



INTERVIEW

METRO, LEADING NEW TRENDS IN THE HORECA SECTOR

ADRIAN ARICIU, CEO, METRO ROMANIA

1. You have now more than one year since you were appointed CEO of METRO. Will you reach your personal and business objectives in 2021, and what is the main driver?

The facts and figures show that we have achieved our objectives business wise, quantitative but also qualitative, if we were to judge from the employee perspective that positioned us as Top Employer in 2021. The main driver of our accomplishments so far is the ambition of the team to serve the interests of the professional customers, to contribute to their business success. Only through ambition and teamwork, METRO has managed to achieve all its objectives this year, whether we are talking about our wholesale stores or the LaDoiPasi stores. This year, which has been quite challenging, has proved to us once again that we are a united team that manages to overcome all obstacles when there is vision, will and leadership at all levels. My personal objective was to build an efficient and satisfied team, engaged to fulfill a common vision, and humbly I can say that seen through the engagement high scores and passion I see in all my colleagues, is an achieved objective.

2. METRO just celebrated 25 years in Romania. What do you think were the top moments for the company in Romania?

This first quarter of a century, our METRO Silver Jubilee on the Romanian market would not have been possible without the constant day-by-day involvement of the people we are in non-stop

contact with, namely suppliers, customers and of course our employees. We have celebrated throughout the year this milestone, paying tribute to our colleagues that serve our customers, to our loyal customers that went together with us and made us successful, and to our partners suppliers that through their expertise helped us offer products and solutions to our professional customers. A pioneer of modern trade, our company now serves over 500,000 professional customers throughout the country, resellers, HoReCa and other companies, operates one of the largest and modern state of the art logistics centers in Romania in Stefanestii de Jos. Regarding LaDoiPasi, the performance boils down to itself as we have reached this year over 1,650 stores that positioned LaDoiPasi as the largest network of independent entrepreneurs in Romania.

3. 2021 did not bring the end of the pandemic, as many expected. How did Metro approach this year's challenges taking into consideration the HORECA situation?

Our aim is to serve the professionals with high quality products relevant to their business needs, to offer solutions for their business to be more efficient and to succeed. For Horeca was an unpredictable year and our efforts were all aimed to prove our empathy through acceleration of the food service delivery platform digitization, opening the 24 hours delivery from all our stores, creating an user interface easier to explore in MSHOP, and easier new customer registration both digitally and in the store.

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On top of digitalization, in order to give awareness of the Horeca locations belonging to our customers that were still functioning. This year we launched a tourist guide in which we present not only the well known objectives but also over 250 accommodation and restaurant recommendations, among the most representative, all owned by Metro customers.

While the human interaction had to slow down because of pandemic, this reflected in lesser visits to the Horeca Hospitality sector, a declining trend that we have tried to reverse by launching at the beginning of the year the DISH website and DISH reservation, a platform opened to all Horeca Owners worldwide. This platform enables the restaurants to be visible and thus increasing the awareness and the possibility to get more orders. This digital solution was completed this autumn by launching another service through which we come to the aid of the HoReCa industry - the DISH Order application dedicated especially to restaurants that can make deliveries or offer the possibility of take-away, enabling direct order from end customer to the restaurant. Here we are talking about zero commission through the ordering service while our customers benefit from support and consulting, being able to change the menu quickly and easily.

4. Sustainability is on everyone's lips these days, what does METRO to improve sustainability within the organization's day to day activities?

Sustainability is an essential pillar of METRO's activity, the company being a leader at European level in terms of sustainability.

We assume responsibility. We think ahead, with a view to the future. We deal sustainably. We set ourselves high standards - economically, environmentally and socially.

One of our sustainable projects this year was the expansion and modernization of the OneRoof center.

This is the best option with which we manage to make the most of the logistics capacity made available to our customers in the medium and long term. OneRoof encompasses all operations on a single platform, with the option to expand depending on the evolution of the business, volumes and needs of METRO Romania customers. Moreover, it is the most balanced option in terms of cost efficiency and contractual flexibility.

We have also taken decisive steps to reduce plastic waste through our "Together we reduce plastic waste" campaign locally and globally. We are committed to recover and recycle over 1 million kg of plastic waste in the upcoming months worldwide, together with our global trusted partners. Furthermore, we are committed to replace the packaging of our own brand products with recyclable alternatives by 2025 and many of our trusted suppliers are tackling the problem by changing their packaging to more environmentally friendly ones or by reducing the amount of plastic they use.

5. How does METRO handle Digital Transformation of sales, marketing and operations within the company?

Digital transformation is a priority for METRO. For our clients we have several digital solutions such as the online ordering platform Mshop or the newly launched METRO App. Our services are designed to meet the specific needs of different types of customers.

We support HoReCa businesses also and their need for digital transformation and thus meet their needs with a revolutionary product in the market, both in terms of the multitude of benefits for the customer and the unbeatable price for the quality of technologies incorporated in the DISH product. DISH is a platform that allows users multiple customizations and adaptations, so that the online

presence of the business corresponds to current market needs. In the operation field, as we are having sales force visiting customers at their premises, we do develop Digital solutions to ease our employees professional endeavors. The proprietary platforms Know Your Consumer & Territory are used by our employees to optimize work and serve our customers and partners faster.

As for the marketing automation, we are also using proprietary tools that enable personalized communication with our customers, or UX interface enhanced for our website, chatbot and recently we have developed internally an integrator platform for community building and customer care.

6 ■ The pandemic changed the way companies managed their CSR efforts. What did METRO do in CSR in 2021 and what is the focus for 2022?

At METRO we are actively involved in the fight against food waste and we are a founding member and main supporter of the Federation of Food Banks in Romania. During the pandemic, we extended the “Food Bank” project to all of our 30 local stores, reaching over 600 tons of food products saved from waste, products that reached the tables of those in need, over 150.000 end consumers. Fighting food waste is a sustainability-focused approach with a direct impact on the environment, especially in the context of the current crisis caused by Covid-19.

A permanent responsibility for Metro lies in caring for the environment and creating a “clean” ecosystem for future generations to enjoy. We focus on projects that focus on the efficient use of resources, their recycling and reintegration into the economic circuit, as well as the implementation of solutions that contribute to reducing the impact on the environment. We support the reduction of food waste through joint efforts with the Food Bank, the reduction of energy consumption, the reduction of the carbon footprint are some of the concerns that underlie our strategy and in which we invest consistently.

7 ■ “La Doi Pași” had a strong growth and expansion in 2021. Can you give us more details about your growth levers and what lead to this strong expansion?

The LaDoiPași franchise network, developed by

METRO Romania, continued to expand at a fast pace this year, reaching now more than 1,650 stores across the country. Thus, it is currently positioned as the largest network of independent stores in Romania. Despite the difficult context caused by the Covid 19 pandemic and the changes caused by consumption and consumption behavior, LaDoiPași has been and continues to be one of the main growth pillars of METRO at the local level.

The reasons for the rapid growth of LaDoiPași network in Romania start from the strong team behind this project, as they are professional and knowledgeable colleague with high expertise in retail. Another reason for the success of this beautiful story of LaDoiPași franchise in Romania is the easiness of implementing the concept by any independent entrepreneur that needs consultancy, expertise in retail, merchandising and category management. Any reseller who owns a store and wants to optimize their operational activity now has the opportunity to integrate the management system directly with METRO and thus save time and increase accuracy with registering invoices, adding new products more easily to the store’s portfolio and better inventory control.

8 ■ You are very active in B2B sector. What are top 5 opportunities you see in 2022 for companies in Romania?

When it comes to the future, uncertainty is the only certainty. The main opportunities I see for the next year are in the talent attraction and retention area, digital transformation, supply chain management, information technology and always-on availability of relevant products and solutions on shelf either brick-and-mortar or online.

9 ■ How do you see the Romanian market evolution in 2022?

I am very optimistic versus a positive market evolution in 2022, based on the available indicators that suggest that the economy expanded at a solid annual pace lately. Coupled with a low unemployment rate, economy can be seen as being robust in the next year as well, fueled by healthy household spending and further easing of Covid-19 restrictions that ignites increase in domestic activity but also in commercial trade.