KEY PERFORMANCE INDICATORS AND TARGETS

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Scope

The chapter 'key performance indicators' provides information about METRO's sustainability performance in the form of key performance indicators (KPIs). It is divided into KPIs on the economic performance ▸ page 30 of the company and KPIs on our sustainability focus topics: Organic and Responsible Products ▸ page 31, Climate Action ▸ page 32, Human Right ▸ page 37 s as well as Diversity and Inclusion ▸ page 41. In addition, we report on the KPI community investment ▸ page 52.

Reporting period

The reporting year is the same as the METRO financial year, that is from 1 October to 30 September. Key performance indicators are reported for the previous 3 financial years where data is available.
Reporting of the climate protection target ▸ page 32 also includes the target's reference year, 2011. The figure for the reference year relates to the period from 1 January to 31 December 2011. A different reporting period is used in this case because METRO changed its financial year from the calendar year to the 12 months from October to September in 2013.

Data collection approach and degree of coverage

The key performance indicators reported are based on data that is gathered using various internal reporting systems. As a rule, this data is systematically recorded for each business unit and each country every quarter, in some cases every month. The KPIs are based on data collected for the whole METRO, that is – where applicable – for all of the stores, back offices and warehouses and for the head office in Düsseldorf. It is necessary to extrapolate and estimate consumption data for some KPIs in cases where the primary data available is incomplete. This applies to the KPIs from the section Climate Action ▸ page 32. The sustainability data management office merges the data from various reporting systems. The greenhouse gas emissions relating to purchased goods and services, assets and leased assets which are reported in accordance with Scope 3 are modelled because recording primary data for these is highly complex. This modelling is based on on sales per product category or on other KPIs for the economic value added by METRO. To perform these calculations, we use so-called economic input-output models, which are founded on the economic flows of goods and services.

The selling and delivery space figures used as a basis for the KPIs are averages for the year.

Unless expressly stated otherwise, all presentations in this report refer to continuing operations (excluding the hypermarket business Real and excluding METRO China). We report most of the KPIs separately for METRO as a whole and for the region Germany, as the country in which METRO's headquarter is based. As a general rule, the KPIs for METRO as a whole include the data for all locations or all employees unless stated otherwise in the footnotes of a respective KPI. We do not yet report the key figures on professional continuous development in the Diversity and Inclusion ▸ page 41 section for all employees. We do not have data of sufficient quality for all sales lines and organisational units. However, these key figures on professional continuous development include almost all companies with the exception of a few service companies.

All of the KPIs in this report have been audited ▸ page 106 by KPMG AG Wirtschaftsprüfungsgesellschaft.

Deviations from previous reports

In some cases, the figures presented in previous sustainability reports differ from those cited in this report. There are various reasons for this.
In financial year 2018/19, we retroactively switched to a different emission factor set for energy.

For all representations given, the data for the hypermarket business and METRO China were removed retroactively from the data.

There are other differences in the KPIs in the section Climate Action ▸ page 32, arising from estimated figures having been replaced by actual values. In a number of cases, the utilities provide us with consumption figures quite late, and we therefore initially work on the basis of estimates.

The only deviations are those in comparison with earlier reported numbers. Within the present disclosure, KPIs are represented according to a uniform methodology for 3 years, respectively. They thus allow a comprehensible overview of the development.

We complete our data collection and reporting on an ongoing basis to improve the level of transparency and the way we manage our sustainability performance.

Company

Economic value (value added)

€ million		2018/19[1]	**2019/20**	Change in %
Key financial figures for continuing operations				
Sales development (like-for-like)	%	2.1	**–3.9**	-
Sales development in local currency	%	2.2	**–4.0**	-
Sales (net)		27,082	**25,632**	–5.4
Adjusted EBITDA		1,392	**1,158**	–16.8
Transformation costs		0	**47**	-
Earnings contributions from real estate transactions		339	**3**	–99.2
EBITDA		1,731	**1,113**	–35.7
EBIT		957	**257**	–73.1
EBT (earnings before taxes)		728	**–32**	-
Profit or loss for the period[2]		421	**–146**	-
Earnings per share (basic = diluted)	€	1.16	**–0.40**	-
Dividend per ordinary share		0.70	**0.70**[3]	-
Dividend per preference share		0.70	**0.70**[3]	-
Cash flow from operating activities		1,209	**646**	–46.6
Investments		826	**627**	–24.1
Net debt		5,419	**3,771**	–30.4
Employees (annual average by headcount)		101,654	**97,639**	–3.9

[1] Adjustment of previous year due to full retrospective application of IFRS 16 (Leases).

[2] Attributable to METRO shareholders.

[3] Subject to the resolution of the Annual General Meeting.

Evaluation in relevant sustainability indices and rankings

Index/ranking	Rating/score	Scale	Publication date
Dow Jones Sustainability Index (DJSI) World/Europe	**81 Index member**	0 to 100	11/2020
ISS-oekom Corporate Rating	**C+ Prime Status**	D– to A+	04/2020
CDP Climate Scoring	**A**	F to A	12/2020
CDP Water Scoring	**B**	F to A	12/2020
CDP Forest Scoring	**B (palm oil, paper), B– (soy), C (cattle)**	F to A	12/2020
FTSE4Good Global/Europe Index	**Index member**	-	06/2020
MSCI	**Index member**	-	-

Explanation: As part of our stakeholder dialogue, we inform the capital market about our sustainability management activities. This means our sustainability performance is rated by independent third parties.
In financial year 2019/20, METRO was again listed in both the Dow Jones Sustainability Index Europe and World.

As the CDP results were only published in December after the non-financial disclosure had been audited, the CDP rating results shown here differ from the status of the non-financial disclosure.

Organic and Responsible Products

Reformulated products

no. of products[1]	2018/19	**2019/20**
Less of sugar	19	**51**
Less of salt	20	**88**

[1] We define product as each separate product offered to our customers. Sometimes identical products have different GTINs in the different countries where they are sold. In such cases, these identical products are counted only once.

Explanation: Referring to own brand products going through a reformulation process, we are focusing on reducing salt and sugar content in our Own Brand assortment.
Target: METRO-wide reduce min. 5% sugar/salt content in at least 60 common sourced products and 1,000 locally sourced products by December 2021.

Climate Action

Greenhouse gas emissions in t CO_2 (CO_2 equivalents)

t CO_2 (CO_2 equivalents)	Reference year 2011	2017/18	2018/19	**2019/20**
Scope 1 – direct greenhouse gas emissions	494,798	505,619	464,532	**453,269**
Scope 2 – indirect greenhouse gas emissions	931,168	747,637	732,162	**692,034**
Scope 3 – other indirect greenhouse gas emissions	3,669,074	2,899,306	2,714,477	**1,380,826**
Total greenhouse gas emissions	**5,095,039**	**4,152,562**	**3,911,171**	**2,526,129**

Definition: Level of all main emissions by Scope in line with the methodology of the Greenhouse Gas Protocol.
The following sources of emissions are included:

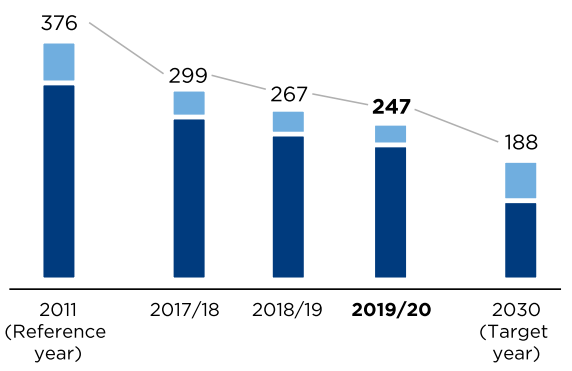
- Scope 1 = fuel oil, natural gas, liquefied natural gas (LNG), liquefied petroleum gas (LPG), refrigerant losses from commercial cooling, refrigerant losses from air-conditioning, fuel consumption of company cars and the group's own logistics fleet, emergency power generators
- Scope 2 = electricity consumption, district heating and cooling
- Scope 3 = external logistics for the transport of goods to our stores and warehouses, in-house paper consumption for advertising and office purposes, business trips, goods and services purchased for own use, capital assets, upstream chain emissions and grid losses for all direct and indirect energy sources, waste, employee commutes, leased assets

Explanation about the Carbon Footprint, especially about methodology, reporting boundaries and climate protection target are available at https://responsibility.metroag.de/focus-areas/climate-action.

Status of climate protection target

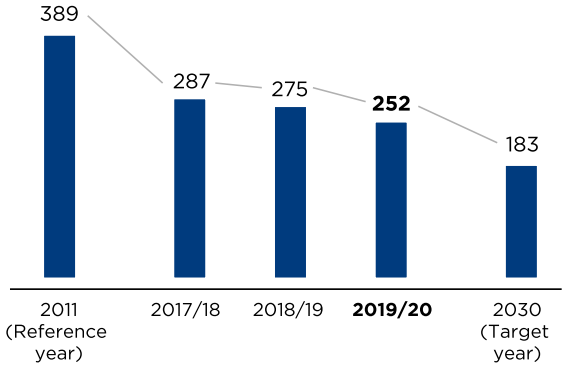
Greenhouse gas emissions in kg CO_2 (CO_2 equivalents) per m^2 selling and delivery space

METRO



Scope 1 & 2
Scope 3
Total

Germany



Total

Definition: Greenhouse gas emissions from METRO's stores, back offices and warehouses (by selling space and space used for delivery operations) included within the climate protection target. Included are the emissions from electricity, heating and cooling energy consumption, also counting upstream chains and grid losses, refrigerant emissions from commercial cooling and air-conditioning, fuel consumption by company cars, in-house paper consumption for advertising material and office purposes as well as business trips.
Status: Compared to the base year 2011 the Scope 1 and Scope 2 CO_2 emissions relevant in the Science Based Target have been reduced by 31.1% per m^2 selling and delivery space.

Explanation: We aim to reduce our specific greenhouse gas emissions by 50% between 2011 and 2030. In concrete terms, this means that we want to cut our emissions per square metres of selling and delivery space from 376 to 188 kg of CO_2 equivalents per annum.

The significant decline in emissions compared with the reference year 2011 can essentially be attributed to 2 factors:

- Measures to reduce consumption relating to energy, company cars, paper and business travel, and to reduce emissions caused by refrigerant loss
- General technical and scientific developments as reflected by the adjustment of the emission factors used to calculate CO_2 equivalents. Above all in electricity generation, the emissions factor in many countries is declining due to the increased share of renewable energies.

In financial year 2018/19, METRO expanded the climate target to the supply chain and as the first German retailer set a recognised Science Based Target for itself. METRO AG undertakes to reduce its Scope-1- and Scope-2-CO_2 emissions by 60% per square metre sales and delivery area by 2030 compared to 2011. Our Scope 1 and Scope 2 targets are consistent with the reductions required to keep global warming well below 2°C by 2100 compared to pre-industrial levels. In addition, METRO AG is committed to reducing absolute Scope 3 CO_2 emissions (supply chain) by 15% by 2030 compared to 2018. In 2020, we conducted the CDP Supply Chain Program Climate with over 120 suppliers to identify scope 3 emissions in our supply chain. In the future, this data will complement our environmental performance indicators. For the 2019/2020 financial year, the CDP supply chain data has not yet been included in our reported key figures.

Trends in the emission sources included in the climate protection target

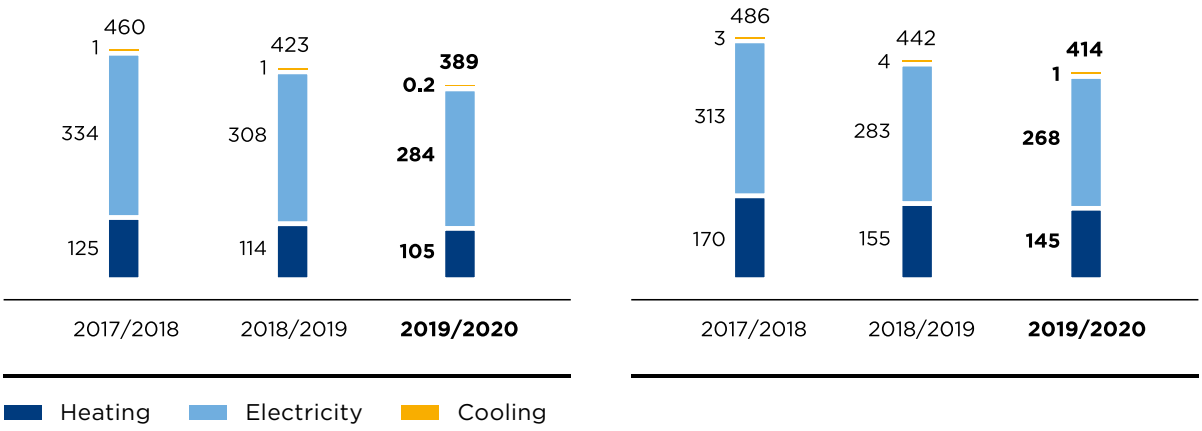
Greenhouse gas emissions in kg CO_2 (CO_2 equivalents) per m^2 selling and delivery space

kg CO_2 (CO_2 equivalents) per m^2 selling and delivery space	Reference year 2011	**2019/20**	Change in %
Paper consumption	14	**4**	–70
Company cars	12	**9**	–29
Business travel	6	**1**	–89
Electricity consumption	244	**157**	–36
Thermal energy consumption	33	**26**	–21
Refrigerant losses	66	**50**	–24
Total	**376**	**247**	**–34**

Definition: Trends in CO_2 emissions per square metre from all the emission sources included in the climate protection target compared to the reference year 2011.

Energy consumption KPIs

Electricity, heating and cooling energy consumption (in kWh per m^2 of selling and delivery space)



Definition: Locations' energy consumption in relation to the space used for sales and delivery operations. Energy consumption consists of electricity consumption and heating and cooling energy consumption (fuel oil, natural gas, liquefied natural gas (LNG), liquefied petroleum gas (LPG), emergency power generators and district heating/cooling).
Target: At our METRO Wholesale sales line, we defined a target to reduce energy consumption by 2030 by 35% with a base year 2011. We reduced electricity consumption in our stores by 7.9% in year-on-year comparison in the past financial year and thus clearly exceeded our target of 3.4%. Effects of Covid-19 could only be observed locally and with small deviations. We cannot quantify the exact impact of the pandemic on our energy consumption performance.

Total Energy consumption

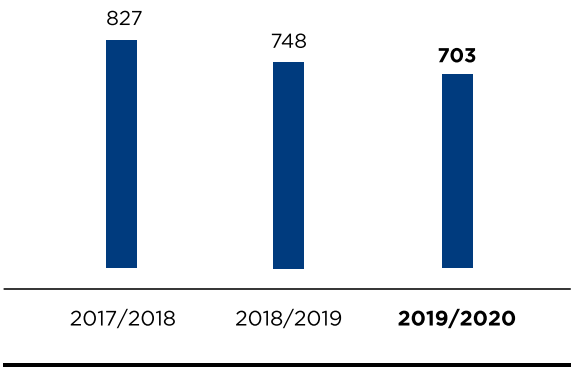
in MWh	2017/18	2018/19	**2019/20**
Fuel (heating oil, gas, petrol, diesel, LPG, LNG)	537,190	523,762	**499,428**
Electricity	1,640,227	1,610,400	**1,523,866**
District heating	75,537	70,648	**64,207**
District cooling	3,143	3,692	**1,299**
Total energy consumption	**2,256,097**	**2,208,502**	**2,088,800**

Definition: Energy consumption for operating the locations and for transportation broken down into the different types of energy used. Fuel includes fuel oil, combustion fuel, natural gas and liquefied natural gas.

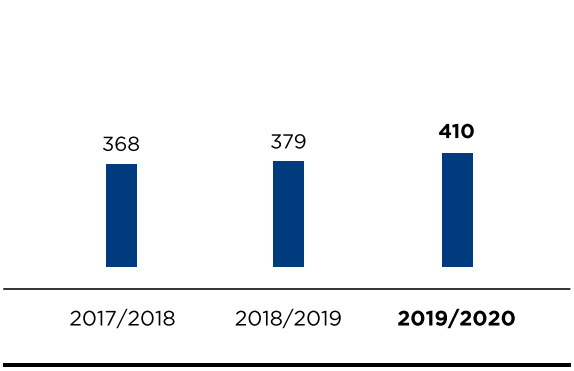
Water

Water withdrawal and wastewater generated (in l per m^2 of selling and delivery space)

METRO



Germany



Definition: Water withdrawal by the locations in relation to the space used for sales and delivery operations.
Explanation: In absolute terms, METRO drew 3.8 million m^3 of fresh water in the reporting period. At the warehouses, stores and back offices, water is primarily used for cleaning and sanitary facilities. In addition to this, water may be used for storing, transporting and selling food, for example for keeping live fish or making ice to chill fresh fish.

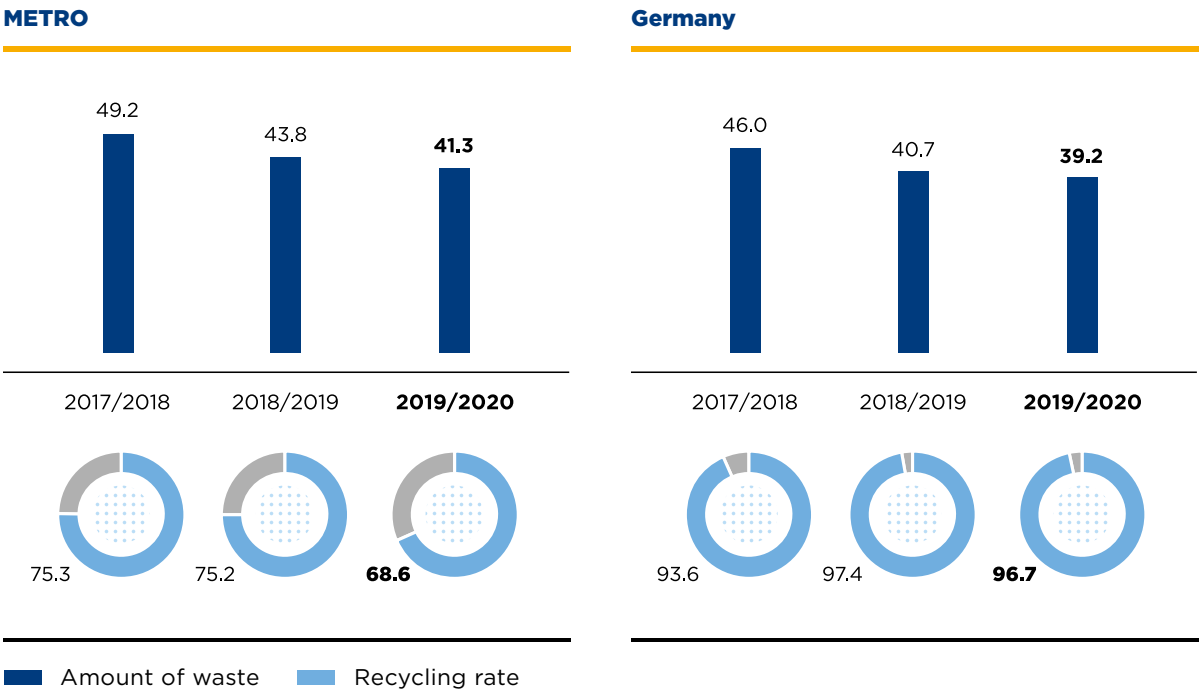
On group level, we measure and monitor the amount of water which the company draws from the public drinking water supply. The public drinking water supply is the only source from which we draw significant amounts of water.

We also measure and monitor the total amount of wastewater we generate at the group level. As our locations do not consume a significant amount of water, our calculations are based on the assumption that the volume of wastewater is the same as the amount of fresh water. All wastewater is fed into public sewers. We do not monitor the quality of the wastewater ourselves as this is not relevant given the usage described above.

Target: At METRO Wholesale the goal was set to save 5% of water by 2025 compared to the base year 2016/17. In 2020, we were able to reduce the consumption in our stores of METRO Wholesale by 6% calculated per square metre of net operating area compared to the previous year.

Waste

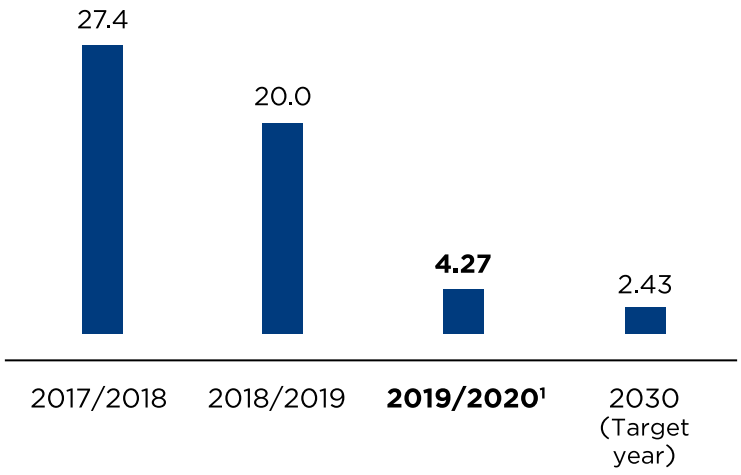
Amount of waste and recycling rate (in kg per m^2 of selling and delivery space and in %)



Human Rights

Lost-time injury frequency rate (LTIFR) per million hours worked

Germany



1 Figure not comparable with the figure in the 2018/19 report due to the change in the reporting system

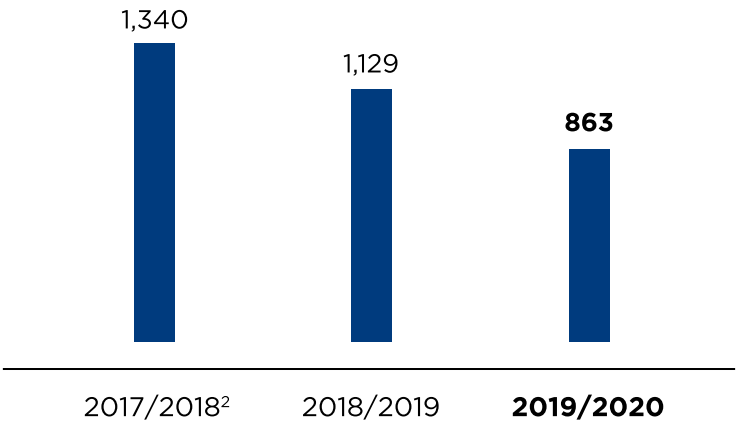
Definition: The LTIFR captures the number of incidents with at least 1 missed day of work (not including the day of the incident) per 1 million hours worked. Fatalities and cases of permanent sick leave or disability are likewise included, whereas accidents while commuting are not.

Explanation: For METRO, we have initiated a group-wide Operational Safety Management System (OSMS) which has been approved by the Management Board in September 2020. It structures the safety environment in accordance with the requirements of ISO 45001 'Management systems for occupational health and safety'. The OSMS manages and controls the interlinked processes of the various business activities at METRO thus METRO is able to fulfil its safety-related obligations as an operator. As of business year 2020/21 the system will apply METRO group wide. Already in February 2020, the OHS reporting manual was launched as a pilot project to be cascaded to all entities as a part of the Operational Safety Management System implementation. Currently, the vast majority of METRO countries regularly report in the new format with the improved methodology of compiling and calculating work-related injuries.

Producers in risk countries

Risky Non-Food Producers

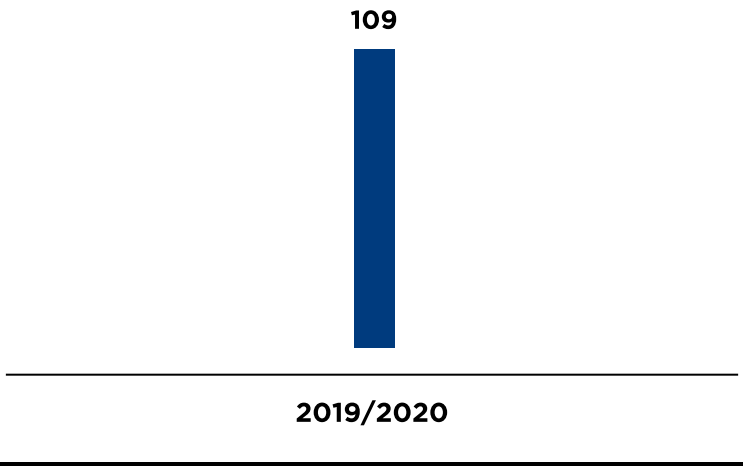
Non-Food Producers[1] in risk countries (number)



1 This includes producers of commercial goods (non-food own brands and own imports) who carry out the last decisive and value-giving production step.
2 Figures presented here include Real and METRO China.

Risky Food/Near-Food Producers

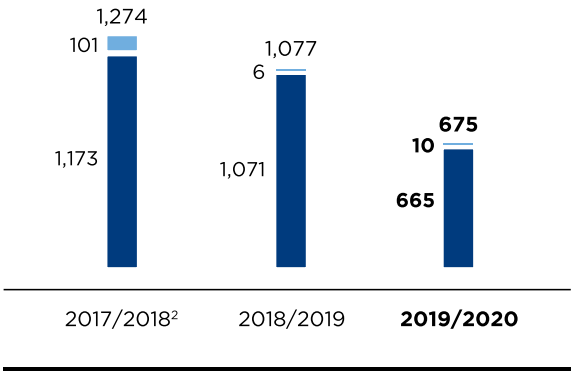
Food/Near-Food Producers in risk countries (number)



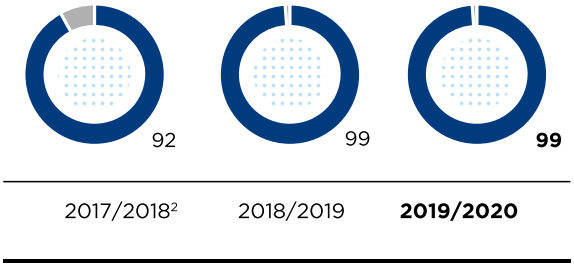
Social audits

Social audits relating to own imports by METRO SOURCING and non-food own-brand products of the METRO sales lines

Non-Food Producers[1] with valid audit (number)



Thereof with passed audit (in %)



thereof with passed audit thereof with failed audit

1 This includes producers of commercial goods (non-food own brands and own imports) who carry out the last decisive and value-giving production step.
2 Figures presented here include Real and METRO China.

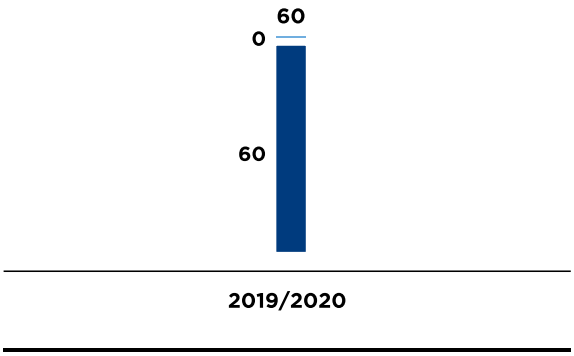
Definition: Status of all producers in countries defined as risk countries according to the assessment by the amfori Business Social Compliance Initiative (amfori BSCI) in which METRO SOURCING INTERNATIONAL has import goods manufactured, and of non-food producers who manufacture own brands or own imports for our sales lines. Producers that have passed the audit can demonstrate their successful compliance with the amfori BSCI standard or an equivalent social standard system by presenting a certificate awarded by an independent third party.

Explanation: 675 producers were audited as of 30 September 2020. Of these, 99% (665 producers) passed the audit. Effective 1 January 2019, non-food producers who fail the audit cannot be used until they achieve an acceptable audit result. In other words, they have to receive an A, B or C for the amfori BSCI assessment or an audit that is acknowledged as equivalent. In August 2020, one METRO company was granted an exemption for the (post-)corona period to continue to use individual producers with D-audit results if their D-audit result is attributable to a corona-based failure. These producers will be granted a 6-month grace period until they can demonstrate a follow-up audit result A-C.

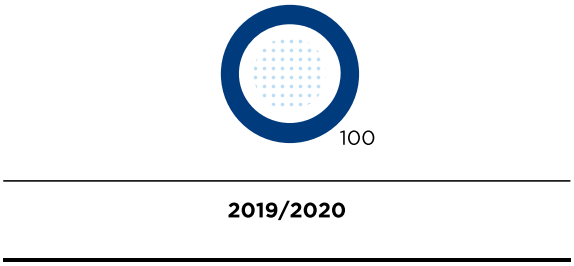
The key performance indicator relates to all the producers of which we are made aware by our suppliers.

Social audits relating to own imports by METRO SOURCING and food/near-food own-brand products of the METRO sales lines

Food/Near-Food Producers with valid audit (number)



Thereof with passed audit (in %)



thereof with passed audit thereof with failed audit

Definition: Status of all producers in countries defined as risk countries according to the assessment by the amfori Business Social Compliance Initiative (amfori BSCI) in which METRO FOOD SOURCING has import goods produced, and of Food/Near-Food producers who produce own brands or own imports for our sales lines. Producers that have passed the audit can demonstrate their successful compliance with the amfori BSCI standard or an equivalent social standard system by presenting a certificate awarded by an independent third party.

Explanation: The roll-out of the process for Food/Near-Food producers started end of 2019. 60 producers were audited as of 30 September 2020. Of these, 100% (60 producers) passed the audit. In order to allow for a gradual on-boarding of our producers into a social compliance system such as amfori BSCI or an audit scheme that is acknowledged as equivalent, all audit results are accepted and monitored closely.

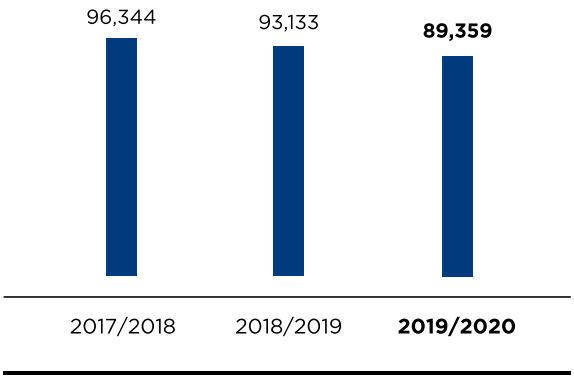
The key performance indicator relates to all the producers of which we are made aware by our suppliers.

KEY PERFORMANCE INDICATORS AND TARGETS

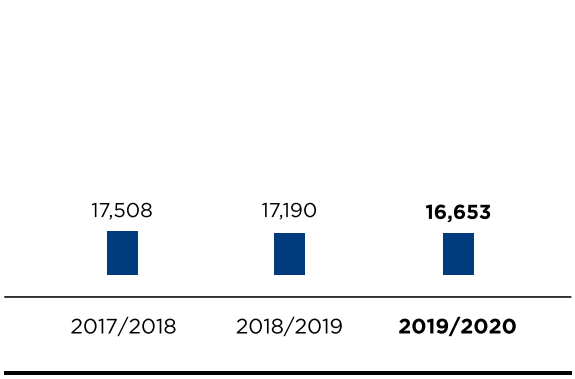
Diversity and Inclusion

Employees

METRO



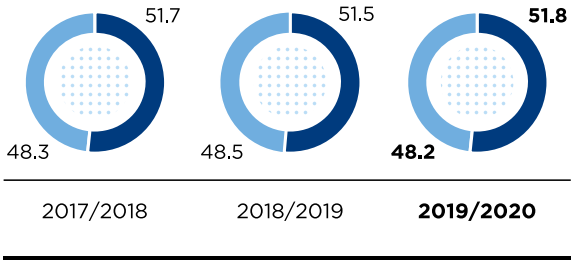
Germany



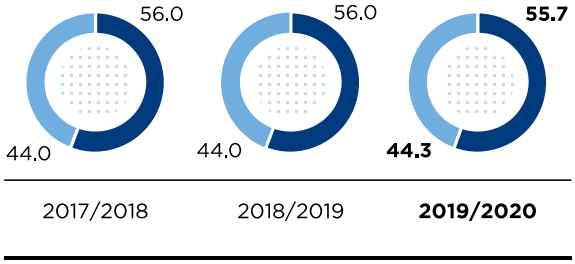
Definition: Full-time equivalent employees, average for the year, excluding trainees.

Employees by gender (in %)

METRO



Germany

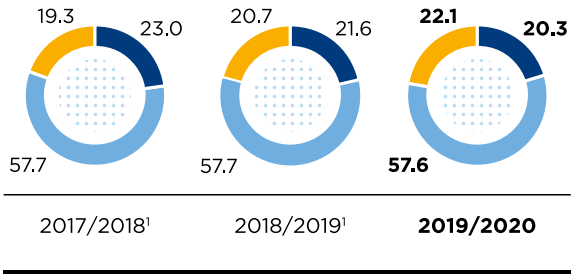


Proportion of men in % Proportion of women in %

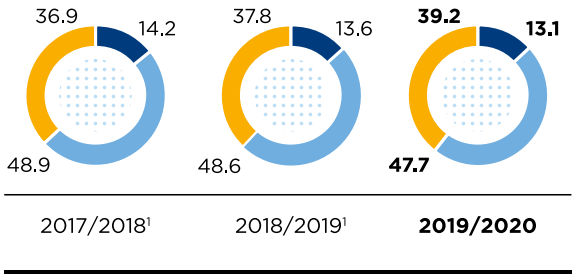
Definition: The percentage of male and female employees is calculated per capita as of 30 September.

Employees by age group (in %)

METRO



Germany



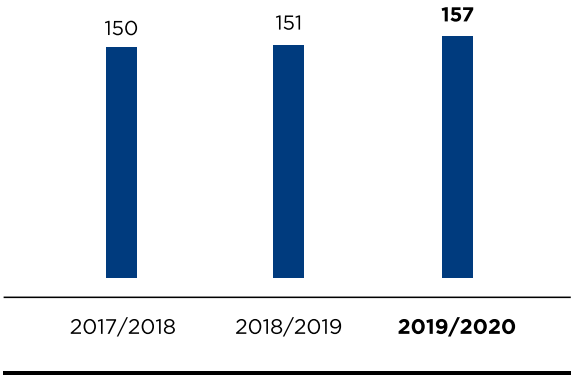
< 30 years old 30–50 years old > 50 years old

1 In the financial years 2017/18 and 2018/19 the figures were erroneously reported including trainees.

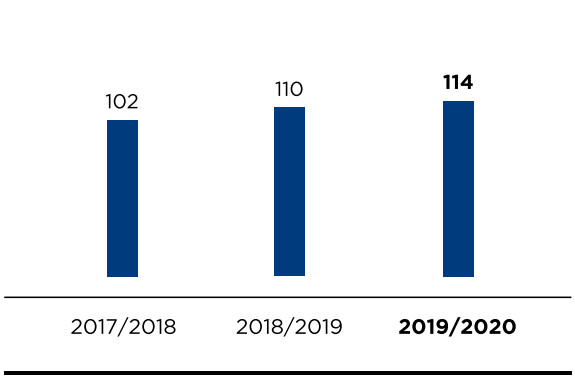
Definition: Breakdown of employees by age group, excluding trainees, as of 30 September.

Number of nationalities

METRO



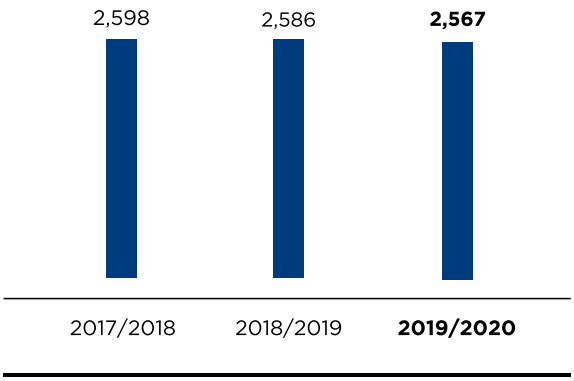
Germany



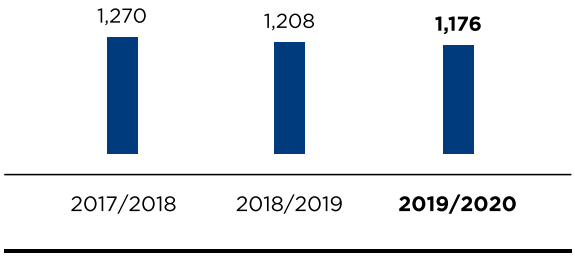
Definition: Number of different nationalities among our employees, excluding trainees, as of 30 September.

Employees with a recognised severe disability or equivalent status

METRO



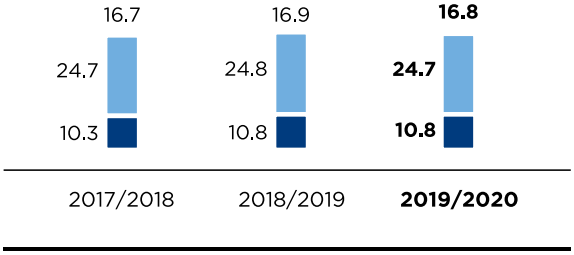
Germany



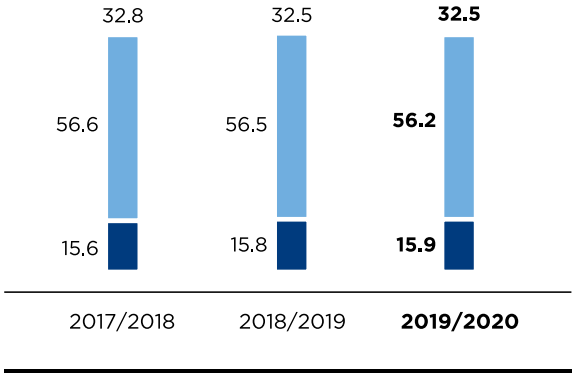
Definition: All employees considered severely disabled as defined by the respective country, or those with equivalent status.

Part-time rate by gender (in %)

METRO



Germany



Part-time rate men (% of total men)

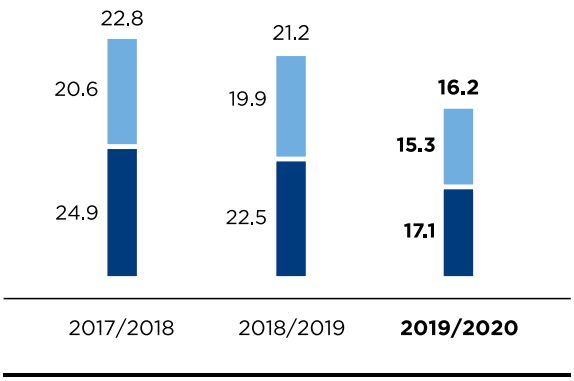
Part-time rate women (% of total women)

Part-time rate (in % of total employees)

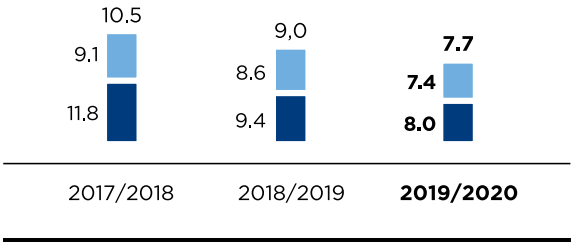
Definition: Share of part-time employees, average for the year, excluding trainees.

Employee turnover by gender (in %)

METRO



Germany

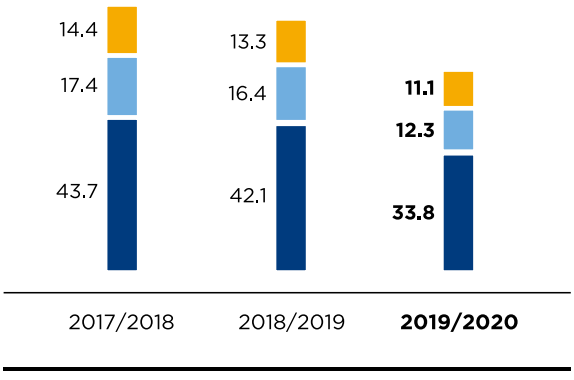


Staff turnover of men (% of total men)
Staff turnover of women (% of total women)
Staff turnover total (% of total employees)

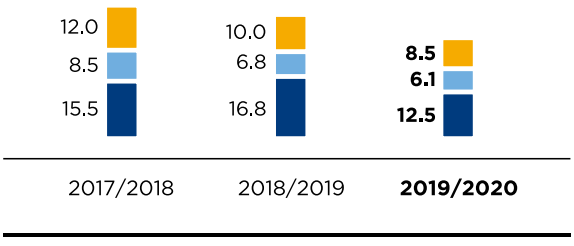
Definition: Employee turnover is defined as all employees leaving, that is those who retire, die or hand in their notice. The employee turnover rate is the number of workers leaving in relation to the average number of employees. All employees on permanent contracts are included.
Explanation: The employee turnover rate is high at METRO. This is primarily attributable to the fact that the employee turnover is generally high in several Asian and Eastern European countries where METRO operates.

Employee turnover by age (in %)

METRO



Germany

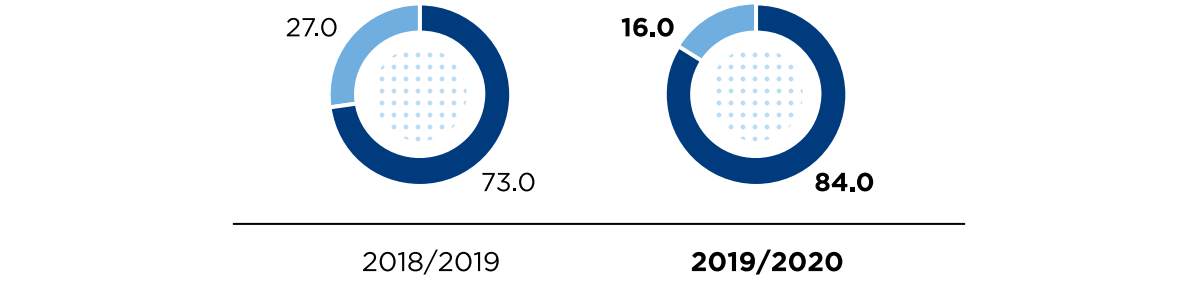


< 30 years old
30–50 years old
> 50 years old

Definition: Employees leaving due to retirement, death or resignation/dismissal, broken down by age. The employee turnover rate is the number of workers leaving in relation to the average number of employees.

Employee representation

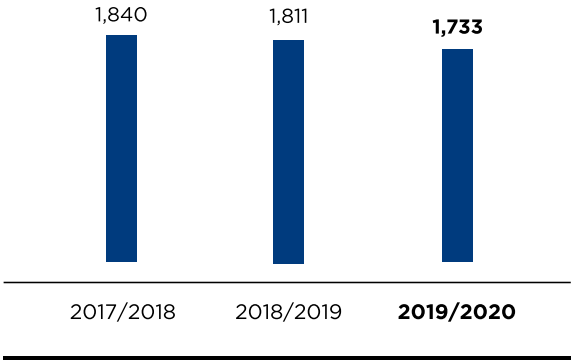
METRO



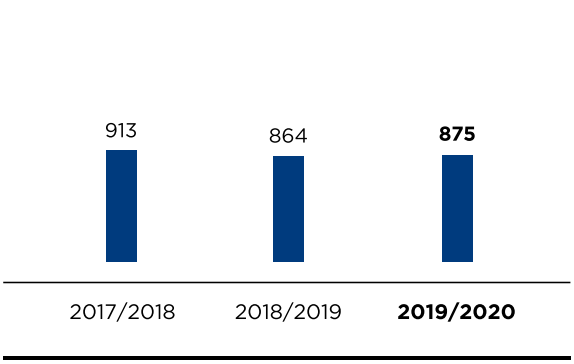
Definition: Proportion of employees who are represented by works councils, employee representatives and an independent trade union or whose interests are covered by collective agreements.

Trainees, interns and students

METRO



Germany

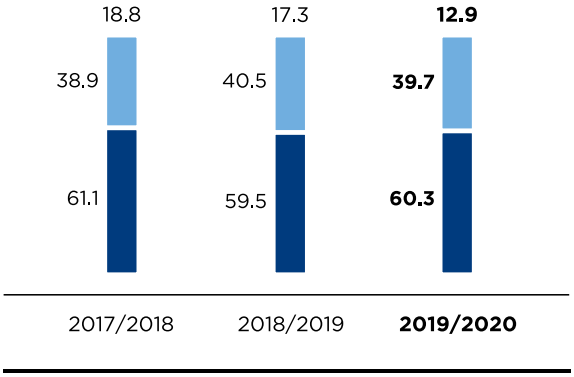


Definition: All trainees including interns and students.

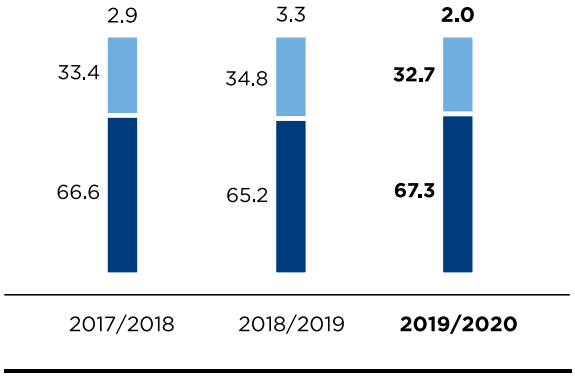
New employees

New employees by gender (in %)

METRO



Germany



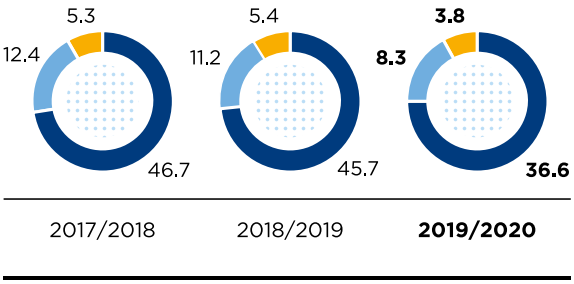
Proportion of men
Proportion of women

Proportion of new employees in relation to the average number of employees

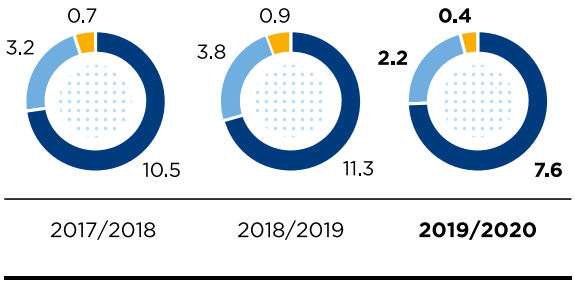
Definition: The figure for new employees includes all newly recruited employees and returning workers. The KPI shows the number of workers joining the company in relation to the average number of employees. This does not include trainees, interns, BA students and employees on temporary contracts.

New employees by age (in %)

METRO



Germany

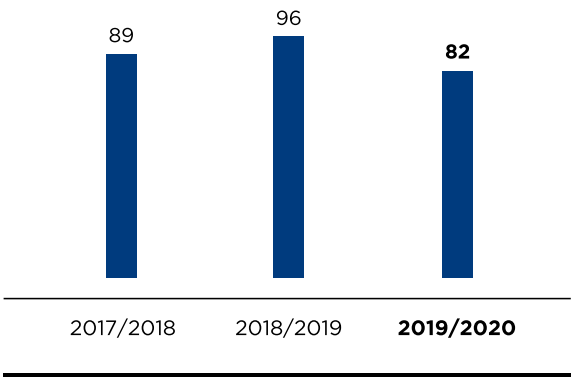


< 30 years old
30–50 years old
> 50 years old

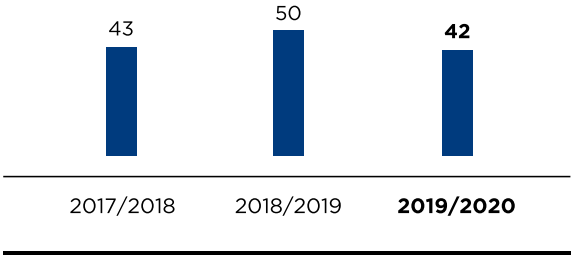
Definition: Breakdown of new employees by age group, average for the year. This does not include trainees, interns, BA students and employees on temporary contracts.

New employees number of nationalities

METRO



Germany

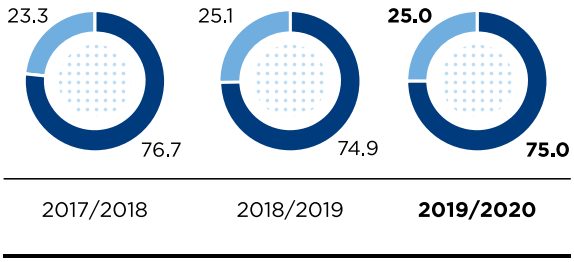


Definition: Number of different nationalities among our employees, excluding trainees, as of 30 September.

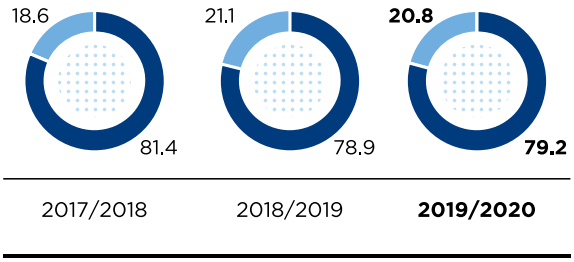
Management

Gender breakdown in managerial positions (in %)

METRO



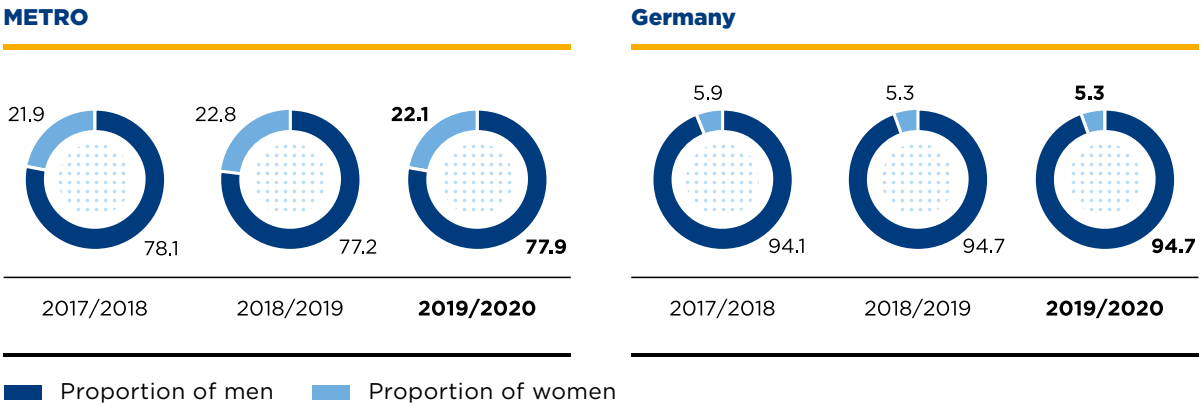
Germany



Proportion of men Proportion of women

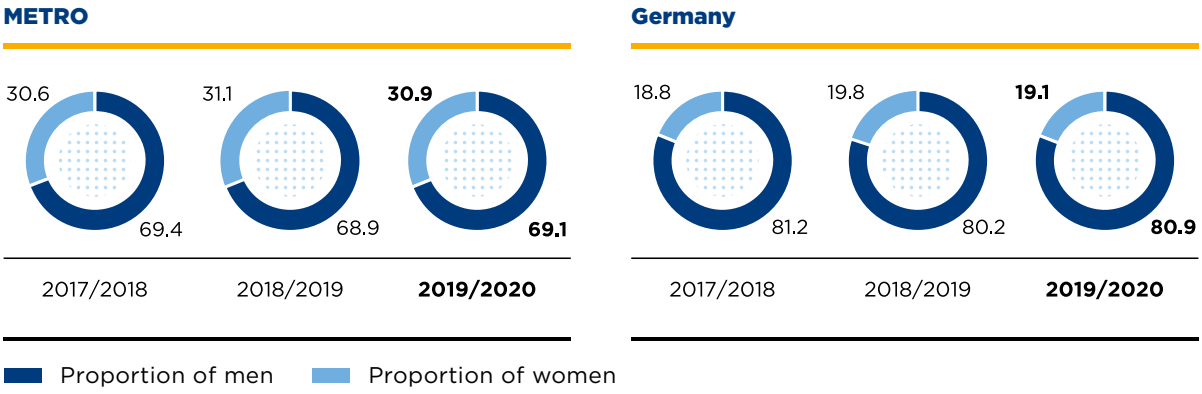
Definition: Managerial positions are those in levels 1–3 (Management Board, General Management, divisional management, departmental management and store management). The percentage of male and female employees in these positions is calculated per capita as of 30 September.
Targets: By June 2022: at least one female in Management Board, 20% women in positions one below Board and 35% women in positions two below Board.

Gender breakdown in managerial positions top management (in %)



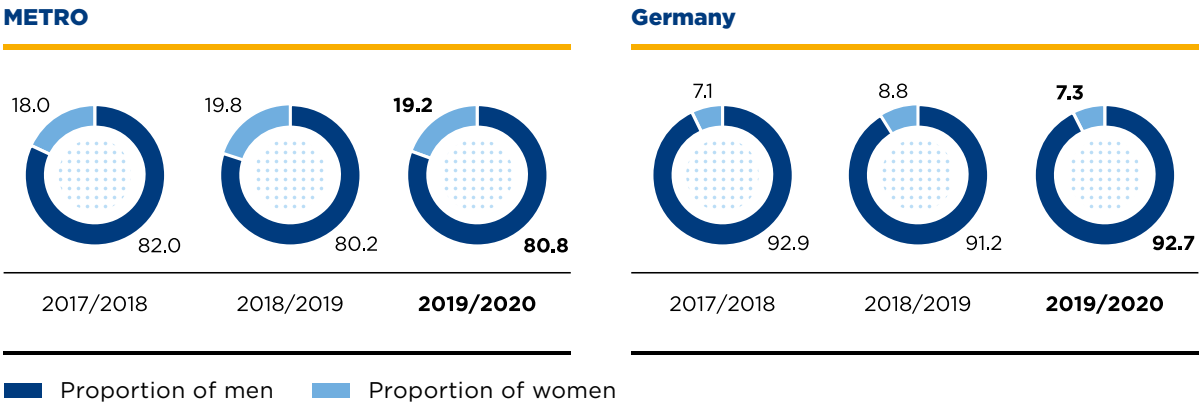
Definition: Managerial positions are those in levels 1–3 (Management Board, General Management, divisional management, departmental management and store management). The percentage of male and female employees in these positions is calculated (per capita as of 30 September).
This graph refers to women and men in top management positions i.e. maximum two levels away from the CEO or comparable positions (as a % of total top management positions).

Gender breakdown in managerial positions junior management (in %)



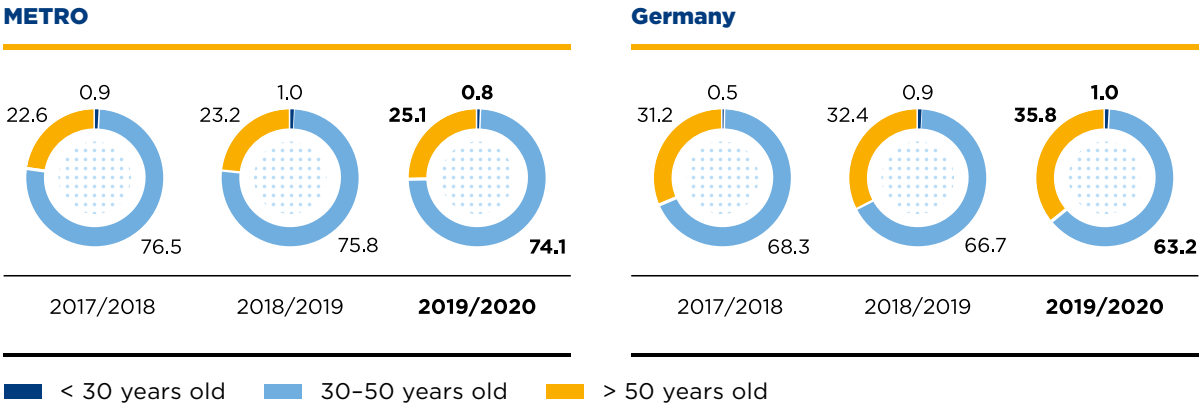
Definition: Managerial positions are those in levels 1–3 (Management Board, General Management, divisional management, departmental management and store management). The percentage of male and female employees in these positions is calculated (per capita as of 30 September).
This graph refers to women and men in junior management positions, i.e. first level of management (as % of total junior management positions).

Gender breakdown in managerial positions of revenue generating units (in %)



Definition: Managerial positions are those in levels 1–3 (Management Board, General Management, divisional management, departmental management and store management). The percentage of male and female employees in these positions is calculated (per capita as of 30 September).
This graph refers to women and men in management positions in our stores and our delivery depots or similar as a % of all managers in those units.

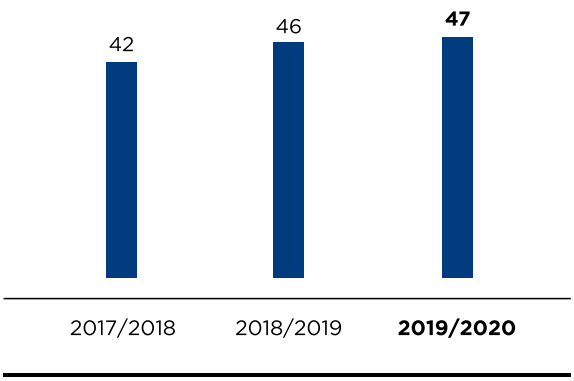
Managers by age (in %)



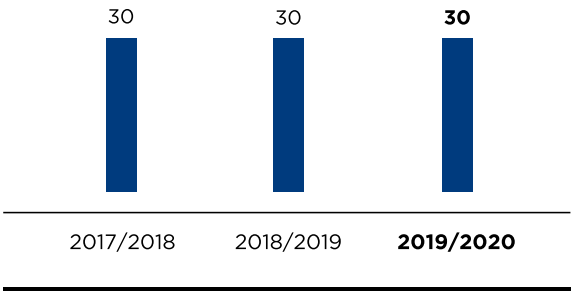
Definition: Breakdown of managers by age group as of 30 September.

Number of nationalities among managers

METRO



Germany

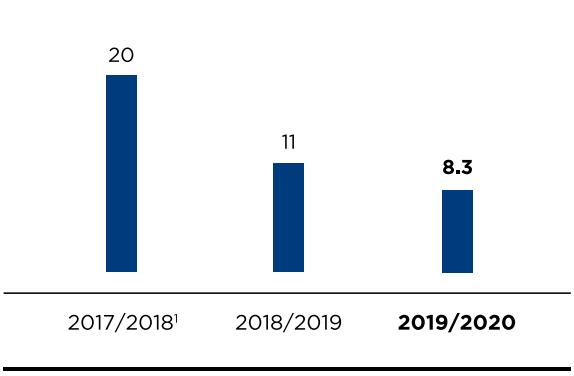


Definition: Number of different nationalities among our managers as of 30 September.

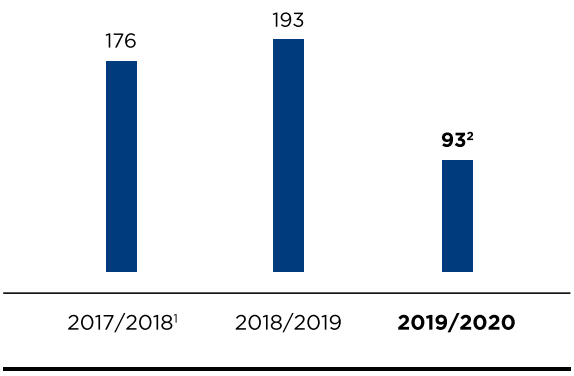
Training and Engagement

Continuing professional development

Average number of hours of CPD per employee per year



Average CPD expenditure per employee per year in €



1 Figures presented here include Real and METRO China.

2 As for training expenditure, only 16 countries have provided us figures due to Covid-19. For this reason, the figure of 93.0 EUR is calculated on a corresponding FTE, basis of the calculation are the countries that have provided such data. Greater incidence of e-Learnings during the Covid-19 drives the cost significantly down. On average, countries only used 65% of their training budget.

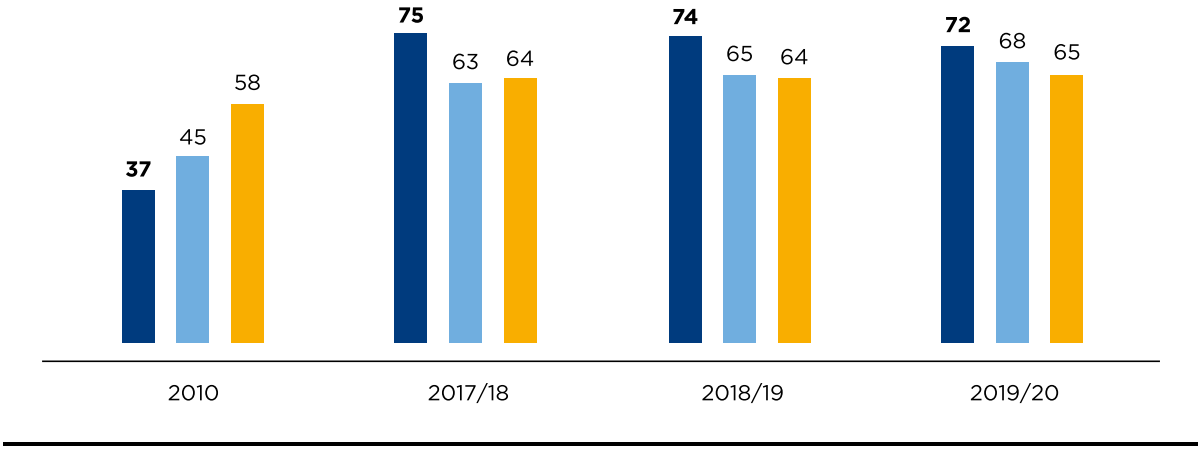
Definition: Training (hygiene, occupational safety, etc.) and courses focusing on ongoing operations plus medium- and long-term CPD opportunities that are offered with a view to enhancing the course of business.
Explanation: The figures for training relate to full-time employees on an annual average. The reporting covers 95% of all METRO employees.

The main reasons for the decrease of hours are China, which is not included for 2018/2019 anymore (would have contributed ~900,000 hours), and Russia with a decrease of ~70% in trainings delivered. These are countries where eLearnings are both inexpensive and very popular, and the overall average cost per trained employee increases.

KEY PERFORMANCE INDICATORS AND TARGETS

Employee engagement

METRO



Since the start of 2019 the engagement survey has been carried out quarterly. The 2018/19 figure is from August 2019.
The global retail benchmark was 65% this year and the global benchmark for all industries was 64%.

Community Involvement

Community Investment – METRO

in € thousand	2017/18	2018/19	**2019/20**
Charitable donations	1,107	2,002	**2,400**
Community investments	1,615	2,361	**3,735**
Commercial initiatives	2,013	1,740	**744**
Total	**4,735**	**6,103**	**6,879**

Charitable Donations
Definition: Donations for social purposes e.g. NGO, church, or other purposes as well as small donations.

Community Investments
Definition: Donations for culture, sports and science. Donations in the form of a long-term investment in the community e.g. school meals, support for the disadvantaged, food bank projects. Sponsorships that serve or promote the community in the long term e.g. METRO Marathon, Bundesverband der Tafeln e.V., World Food Programme, cultural festivals.

Commercial Initiatives
Definition: Sponsorships that are commercial and therefore do not fall under community investments.

Community Investment – Germany

in € thousand	2017/18	2018/19	**2019/20**
Charitable donations	56	142	**38**
Community investments	1,058	1,184	**1,093**
Commercial initiatives	962	628	**221**
Total	**2,076**	**1,954**	**1,352**

Charitable Donations
Definition: Donations for social purposes e.g. NGO, church, or other purposes as well as small donations.

Community Investments
Definition: Donations for culture, sports and science. Donations in the form of a long-term investment in the community e.g. school meals, support for the disadvantaged, food bank projects. Sponsorships that serve or promote the community in the long term e.g. METRO Marathon, Bundesverband der Tafeln e.V., World Food Programme, cultural festivals.

Commercial Initiatives
Definition: Sponsorships that are commercial and therefore do not fall under community investments.

COMMITMENTS, POSITIONS AND TARGETS

In the following you find METRO's sustainability related commitments, positions and targets. They offer guidance on how we formally assess and address certain sustainability issues, assuming environmental and social responsibility within business.

Food Waste

Commitment/Policy/ Position	**Target**
CGF Commitment	METRO wants to reduce food waste in our own operations by 50% per cent by 2025. We have committed to achieving this in a resolution of the Consumer Goods Forum. We are currently working on an update of the target.
WRI 10x20x30 Commitment: Champion 12.3 – 10x20x30 initiative	METRO involves 20 suppliers in the food waste reduction approach partnering with World Resource Institute by 2030.

Conscious Proteins

Commitment/Policy/ Position	**Target**
Position on Conscious proteins	METRO's approach to Conscious Proteins has three streams: Sustainable sourcing: Conscious proteins must be sourced responsibly which includes following established practices determined by our existing policies and commitments on sustainable sourcing Marketing and creating customer awareness: we will promote conscious proteins in a responsible way Eating (our customers' plate and menu): we will help our customers understand what they can do to create plates with conscious proteins in the context of their locality and culture.

Organic and Responsible Products

Commitment/Policy/ Position

METRO Health and Nutrition Policy with regards to own brand products

Target

Less of sugar and salt:

- METRO-wide reduction of min. 5% sugar/salt content in at least 60 common sourced products and 1000 locally products by December 2021

Free from:

- Trans fat: Not above 2g of trans fat per 100g of fat, other than transfat naturally occurring by April 2021
- Flavour enhancer: Avoid monosodium glutamate (MSG, E621) on selected OB products by December 2021
- Azo food colours: Replace Tartrazine E102, Quinoline yellow E104, Sunset yellow E110, Carmoisine E122, Ponceau 4R E124 and Allura red E129 in OB common sourced products and preferably in all OB products and especially OB mainstream products by December 2021
- Preservatives: Find opportunities to lower the content or avoid Potassium Nitrite E249, Sodium Nitrite E250, Sodium Nitrate E251 and Potassium nitrate E252 in OB mainstream products by December 2021
- Other additives (Preservatives, Nanoparticles, Caramel, Modified starch, others): Reducing number of additives following the Benchmark testing results and making efforts toward the “Clean Label” products whenever and as much as possible by December 2021

See all KPIs of Organic and Responsible Products ▸ page 31

Raw Material Sourcing

Commitment/Policy/ Position	Target
Approach for sourcing of agricultural raw materials with regards to own brand products	./.
Policy for Sustainable Sourcing with regards to own brand products	./.
Soy Procurement Policy with regards to own brand products	Soy as an ingredient (Tier 1 soy) in product with over 95% soy ingredient. e.g.: edamame beans, miso soup, miso paste, soybean oil, soy nuts, soy sauce, tofu, and Soy in animal feed (Tier 2 soy) must be certified by end 2025 with certification scheme by: 1. Round Table for Responsible Soy (RTRS Credits or RTRS Certified) or 2. ProTerra certification scheme or 3. Any of the FEFAC approved certification schemes
Palm oil Procurement Policy with regards to own brand products	Target: 100% sustainable palm oil on RSPO level Segregated or Identity Preserved until 2023 in METRO's own brand products

Paper and Wood Procurement Policy with regards to own brand products	Environmental:
	– 100% of own-brand products made from wood or wood fibre in accordance with the scope originate from legal and responsibly managed forests by 2020
	– For those countries, where the market is still challenging to meet the above mentioned target year a prolongation to 2023 applies
	
	For assessing compliance the following shall apply:
	– Products made from recycled wood or fibre are considered to be sustainable for the purpose of this policy; on top they can be certified according to ISO 14024:2018 type I label
	– Products made from virgin fibre must be certified in accordance to one of the third-party forest certification schemes
	  – FSC (Forest Stewardship Council) or
	  – PEFC (Programme for the Endorsement of Forest Certification Schemes)

	Social: By 2020 METRO aims within our Own Brand (Private Label) supply chain for 100% of paper and wood products: – All processing factories have to be audited or certified against one of the accepted social audits or certification following the requirements of the METRO Policy for Social Compliance.
Meat Procurement Policy with regards to own brand products	The meat policy does not contain any new targets but builds upon relevant targets from policies related to sustainable sourcing.
Animal Welfare Policy with regards to own brand products	METRO aims to improve its assortment towards higher animal health and welfare standards by achieving the following targets: 100% Transparency of livestock origin (country of farm & slaughtering) 100% Exclusion of preventive usage of antibiotics and growth promotors 100% Exclusion of cloned animals or genetically modified animals 100% Exclusion of routine mutilation practice such as, castration, tail docking, teeth clipping, tooth clipping beak trimming, fin clipping 100% Exclusion of cage eggs from supply chain in accordance to Cage Free Egg Procurement Policy 100% humanely stunning of animals prior to slaughtering Avoidance of long distance traveling wherever possible and ensure animal live transportation to a minimum
Fish and Seafood Procurement Policy with regards to own brand products	METRO has set itself three fish and seafood targets: Environmental: 90% of our top twelve species will by 2025 either: 1. Be certified according to one of the accepted certification standards or 2. Be engaged in a credible comprehensive Fishery Improvement Project (FIP) or in an Aquaculture Improvement Project (AIP) that is in progress towards certification and with the clear target to achieve certification within a reasonable timeframe or 3. Be engaged with a third-party audit or a local certification scheme with reliable criteria.

	Social: By 2025 METRO aims for 100 % of species to be audited or certified against one of the accepted social audits/ certifications following the requirements of the METRO Policy for Social Compliance. Currently this is valid only for land-based processing factories as well as land-based and at-sea aquaculture. Regarding at-sea operations METRO will accept any certification standard that has been recognized by a fish- and seafood-specific social benchmark tool, which will be developed. Traceability: By 2030 all products have to be digitally traceable and have to meet key data elements of the Global Dialogue on Seafood Traceability (GDST) standard. Additionally, the scientific and common names of species as well as the FAO catching area (wild catch) or name of the body of water (inland fishing) or the country of aquaculture have to be visible on products.
Commitment on cage free eggs sourcing with regards to own brand products	METRO is committed to sourcing 100% cage free shell eggs and to implement a 100% cage free liquid egg product assortment: – by the end of 2022 in West and South Europe DE|AT|IT|PT|ES|BE|NL|FR – by the end of 2025 in East Europe (HU|HR|RS|PL|CZ/ SK|RO|TR|BG) plus UA and RU – by the end of 2027 in remaining markets, such as IN|CN|PK|JP, in which the sourcing of cage-free eggs is currently challenging, so we are working together with the industry to solve the issue.
Position on Genetically Modified Organisms (GMOs)	./.
Position on Biodiversity	./.
Principles of good practice supply chain food (European Supply Chain Initiative)	./.

Human Rights

Commitment/Policy/ Position	Target
Policy for Social Compliance with regards to own brand products	Target: Socially compliant supply chains for all risky own brand producers by 2030. This includes non-food, near-food and food producers of all tiers that bear a risk in their production facilities with regards to potential Human Rights violations. The social compliance can be proven by a valid audit against one of METROs accepted social audit schemes.

See all KPIs of Human Rights ▸ page 37

Packaging and Plastic

Commitment/Policy/ Position	Target
METRO Packaging Policy with regards to own brand products	Target: 100% Polyvinyl Chloride (PVC)/Polyvinylidene chloride (PVdC) phase out in own brand products packaging on all packaging levels (primary, secondary and tertiary) by 2023, baseline 2014 Target: 100% Expanded polystyrene (EPS) phase out in own brand products packaging on all packaging levels (primary, secondary and tertiary) by 2023, baseline 2018 Target: 100% Forest Stewardship Council® (FSC®)/Programme for the Endorsement of Forest Certification Schemes (PEFC) certification for all paper, paperboard, cardboard and wood own brand products packaging on primary and secondary packaging level by 2023, baseline 2018 Target: 300 t plastic reduction in own brand products conventional plastic packaging by 2023, compared to baseline 1 October 2018
Single Use Plastic Policy with regards to own brand products	By 2025, we will empower our customers' businesses to move into a future without conventional single use plastic and increase resource efficiency by: – Providing reusable, recyclable and compostable alternatives – Supporting our customers in this phase out and – Advocating for the movement towards a circular economy regarding plastic
Ellen MacArthur New Plastics Economy Global Commitment	Disclosure of data in the Ellen MacArthur Global Commitment progress report

Climate Action

Commitment/Policy/ Position	Target
Environmental guideline	./.
Science based Climate protection target	Reduction of scope 1 and scope 2 CO_2 emissions by 60% per square metre selling and delivery space by 2030 compared to 2011. And reduction of absolute scope 3 CO_2 emissions (supply chain) by 15% by 2030 compared to 2018.
EV100 initiative commitment	Expansion of charging infrastructure, including the parking lots of local METRO stores to 1,000 charging points till 2030. Promotion of electric mobility in METRO's own fleet of vehicles to reach nearly 100% availability of electrical or high-quality hybrid vehicles by 2030.

See all KPIs of Climate Action ▸ page 32

Diversity and Inclusion

Commitment/Policy/ Position	Target
Commitment for equal opportunities at work for men and women	25% of employees on the 1st management level below the Management Board and 40% of employees on the 2nd management level below the Management Board of METRO AG to be women by September 2025. By September 2025, 30% of managerial positions on levels 1–3 (including store managers) of METRO Wholesale locations worldwide to be filled by women.

See all KPIs of Diversity and Inclusion. ▸page 41