

METRO environmental policy

Purpose:

The demand for resources is increasing steadily due to large population growth and changing conditions of life. If we look at the earth's ability to produce resources and absorb pollutants, we already use one and a half times its capacity. Because of the enormous economic growth in many regions of the earth, demand for fossil fuels and other resources is also rising. The increasing use of resources coupled with global population growth is contributing to more and more greenhouse gas emissions (CO₂) entering into the earth's atmosphere – and this is the main reason for global climate change. Its side effects, such as rising outdoor temperatures, floods and other extreme weather phenomena, strain not only the environment but more often also economic and social systems.

METRO and its companies accept their responsibility to protect the climate and the environment. In terms of our actions, it's a question of reducing or avoiding damage by means of responsible consumption, the careful handling of resources and recognition of the potential endangerment of the environment and the climate at an early stage.

Scope:

The METRO environmental policy serves as a framework for all companies; specific measures and programmes will be implemented by the METRO entities independently according to their business relevance. Additionally, we expect other companies we have a stake in and also our partners and suppliers to act in accordance with this policy.

Fields of activity:

Environmental pollution caused by our business operations will be monitored, documented and evaluated by us. In order to reduce this environmental burden, we will identify economically acceptable measures and use the best available techniques. In doing so, we will focus on the following fields of activity:

Sustainable sourcing

The consumption of goods leads to growing use of finite raw materials and affects the regeneration of valuable resources like soils, air, oceans and potable water as well as the biological diversity of species. In order to respond to these environmental challenges, METRO has implemented the policy for sustainable procurement for its own brands. The goal is to purchase products more sustainably in ecological, social and economic terms. Our range of own brands is aligned with our customers' needs.

Being part of the value chain, we assume responsibility; choosing our suppliers, farmers and producers of food and non-foods. Our efforts are focused in particular on critical raw materials and

products that could potentially have a significant negative impact on the environment and the climate, such as fish, palm oil and timber. These requirements also apply to our own product and service needs.

In this way, we want to strengthen our customers' trust in our products, use opportunities and, at the same time, reduce the negative impact on the environment and the climate caused by the production and usage of our products.

Climate protection

The reduction of greenhouse gas emissions in the areas of transport, storage and market/location is an overriding goal of METRO. As a wholesale company impacts associated with our business processes is an important matter, because on those we have the greatest influence. These include:

- Consumption of electricity, heating energy and paper as well as refrigerant losses in commercial cooling and air conditioning
- Replacing fluorinated gases used as refrigerants
- Fuel consumption of company cars, emergency generators, also in connection with business trips

In order to achieve our climate protection targets, we are constantly working on improving resource use, the efficiency of our internal processes and our behaviour patterns. In the area of product storage and cooling, for example, we are increasingly focusing on natural refrigerants and are systematically managing coolant leakage losses. Modernisation of the vehicle fleet and optimisation of the loading process are further measures to reduce greenhouse gases and the emission of pollutants.

With regard to our climate protection targets, we focus not only on technical innovation but also on the conscious use of energy. By implementing systematic energy data management, we can identify further efficiency potential and the so called CO₂-footprint of the company can be further reduced by means of energy-saving programmes and behaviour programmes.

By handling resources responsibly, we can reduce our operating costs and make a positive contribution to protection of the climate and the environment.

Waste management

As a wholesale company, METRO is dependent not only on the long-term availability of food but also on that of resources such as wood, metal, crude oil and water. These raw materials are used both to produce and package the food products. We therefore also see our own-brand packaging as one of our key fields of action and have implemented the METRO packaging policy.

In our opinion, responsible waste management starts at the beginning of the product life cycle, e.g. with the choice of raw materials used, choosing not to use certain materials and components, and the design through to useful life and environmentally friendly disposal after usage. We are pursuing the following waste strategy: avoidance, utilisation, reuse, recycling and disposal.

Integration into company processes

Environmental protection is a management responsibility. Environmental responsibility at all levels can only be perceived consistently if it is an integral part of practised corporate philosophy and is embedded in the core business. Within METRO, the ESG Peer Group is a central body with a strategic focus; its round table on corporate responsibility serves as the interface with the operation activities. It is the responsibility of the management within the entities to make protection of the environment an integral component. By means of these structures, the Management Board of METRO and the management of the companies will be informed regularly about the implementation of this policy. In this way, our goal is to implement a constant, continuous process of improvement for all company divisions.

In addition, environmentally aware conduct will be guaranteed by means of guidelines for our business partners and also training and comprehensive information for our employees and customers. Encouraging independent action and motivating our employees is always a key focus. We maintain open dialogue and regularly inform employees, customers, suppliers, service providers, the capital market and the relevant environmental authorities about our activities.

METRO is publishing this environmental policy and regularly reports on its implementation and development in the METRO KPI Report Corporate Responsibility.