

UNITED NATIONS GLOBAL COMPACT

By joining the United Nations Global Compact – the world's largest initiative for corporate responsibility – METRO GROUP is emphasising the fact that sustainability is an integral part of its corporate strategy, and making its long-standing commitment to responsible and ethically correct business activities even more transparent.

With this Communication on Progress (COP) , METRO GROUP is complying with its obligation to disclose which guidelines and measures are improving its performance in the fields of human rights, labour standards, environmental protection and the fight against corruption. The COP also shows how METRO GROUP ensures that the 10 core principles of the Global Compact are respected – not only today, but also in future strategic decisions as well as in day-to-day work.

DÜSSELDORF, MARCH 2013



OLAF KOCH
CHAIRMAN OF THE
MANAGEMENT BOARD OF METRO AG



United Nations Global Compact Communication on Progress 2012

The following table contains sample commitments and management systems that aid compliance with the 10 principles, measures we have taken and results achieved in the 2012 reporting period.

United Nations Global Compact Communication on Progress 2012

Principle	Responsibilities and management systems	Measures in 2012	Performances 2012
Human rights and labour standards			
PRINCIPLE 1: Support of human rights PRINCIPLE 2: Prevention of human rights violations PRINCIPLE 3: Protection of the freedom of association and the right to collective bargaining PRINCIPLE 4: Elimination of all forms of forced and compulsory labour PRINCIPLE 5: Abolition of child labour PRINCIPLE 6: Elimination of discrimination	— METRO GROUP Corporate Principles — METRO GROUP Business Principles — Guideline on Antidiscrimination — METRO GROUP principles on fair working conditions and on social partnership — International standards along the supply chain (BSCI) — ILO (International Labour Organization) Declaration on Fundamental Principles and Rights at Work embedded in different corporate guidelines — Social standards clause in supplier contracts — OECD Guidelines for Multinational Enterprises embedded in different corporate guidelines	— Support of nonfood suppliers for own imports* through MGB Hong Kong in the implementation of the BSCI standard (Business Social Compliance Initiative) or an equivalent social standard system, provided that the imported goods were manufactured in countries categorised as risk areas by the BSCI (*Suppliers who provided METRO GROUP with clothing, shoes, toys and hard goods for the EU market in the corresponding year) — After signing the "Charta der Vielfalt" (Diversity charter) in 2007, membership of the organisation of the same name in 2012 — DAX 30 voluntary commitment to increasing the proportion of women in management positions (METRO management levels 1–3) — Initiation of the "Frauen" (Women) employee network with a corresponding commitment of the Management Board — Involvement in the area of inclusion, cf. chapter "Employees and social affairs"	— 62 percent of BSCI-relevant suppliers passed the BSCI social audit → See key performance indicators section "Supply chain and products" p. 46 — Implementation of internal processes in the monitoring and documentation of social standard systems along the entire supply chain through the introduction of systematic IT support (Quality Link) improved — Proportion of women in management positions increased to 19.7 percent → See key performance indicators section "Employees and social affairs" p. 51–56 — In two-thirds of countries collective labour agreements on the sector or company level, depending on the sales line, are already applicable or currently being prepared. These collective labour agreements are the result of social dialogue between local management representatives and 1 or more of the local employee representative bodies, for example the labour unions. — Commitment to fair working conditions and social partnership deepened, self-evaluation of METRO GROUP performed in all countries, Group-wide information via brochure on the key facts on fair working conditions — Continued social dialogue with international union organisation UNI Global Commerce at worldwide level — Participation in the UNI Global METRO Alliance Meeting in Berlin, where issues discussed included the commitment to fair working conditions and social partnership → See chapter "Employees and social affairs", 34–37

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Principle	Responsibilities and management systems	Measures 2012	Performances 2012
Environmental protection			
PRINCIPLE 7: Precautionary environmental protection PRINCIPLE 8: Greater environmental responsibility PRINCIPLE 9: Diffusion of environmentally friendly technologies	— METRO GROUP Corporate Principles	— Revision and raising of climate protection target	— Greenhouse gas emissions reduced by 2.5 percent per square metre of selling space as compared to the previous year
	— METRO GROUP Environmental Guidelines	— Expansion of smart metering systems for collection and monitoring of energy consumption	— Smart metering systems implemented in more than 95 percent of all sales locations worldwide
	— Energy and environmental management systems	— Implementation of energy-saving measures (including the “energy-saving programme”)	— Energy consumption per square metre of selling space lowered by 3.4 percent as compared to 2011
	— Purchasing guidelines, for example fish purchasing policy	— Implementation of the fish purchasing policy, preparation of further purchasing guidelines	— Paper consumption reduced by 7 percent in absolute terms as compared to the previous year
	— International standards along the supply chain (GLOBALG.A.P., IFS)	— Committee functions (sustainable consumption, ocean protection, etc.)	— METRO GROUP qualified for the CDP Carbon Disclosure Leadership Index for the German-speaking countries
	— The Consumer Goods Forum Board Resolution on Deforestation	— Active support of ASC (Aquaculture Stewardship Council)	— Energy management of METRO PROPERTIES Energy Management GmbH recertified according to ISO 50001 and the environmental management systems at METRO Cash & Carry Denmark recertified according to ISO 14001
	— The Consumer Goods Forum Board Resolution on Sustainable Refrigeration	— Voluntary taking back of waste electronic goods at Media-Saturn	— BREEAM certificate secured for the M1 Shopping Centre managed by METRO PROPERTIES in Poznań, Poland
	— Retail Forum Agreement on Waste	— Cooperation of Media-Saturn with Utopia, Germany's largest sustainability portal, and klima:aktiv in Austria to publicise energy-saving devices	→ See chapter “Energy and resource management”, p. 30–33 → See key performance indicators section “Energy and resource management”, p. 46–50
	— Round Table on Sustainable Palm Oil (RSPO)	— Participation in the free taking back of LED and energy-saving bulbs in stores of Real Germany	— Sustainable Cocoa Forum co-founded by Real
		— Use of natural refrigerants such as CO ₂ or ammonia in 5 further stores	— Range of ecologically and socially certified products extended (for example GOTS products under the umbrella label of “natürlich GALERIA” (naturally GALERIA) at Galeria Kaufhof, textile products from “Cotton made in Africa” at Real)
		— Participation in the Forest Footprint Disclosure	— Partnership programmes for the sustainable production of food in cooperation with Bayer CropScience implemented in 12 countries
		— Installation of charging stations at various locations to promote electric mobility	→ See chapter “Supply chain and products”, 26–29

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Principle	Responsibilities and management systems	Measures in 2012	Performances 2012
Anti-corruption			
PRINCIPLE 10: Anti-corruption measures	— METRO GROUP Corporate Principles — METRO GROUP Business Principles — OECD Guidelines for Multinational Enterprises embedded in different corporate guidelines	— Second Group-wide Compliance Day held — Introduction of Group-wide anti-corruption guidelines and enhancement of the Group-wide competition law compliance programme with extensive training programmes — Compulsory face-to-face training sessions (up to 2.5 hours) for the relevant employees of METRO GROUP focusing on anti-corruption guidelines for dealing with officials/government agencies and business partners — Implementation of an internal control system to manage compliance risks within operational processes, including systemic controls, dual-control principle and separation of functions — Group-wide survey among managers on levels 1, 2 and 3 to measure the progress of compliance, reported to the Management Board and included in the Compliance Newsletter	— Over 14,000 employees from all hierarchy levels across the Group received training on the anti-corruption guidelines by the end of 2012. This corresponds to over 80 percent of the entire target group. — E-training modules on the prevention of corruption being attended by employees from 13 national companies → See chapter “Responsible corporate governance”, p. 24 → See chapter “Social policies and stakeholder dialogue”, 38–41