

X5's food sharing project helped over 5,800 people in 2022

X5 Group ("X5" or the "Company", LSE and MOEX ticker: FIVE), a leading Russian food retailer, has announced the results of its food sharing project for 2022.

The project collects food items at X5 stores that are nearing their expiration date and donates them to people in need. Bakery products [1] were distributed for free to a total of 5,839 people over the project's first five months, while bread write-offs across participating stores declined by 25% on average.

The project was piloted in late July 2022 at several Pyaterochka stores and then rolled out to Perekrestok supermarkets in the fall. Currently, the project covers a total of 27 Pyaterochka and Perekrestok stores in Moscow, St Petersburg, Chelyabinsk, Ryazan, Yekaterinburg and Tomsk.

Every day, store employees sort bakery products and pick out items that are set to expire in 1–2 days. Volunteers from the nonprofits Foodbank Rus and Foodsharing then collect the rescued products and distribute them within several hours to their beneficiaries, including to lone seniors and large families in need. On average, a single store collected and donated over 120 kg of bread per month to people in need.

In the first half of 2023, the Company plans to roll out its food sharing project to Rostov-on-Don and Krasnodar, bringing the total number of participating stores to 50. X5 also intends to expand the range of donated products moving forward.

Galina Sekirinskaya, Head of Corporate Brand Management and CSR at X5 Group, commented:

"We are pleased that the project has delivered such strong results this early on, but we are also confident that food sharing has much more potential. X5 remains committed to pushing this project forward due to its important social and environmental impact. At the same time, there are still constraints to its meaningful scaling. First, we need to automate bread collection and counting, which will enable us to add new stores to the project more quickly and reduce staff workload. We are planning to complete the technical tasks for this project by the end of the first half of 2023. Second, companies engaged in food sharing still need to pay VAT, which is a significant obstacle for many. We hope that this issue will also soon be resolved."

[1] At the project's initial stage, X5 has been donating rye bread, wheat bread, rusks, and bagels, with plans to expand its food-sharing product range in the future.

Link to publication