

DELIVERY HERO

Innovating for a More Sustainable Food Industry

Delivery Hero APAC Pte Ltd is the Asia Pacific headquarters for foodpanda, a leading delivery platform in Asia dedicated to bringing consumers a wide variety of food, groceries, and more, quickly and conveniently. Powered by technology and operational excellence, foodpanda is spearheading the growth of quick-commerce (q-commerce) across the region with its network of retail partners, as well as pandamart cloud stores to provide more on-demand options beyond the millions of food delivery options. Aside from being in Singapore since 2012, foodpanda operates in more than 400 cities across 11 markets in Asia.

GREEN AMBITIONS

foodpanda believes in leveraging technology to build a greener platform that enables sustainable actions to flourish. The company's ambition is to create a more sustainable restaurant and delivery ecosystem, supported by its work in three focus areas: Sustainable Platform, Sustainable Operations, and Sustainable Societies & Ecosystems.

foodpanda uses its app to achieve sustainability outcomes with stakeholders by bringing onboard more sustainable choices for customers. Features such as its default opt-out cutlery toggle have caused 60% of its total orders across Asia Pacific to be delivered without disposable cutlery and shifted consumer behavior on plastic consumption levels.

DELIVERING SUSTAINABLE IMPACT

Starting from within

The Eco Heroes employee resource group is a platform for interested team members to spread sustainability awareness and take steps towards a more conscious and sustainable lifestyle. The group has also invited partners from Impossible Foods, Green Monday and OLIO to share on their business and how partnerships with foodpanda can support the scale of their impact.

Green building design

foodpanda's new office is located in a LEED Platinum and Building and Construction Authority Green Mark Platinum building, with energy efficient designs incorporated into its office design and facilities.

UTILISING TECH RESOURCES

Innovation is critical to meet the needs of consumers as many become more conscious of their purchasing habits, which in turn reduces the environmental impact of the overall business and supply chain.

Using technological algorithms, foodpanda enabled more efficient fleet management and delivery of multiple orders and used analytics to optimise inventory management for pandamart, foodpanda's own cloud grocery stores, to reduce shrinkage and wastage.

Innovative delivery: drones and EVs

Since 2020, foodpanda has been test-bedding the use of autonomous vehicles with various partners to study the feasibility and viability of autonomous vehicle deliveries. In 2020, the company had its first collaboration with ST Engineering on drone delivery and in 2022, further tested the feasibility of drone delivery to deliver meals to Singapore's southern islands from Sentosa to St John's Island. On land, foodpanda has also collaborated with Nanyang Technological University and several other mobility innovation partners to test



self-driving electronically powered robots for food delivery.

Platform for social good

To accelerate its social impact, foodpanda's API integration with the United Nations ShareTheMeal app allows users in Malaysia to easily donate to the World Food Programme's projects. The company has also launched a seamless donation feature in Singapore to allow consumers to easily make donations to The Food Bank Singapore. foodpanda intends to expand such donation features to consumers in all its 11 markets by 2023.

EXPANDING ITS PLANS TO THE VALUE CHAIN

foodpanda strives to help its value chain stakeholders become more sustainable through incentivising, educating, and supporting them in the form of environmental programmes and initiatives. Programmes such as Sustainable Restaurant Certification and Sustainable Packaging Program are examples of engaging with its value chain on sustainability.

Addressing carbon footprint

From internal calculations, foodpanda's main emissions are generated indirectly from delivery vehicles and the packaging of the meal or grocery orders

In engaging riders and merchant partners to lower carbon footprint, riders are of-

ferred exclusive discounts for the purchase of electric bicycles and free rental of bicycles, to incentivise the use of non-combustion vehicles for deliveries. The platform's delivery fleet in Singapore mostly consists of non-combustion vehicles and the company actively runs programs with green-mobility partners to increase this percentage.



To address packaging, foodpanda implemented the Sustainable Packaging Program to offer restaurant partners more environmentally friendly food packaging products at price parity with conventional packaging. Products under the programme are fully plant-based and perfluoroalkoxy-alkanes (PFAS) free.

Encouraging consistent value chain responsibility

foodpanda launched its Sustainable Restaurant Certification scheme in Hong Kong in 2021 and awarded Sustainability certifications to 34 restaurant brands, with plans to expand to more brands that are shifting to sustainable operations. With positive commercial results from this programme's initiation in Hong Kong and Taiwan, the company expanded this program to Singapore in 2022.



TRACING MEASURABLE IMPACT

With its default no-cutlery toggle, 1.1 million tonnes of disposable cutlery waste

was avoided across 11 markets. The company has also successfully achieved zero food waste in pandamarts in Singapore by diverting all edible surplus food back to the community through its first-in-market partnership with the community sharing application OLIO. The initiative has since redistributed a total of 8310 kg of food (equivalent to 19,787 meals) feeding approximately 2,380 families. This initiative also diverted edible surplus food and avoided 35,842kg of carbon emissions. For addressing its delivery fleet's carbon emissions, foodpanda has used machine learning to deploy its fleet via more efficient routes. This means that foodpanda was able to reduce transport emissions and travel costs.

Contributing to sustainable food alternatives

foodpanda ensures that their platform offers vegan and vegetarian options, and plant-based meat alternatives through its cloud stores, pandamart. They also promote conscious food choices to customers through awareness campaigns that spotlight restaurants that offer vegan and vegetarian options. Together with foodpanda's sustainable restaurant certification scheme to recognise the most sustainable merchants in Hong Kong, Taiwan and Singapore, foodpanda aims to help customers make impactful sustainable choices easily on the platform.

SINGAPORE COMMITMENTS

Foodpanda takes reference from the goals and targets of the Singapore Green Plan 2030 and incorporates them within its strategies and initiatives. Pandamart and free sharing app OLIO began a partnership in December 2021 to reduce food wastage by redistributing surplus unsold food from pandamarts.

With reference to the Resilient Future pillar of the Singapore Green Plan 2030, foodpanda launched Green Label, a first-of-its-kind programme by a food delivery company in Singapore that identifies the

most sustainable brands on the platform through a restaurant certification scheme. Under this initiative, restaurants that have registered their interest will be assessed based on their sustainable practices, and given the Green Label certification should they meet the requirements. The audit criteria is developed by foodpanda with guidance from PACT SG, an initiative started by WWF Singapore to reduce waste and move towards a circular economy. Restaurants are then audited based on the criteria by non-governmental organisation, Zero Waste SG. Certified restaurant partners will also undergo annual reviews to ensure that they retain their green certification. The launch event was officiated by Senior Minister of State for Sustainability and the Environment Dr. Amy Khor. The Green Label programme aims to further progress efforts to achieving Singapore's sustainability goals:

- In line with the nation's "30 by 30" target, foodpanda encourages merchants to locally source 30% of their ingredients, to head towards a more resilient food future. Merchants will also earn points for their other sustainable practices, and the overall total score would then indicate how green the merchant is.
- To further its efforts on reducing food wastage, foodpanda rolled out "last hour" deals in collaboration with DBS where customers can get 30% off orders from Green Label merchants between 8pm to 12am.
- On top of reducing food wastage, customers who opt for pick-up will also be able to save approximately 31% of carbon emissions.

The company also abides by the Mandatory Packaging Report under the Resource Sustainability Act, to track, monitor and reduce the amount of packaging used and share future plans on initiatives, KPIs and targets on foodpanda's plans to reduce, reuse or recycle packaging (or 3R plan). This should reduce waste sent to landfill and reduce carbon emissions generated.



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