also measures in place to strengthen the rights of employees and to improve health protection. The citrus project run by EDEKA and the WWF in Andalucia in Spain is also setting new benchmarks. It shows that there is still great scope for more sustainable production methods in conventional cultivation. The focus here is on natural pest control instead of the use of chemicals, greater biodiversity and a resource-saving approach to the use of local water resources and soils. Since the project launched in 2016, the amount of insecticides used on participating farms has fallen by over 90 per cent. In a single year, more than 800 million litres of water were saved there. In 2019 the two partner further expanded the more sustainable cultivation of oranges: today every fourth orange on sale at EDEKA and Netto Marken-Discount throughout Germany was grown as part of this pioneering project.

Promoting biodiversity

More than 50 per cent of Germany’s total land area is used for agriculture. The ongoing intensification of cultivation is increasingly upsetting the balance of nature. And yet, using ecological farming methods, the land can often be managed in such a way that it still provides sufficient habitats for wild animal and plant species. As part of the project “Landwirtschaft für Artenvielfalt” (“Agriculture for Biodiversity”), EDEKA, the WWF and selected ecological growers’ association such as Biopark, make a contribution towards preserving biodiversity. The project is run with the support of the Leibniz Centre for Agricultural Landscape Research. The goal is to establish the nature conservation module on a national scale. The module consists of a catalogue of around 100 individual measures, including, for example, natural green strips at the edges of fields or observing the breeding cycles of native bird species. EDEKA undertakes to purchase the products from the participating farms at producer prices that reward the extra work involved for the duration of the project.

In the very best company

Social commitment is the fourth pillar in the EDEKA Group’s conception of sustainability. At all three levels of the co-operative Group, social and community involvement takes many different forms. Together with their teams, the independent retailers become involved in their towns and municipalities and support projects, associations and charitable and public institutions throughout Germany through donations or active assistance.

A special focus of this involvement is nutrition education for children and youths. The Hamburg-based EDEKA Foundation has been active in this area for over ten years with their “Aus Liebe zum Nachwuchs” (“Because we love children”) initiative: three successful education projects operate under this umbrella – “Gemüsebeete für Kids” (“Vegetable beds for kids”), “Mehr bewegen – besser essen” (“More exercise – better nutrition”) and “Fit für mein Leben” (“Fit for my life”). The projects teach kindergarten children and pupils of primary and secondary schools the importance of a balanced diet, promote a more environmentally aware attitude and motivate them to take responsibility for themselves and their health.
Active lifestyle...

Nutrition and exercise belong together - both are vital factors in achieving a balanced lifestyle. Promoting both popular and competitive sports is the aim of the cooperation between the EDEKA Group and the German Olympic Sports Confederation (DOSB). EDEKA and Netto Marken-Discount are partnering with the German Olympic Team, and together we are working to provide impetus for achieving balanced nutrition and a balanced lifestyle. Two highlights in February 2020: first, there is the new cookbook “Koch dich fit”, published by German Olympic Team and EDEKA, with over 70 ideas for recipes as well as nutritional and fitness tips from more than 30 Team Germany athletes. And then there is the fruity oat cereal bar that was voted the official Team Germany cereal bar in the summer of 2019 by 30,000 fans and customers. At the same time, more and more EDEKA retailers are using the opportunity to organise local activities involving athletes from within their region under the auspices of the DOSB partnership.

Here’s to good neighbourly spirit!

For EDEKA merchants, getting involved in the interest of the common good in their neighbourhood is simply a matter of course – for example, for the benefit of children’s day-care centres and schools, social institutions and local associations. EDEKA also works in support of lively neighbourhoods in Germany as a partner of the nebenan.de foundation. Here EDEKA is a sponsor for the “Neighbours’ Day”, where people throughout the country engage in festivities at the local level with the aim of fostering and strengthen the exchange between neighbours. On Neighbours’ Day in May 2019, a total of 2,767 festive events were held across Germany – more than twice as many as in the previous year.

Creating good prospects

The backbone of a co-operative organisation are its staff – at EDEKA in the store, in the regional company and at EDEKA Zentrale. It is only thanks to our employees that the EDEKA Group can keep its promise of quality and survive the tough competition. The Group invests in the next generation in a variety of ways – from providing vocational training and practical further education programmes and part-time courses of study right through to help in setting up their own store. The EDEKA Group has been one of Germany’s biggest providers of vocational training for many years. In 2019 about 7,600 secondary school graduates started their first year of vocational training, and a total of 18,300 young people received their training with EDEKA or Netto Marken-Discount. The courses offered comprise 33 different job profiles and 21 dual courses of study – from “freshness specialist” right through to “e-commerce merchant”.

The EDEKA Group stands for diversity – externally as well as internally. What matters is not where people come from, but whether they have the commitment, the social competence and the desire for education. Guided by this spirit, the EDEKA Group has been supporting the scholarship programme GEH DEINEN WEG run by the Deutschlandstiftung Integration since as far back as 2012. In this programme young people with a migration background are encouraged to take initiative and take responsibility with creative ideas. They are offered to participate in seminars and receive individual coaching; in addition, experienced mentors are available to assist them over a period of two years. In 2019 EDEKA and Netto again awarded ten scholarships to young employees, and at the same time 20 merchants and executive staff committed to acting as mentors.

Many independent retailers, EDEKA wholesale operations and EDEKA Zentrale actively assist with the professional and social integration of refugees. To open up long-term prospects to them, EDEKA merchants offer them internships, apprenticeships and jobs every year. A good example is the Hamburg-based project “Getüchtete junge Menschen in Ausbildung bei EDEKA” (“Young refugees in training at EDEKA”): its basis is a network of committed merchants, the regional company EDEKA North, EDEKA Zentrale with its various logistics sites, and the vocational training institution Berufsbildungswerk Hamburg (BBW). To date, a total of 49 young refugees have been able to find a training place here – as salespeople, warehouse clerks, office management clerks, in wholesale and foreign trades, IT specialists for system integration or cooks.
This publication is available on the Internet as geschaeftsbericht.edeka and can also be requested in hardcopy from the same location (in German language).