

**LET'S
DO
THIS!**

**TIME FOR MORE
SUSTAINABILITY**

**CORPORATE RESPONSIBILITY
PROGRESS REPORT
2020/21**

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METRO SUSTAINABLE

DEAR READERS,

Is it possible to maintain something while constantly progressing? Can we zoom in on our own customers and still contribute to a global transformation process that goes beyond these relationships? Does focusing on the core business allow climate protection?

We say: Yes! Focusing on our customers and our core business drives us and our company forward – and it includes protecting resources and the climate.



In this progress report, we show how we are adapting our assortment to the demands and requirements of our customers. We show how our core business with its focus on food is directly influenced by the climate and its development.

With the work in the focus areas of our sustainability strategy, we contribute to making our impact on resources, climate and society as positive as possible. The Sustainability Agenda 2030 and the principles of the United Nations Global Compact provide us with the global framework for this.

2020 and 2021 were very challenging years due to the Covid-19 pandemic, which left significant traces throughout the whole value chain. But the pandemic has also highlighted a development in gastronomy towards more regionality, more health, more choice, less plastic and better packaging.

2021 has brought us back to restaurants, bars and cafés – we are enjoying again. Behind the scenes, we at METRO are working to offer our 17 million customers a growing, more sustainable assortment that helps them respond to their customers' changing needs. Our range of regional items is growing steadily. Since 2018, we are also offering organic products under own brand. Among the most successful product launches in 2021 is METRO Chef Veggie, a curated selection of plant-based meat alternatives for beef and poultry specialties developed together with chefs. And with our work on traceability, we are doing everything we can to ensure that meat and fish products can be traced back to their origin from the plate in the restaurant.

We are aware of our responsibility, but also of our opportunities: our product range is a great lever to have a sustainable positive impact on resources, people and the environment – along the entire value chain from producer to restaurateur. We accept the responsibility for the challenges associated with this, because in our eyes we need more cooperation than ever before in order to achieve a goal that is elementary for all of us, but above all for future generations: to limit global warming and to secure valuable resources.

Food and climate are complexly interwoven. At METRO, we are therefore doing everything we can to set a good example and initiate change across our supply chains. That's why our purchasing policies include ambitious sustainability targets. Therefore, we are fighting food waste on all fronts and this is why we will invest 1.45 billion euros in our own global business operations to become climate neutral in our own business operations by 2040. The necessary cooperation to achieve this starts in our own company and carries through to our cooperation with our business partners and on to our customers.

It has rarely been so clear: we must set the course for the future today. We can only grow our quality of life if we ambitiously drive change now. As a company, we reach over 17 million customers and these billions of people who eat, order, shop with them. The more we embed sustainability in our core business, the greater the effect we achieve. This is the core of #METROSustainable – knowing our leverage, we implement sustainability with a focus on our customers and our core business.

Let us show you how we are progressing with this report: Many courses have already been set, but at the same time there is still a lot of work ahead of us – and our motivation is right:

Let's do this.

SUSTAINABILITY STRATEGY

With our core business, we strive to provide customers worldwide with high-quality products and services. Because at METRO, our purpose ‘Champion for Independent Business’ determines our actions – and we strive to do so in a responsible way with our sustainability approach METRO SUSTAINABLE. In this sense, sustainability is more than social and ecological responsibility in an economically sensible manner: it is also a question of attitude and way of working. It determines the actions of our employees and is an integral part of our corporate strategy. We want to drive change toward responsible and sustainable business practices – within our business operations, but especially in cooperation with our suppliers and customers.

By balancing our needs and goals with the needs of nature, people and future generations, we can achieve long-term success and overcome the conventional limits to growth for ourselves, our stakeholders and society as a whole. The leading principles are the 17 Sustainable Development Goals (SDGs) of the United Nations and the 10 principles of the United Nations Global Compact. They form the global framework for our sustainability activities.

Challenges of an economic, ecological, social and cultural nature, such as the Covid-19 pandemic, but also global challenges such as the growth in the world’s population, with their consequences for resource consumption, the climate and food security, are closely linked to our core business. These challenges are thus drivers of the issues that are of greatest importance to our business activities and define our work along our sustainability strategy.

For us, sustainable action means creating qualitative growth through sustainable added value. In this way, we generate added value for our customers and contribute to overcoming global challenges for society as a whole.

In line with the requirements of our sustainability management, we are working to overcome these challenges and to act in an operationally sustainable manner by focusing on what is material to us. We want to ensure that our sustainability strategy works on the aspects and concerns that have the greatest impact on our business and on which we can have a major influence through our operations – together with our customers. With our focus on the food sector, we are working on 8 strategic focus areas.

We can set the course for a sustainable future by working together to find solutions to food waste, find answers for balanced protein use for more conscious consumption, and offer more organic and other responsible products. Similarly, we are aware of our responsibilities and opportunities when we stand up for human rights, develop innovative solutions in packaging and plastics, make a positive contribution to climate protection, make raw material sourcing sustainable, and promote diversity and inclusion.

In this way, we strengthen local communities and encourage more conscious consumption. As an innovation driver of sustainable solutions, we contribute to a sustainability movement. By informing, inspiring, motivating and supporting our employees, customers and partners, our sustainability activities can potentially reach millions of people and have an impact for more sustainability.

Covid-19 has not resulted in any fundamentally new topics for us to consider in our strategy. However, challenges and opportunities related to our focus areas have become more prominent during the pandemic.

With METRO SUSTAINABLE and our work on the strategic focus areas we contribute to the sustainability of communities worldwide. This is achieved in particular through discourse with internal and external stakeholders such as employees, customers, suppliers and business partners, local communities, non-governmental organizations (NGOs), political representatives, investors, competitors and committees.

You can read more on our strategic focus areas in our [proof point stories](#) ► [page 10](#).



MATERIALITY ANALYSIS 2020/21

In the course of the financial year 2020/21 we have carried out a materiality analysis to identify and assess potential economic, environmental, social and governance topics that could affect METRO. This analysis has been conducted in accordance with the requirements of § 289c of the German Commercial Code and the reporting standard of the Global Reporting Initiative (GRI) comprising all three aspects at the same time:

- What influence the issue has on METRO's business, financial result or economic situation (according to German Commercial Code)
- What influence METRO's business operations have on the issue in question (according to German Commercial Code and GRI)
- How relevant the issue is for the stakeholders affected by it (according to GRI)

The outcome of this analysis are 11 material issues for METRO covering internal (corporate mission and strategy) and external factors (reflective on stakeholder concerns) which the company has the ability to control and influence, including the value chain.

These issues were selected in a process that consisted of several steps. First, a complete list of non-financial issues relevant to our company or our stakeholder groups was generated from key sources including:

- Existing strategies, commitments and guidelines of METRO and its operational entities
- Requirements for various rating systems, including the Dow Jones Sustainability Index (DJSI)
- Disclosure standards, such as Sustainability Accounting Standards Board (SASB)
- Trend reports from World Economic Forum, European Commission, among others
- Competitors' materiality analysis

The wide range of issues was summarized into a condensed long-list of 18 issues, making sure that each aspect from the complete list appeared in the content of the condensed list. The process followed the design principles for business relevance, as:

1. the topic has the ability to affect the company's operational results and financial conditions
2. is within the sphere of control and influence of METRO but
3. excluding topics that are purely financial and/or operational.

Each of these 18 topics was assessed by the Materiality Analysis Project team, consisting of 3 experts from the METRO AG Corporate Responsibility department, from a scale of 1 to 7 (1 being low impact and 7 high impact) by the related risks and opportunities, current and potential future impact on METRO's business success. All those topics that had an average of 4 or higher were considered as meeting the materiality threshold, resulting in a shortlist of 11 materialities.

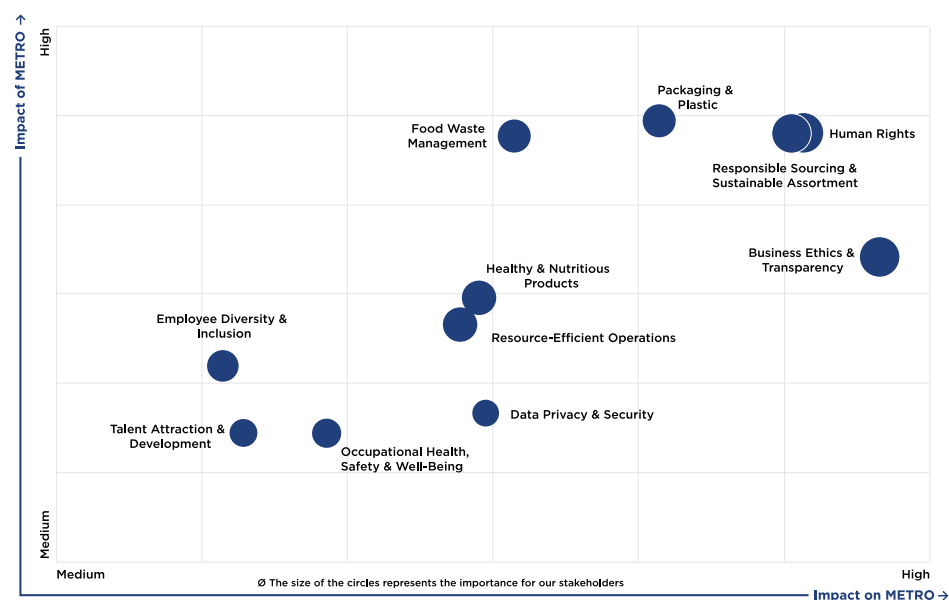
These shortlisted topics formed the basis for the validation and prioritization of materialities by different internal and external stakeholders during 18 online interviews including METRO's top management, country organization's CEOs, customers, suppliers and Consumer Goods Forum's peers.

Moreover, 2 online internal workshops took place with METRO employees from across different departments and country organizations to gain by-proxy stakeholder views of customers, suppliers, employees, peers, investors, and public organizations. These participants were asked to:

- Rank the issues from the perspective of each stakeholder group they were assigned to
- Discuss the influence the issue has on METRO's business, financial result or economic situation by evaluating the risks and opportunities of each issue and the link to METRO's daily business
- Assess the impact of METRO's business operations could have an impact on society or environment and estimate the relative magnitude as of high, medium, or low.

Lastly, the material topics were plotted into the matrix reflecting the:

- Impact of topic on METRO's business, financial result, or economic situation – for example impacts on sales, investments, costs or the company's reputation and
- Impact of METRO's business operation along the value chain – for example in the event of non-compliance with certain laws or environmental or social standards and
- Relevance of issue for stakeholder affected by it (shown by the size of the circles in the graph) – for example in relation to purchase or investment decisions.



Whilst the topics of Business Ethics and Transparency, Data Privacy and Security and Talent Attraction and Development are part of our key business practices, all other topics including those with the highest priority, namely Responsible Sourcing and Sustainable Assortment, Human Rights, Food Waste Management and Packaging + Plastic, are explicitly allocated in METRO's sustainability approach and the corresponding areas of responsibility as follows:

Areas of responsibility	Material issues
People	<ul style="list-style-type: none"> — Human Rights — Occupation Health, Safety & Well-Being — Employee Diversity and Inclusion
Product	<ul style="list-style-type: none"> — Responsible Sourcing & Sustainable Assortment — Healthy and Nutritious Products — Packaging and Plastic
Planet	<ul style="list-style-type: none"> — Food Waste Management — Resource-Efficient Operations

With all 11 issues being material according to GRI and German Commercial Code requirements, the respective management approach for each of the 11 issues is described already in the non-financial statement of METRO's Annual Report 2020/21 namely the chapters [Actively Managing Sustainability](#), [Environmental](#) and [Social Matters](#), [Employee Interest](#), [Business Ethics and Transparency](#) and [Customers](#). Therefore, they are not presented in depth here.

METRO and its affiliates will continue to conduct stakeholder surveys as a basis of their materiality analysis and we are available for dialogue via the options provided on our website and via our e-mail address CR@metro.de.

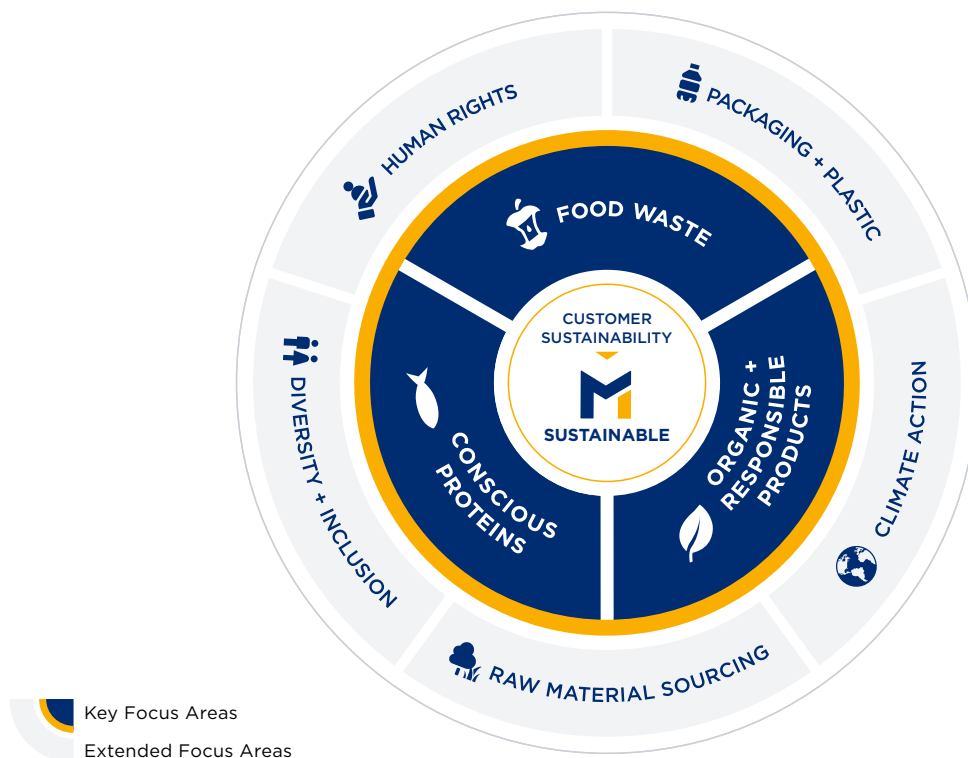
MANAGEMENT APPROACH

All topics identified in our materiality analysis in reporting year 2020/21 as material in the sense of the German Commercial Code are also considered material in the sense of GRI. This also reflects in our 8 sustainable focus areas. The management approach to dealing with the material issues is described in the [Non-Financial Statement \(NFE\) of the Annual Report 2020/21](#) hence is not dealt with separately here.

A detailed overview of where statements on the management approaches to the material topics are made can be found in the [GRI Content Index](#) ► [page 46](#).

OUR FOCUS AREAS

METRO SUSTAINABLE expresses our approach to sustainability and is the **framework** and at the same time the **driver** for all our activities aimed at increasing sustainability at our customers. Operationally, we implement this along our 8 strategic focus areas. In this way, we place METRO at the **center of transforming and driving responsible and sustainable business** and create added value through sustainable action - in our own company and for our customers. We want to **share our knowledge** and show how suppliers and customers **benefit from sustainable choices**. They can profit, for example, in terms of energy efficiency and improved waste management and the resulting opportunities related to lower costs, better products with higher margins, new customer groups and a competitive edge. They profit from more efficiency hence less costs, better products with higher margins, new customer groups and a way ahead of competitors.



KEY PERFORMANCE INDICATORS AND TARGETS

KEY PERFORMANCE INDICATORS

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 of the company and KPIs on our sustainability focus topics: Organic and Responsible Products, Climate Action, Human Rights as well as Diversity and Inclusion. In addition, we report on the KPI community investment.

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 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. 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 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. 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 report the key figures on professional continuous development in the Diversity and Inclusion section for 87% of all METRO employees. The reported figures include all METRO wholesale companies as well as METRO AG.

All of the KPIs in this report have been audited 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, 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		2019/20	2020/21	Change in %
Key financial figures for continuing operations				
Like-for-like sales trend	%	-3.9	-0.4	-
Sales trend in local currency	%	-4.0	0.0	-
Sales (net)		25,632	24,765	-3.4
Adjusted EBITDA		1,158	1,171	1.1
Transformation costs		47	65	39.3
Earnings contributions from real estate transactions		3	60	-
EBITDA		1,113	1,166	4.7
EBIT		257	197	-23.5
EBT (earnings before taxes)		-32	40	-
Profit or loss for the period ¹		-146	-56	61.8
Earnings per share (basic = diluted)	€	-0.40	-0.15	61.8
Dividend per ordinary share ²		0.70	0.00	-100.0
Dividend per preference share ²		0.70	0.00	-100.0
Cash flow from operating activities		646	1,237	91.5
Investments		627	764	21.8
Net debt		3,771	3,466	-8.1
Employees (annual average by headcount)		97,639	95,141	-2.6

¹ Attributable to METRO shareholders.

² The dividend per share relates to both continuing and discontinued operations.

Evaluation in relevant sustainability indices and rankings

Index/ranking	Rating/score	Scale	Publication date
Dow Jones Sustainability Index (DJSI) World/Europe	77 Index member	0 to 100	11/2021
ISS ESG Corporate Rating	C+ Prime Status	D- to A+	04/2020
CDP Climate Change	A-	F to A	12/2021
CDP Water Security	B	F to A	12/2021
CDP Forest	B (palm oil, paper), B- (soy), C (cattle)	F to A	12/2021
FTSE4Good Global/Europe Index	Index member	-	07/2021
MSCI	AA	CCC to AAA	08/2021
Sustainalytics	Low risk (19.3) 35 out of 186 in Food Retailer Industry	0 - 40+	04/2021
GEI Bloomberg	Index member	-	01/2021

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 2020/21, 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

Healthy and nutritious products

no. of products ¹	2020/21 ²
Less of sugar/salt/saturated fatty acids/free from additives	603
Organic products	430
Alternative protein products	14

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.

² The methodology of calculation and target KPIs changed in reporting year 2020/21 hence makes a comparison to previous data not possible. Therefore, only 2020/21 data is shown. Compared to previous years, e.g. now the reduction threshold for sugar and saturated fatty acids is >0,5g/100g and ≥1g/100g for salt. Also, organic and alternative protein products have been introduced as new KPIs. Other reformulations already took place prior to 2018, such as 89 SKUs from the national subsidiary Bulgaria, which, however, are not added here for reporting reasons with regard to the base year 2018.

Explanation: Figures shown here refer to baseline 2018 and own brand products only. They also represent extensions of the product range and do not necessarily only mean a reformulation of existing products.

Reformulation here means reduction of sugar-/salt-/saturated fatty acids content of 0,1g per 100g for products with a minimum content of 0,5g sugar/saturated fatty acids per 100g and 1g salt per 100g.

Organic products reflected in this figure refer to products from biological agriculture and meeting requirements of EU regulations (EU 834/2007, EU 889/2008 and EU 271/2010) and other applicable national organic regulations of non-EU countries.

Alternative protein products reflected in this figure refer to alternatives to animal proteins (meat, milk, fish, eggs and their derivatives) produced using novel or new technologies and ingredients, which include: Plant-based extracts e.g. pea proteins, cell-cultures (synthetic) proteins e.g. meat grown in a lab.

New target 2023: Offer of 1,500 own-brand products METRO-wide (thereof 150 common and 1,350 locally sourced) with less sugar, salt and saturated fatty acids, completely or partially free from additives and organic certified and/or alternative protein products by end of December 2023.

Food Waste

Food waste reduction target 2025

Food waste is one of the three main topics of our sustainability strategy as it has significant economic, environmental, and social impacts on top of significant operational impact for our business. It is estimated that 1/3 of food is wasted from farm to fork¹, while food waste is responsible for 8 % of global GHG emissions². 957 million people experience hunger in the world according to the UN.³ METRO has therefore committed itself to the Resolution on Food Waste by the Consumer Goods Forum (CGF) and set a target to eliminate 50% of wasted food in our own operations by the year 2025. We have now set the baseline for this target to fiscal year 2017/18. We are implementing the Food Loss and Waste Protocol standard to measure food waste in METRO's own operations and report on our progress against our food waste reduction target.

We are tackling food waste holistically, with a 5-pillar strategy from farm to fork: (1) supplier engagement, (2) food waste reporting, (3) (technological) food waste solutions, (4) customer and partner engagement, and (5) stakeholder and industry engagement.

In 22 countries we cooperate with food banks to donate surplus food to those in need. We also partner with TooGoodToGo in 10 countries to enhance this effort.

Find out more on our fight against food waste on our [website](#), as well as [relevant key figures](#) here.

Climate Action

Greenhouse gas emissions in t CO₂ (CO₂ equivalents)

in t CO ₂ (CO ₂ equivalents)	Reference year 2011	2018/19	2019/20	2020/21
Scope 1 – direct greenhouse gas emissions	494,798	464,532	453,269	435,830
Scope 2 – indirect greenhouse gas emissions	931,168	732,162	692,034	652,791
Scope 3 – other indirect greenhouse gas emissions	3,669,074	2,714,477	1,380,826	2,795,970
Total greenhouse gas emissions	5,095,039	3,911,171	2,526,129	3,884,591

1 Source: WRI

2 Source: FAO

3 Source: UN

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:

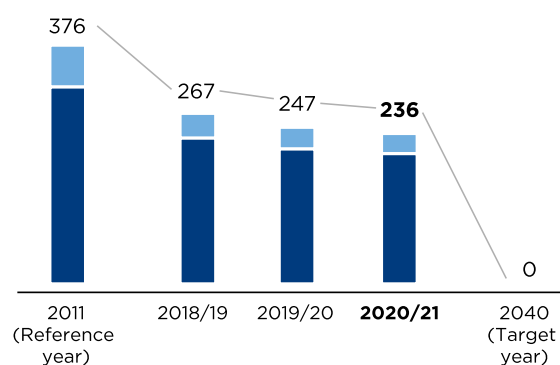
- Scope 1 = fuel oil, natural gas, liquefied natural gas (LNG), liquefied petroleum gas (LPG), refrigerant losses from commercial cooling, refrigerant losses from air-conditioning, fuel consumption of company cars and the group's own logistics fleet, emergency power generators
- Scope 2 = electricity 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 CO₂ (CO₂ equivalents) per m² selling and delivery space

METRO

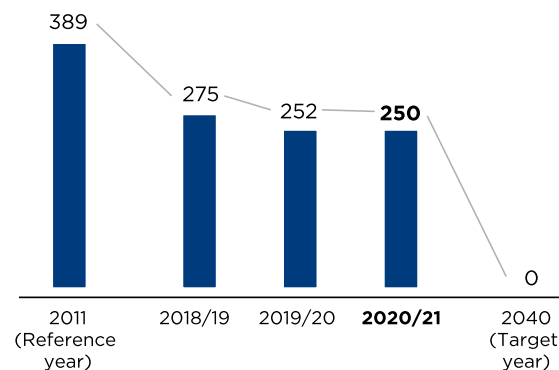


■ Scope 1 & 2

■ 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 CO₂ emissions relevant in the Science Based Target have been reduced by 34.1% per m² selling and delivery space.

Explanation: We aim to be climate-neutral by 2040 mainly through own investments. In the base year 2011 specific greenhouse gas emissions were 376 kg of CO₂ equivalents per square metres of selling and delivery space .

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, as well as investments in green electricity
- General technical and scientific developments as reflected by the adjustment of the emission factors used to calculate CO₂ 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-CO₂ 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-CO₂ emissions (supply chain) by 15% by 2030 compared to 2018.

Trends in the emission sources included in the climate protection target

Greenhouse gas emissions in kg CO₂ (CO₂ equivalents) per m² selling and delivery space

in kg CO ₂ (CO ₂ equivalents) per m ² selling and delivery space	Reference year 2011	2020/21	Change in %
Paper consumption	14	4	-73
Company cars	12	8	-30
Business travel	6	0	-98
Electricity consumption	244	149	-39
Thermal energy consumption	33	28	-16
Refrigerant losses	66	47	-30
Total	376	236	-37

Definition: Trends in CO₂ emissions per square metre from all the emission sources included in the climate protection target compared to the reference year 2011.

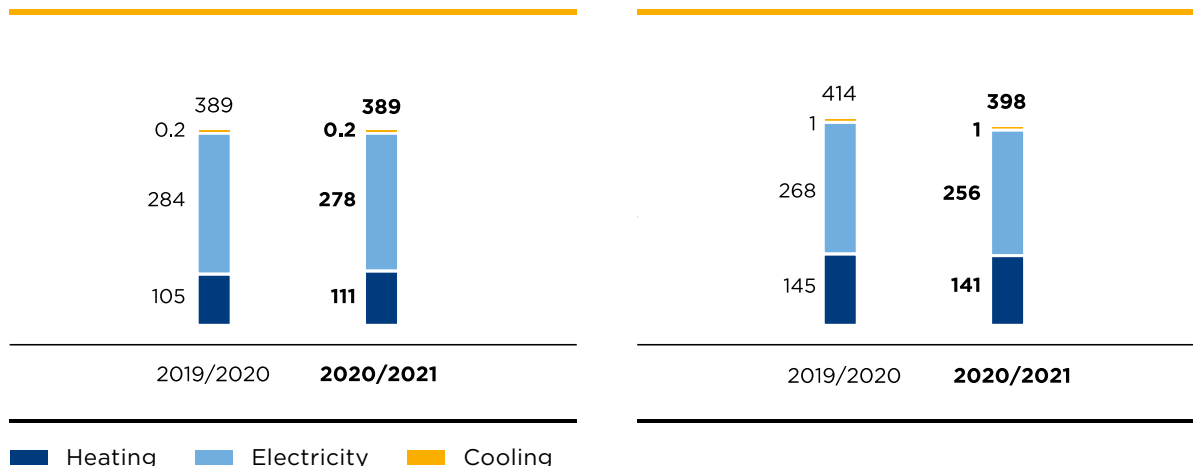
Energy consumption KPIs



Electricity, heating and cooling energy consumption
(in kWh per m² of selling and delivery space)

METRO

Germany

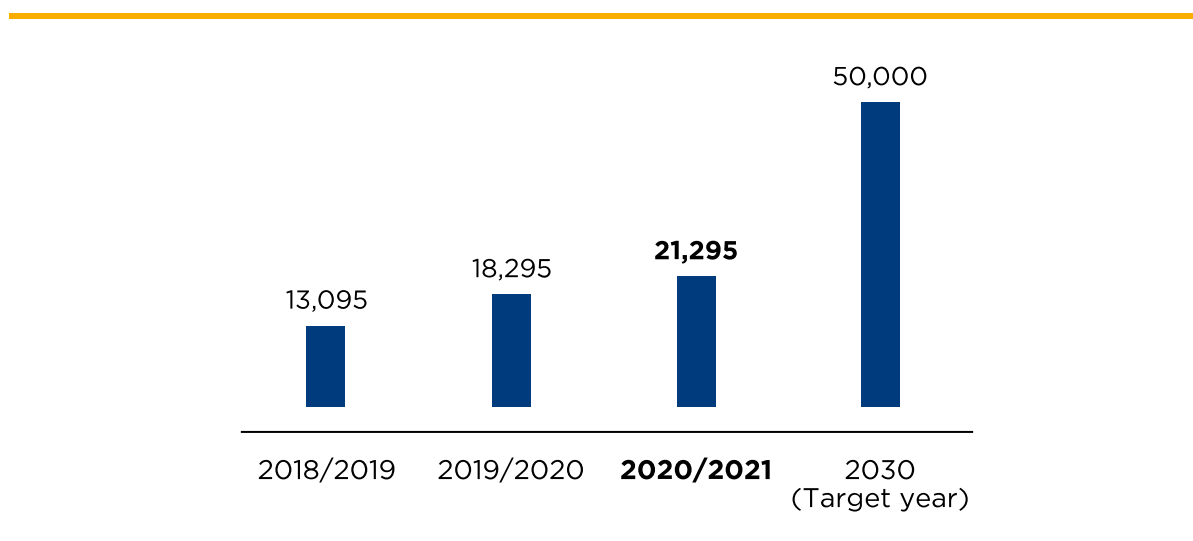


Definition: Locations' energy consumption in relation to the space used for sales and delivery operations. Energy consumption consists of electricity consumption and heating and cooling energy consumption (fuel oil, natural gas, liquefied natural gas (LNG), liquefied petroleum gas (LPG), emergency power 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. In financial year 2020/21, we reduced electricity consumption in our METRO stores by 7.8% in comparison to financial year 2018/19 and thus clearly exceeded our target of 5.4%. 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.

Installed kW Peak

Installed on-site photovoltaic (PV) capacity



Definition: METRO has started in 2008 to install photovoltaic (PV) systems on the roofs of its stores. The size of PV systems is indicated in kilowatt peak (kWp). The capacity indicates how much energy is generated under standard test conditions. METRO reports the cumulated installation of photovoltaic systems on its stores in kWp, it does not matter if the stores or photovoltaic systems are owned by METRO. As long as METRO is using the solar energy from the PV systems for its store operations and the PV systems are located on METRO roofs, those PV systems are reported. Until now, METRO has installed 56 PV systems in 11 countries amounting to an installed capacity of 21,295 kWp. 14 new systems with a total capacity of circa 3,000 kWp were installed in the current FY21 in France, India, Italy, Pakistan, Hungary and Spain.

Target: We aim to reach 50,000kWp until 2030.

Total energy consumption (in MWh)

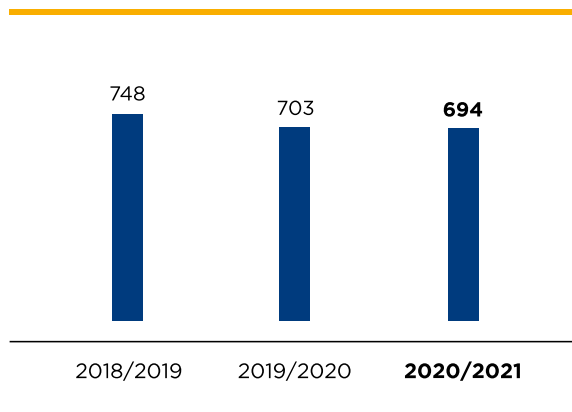
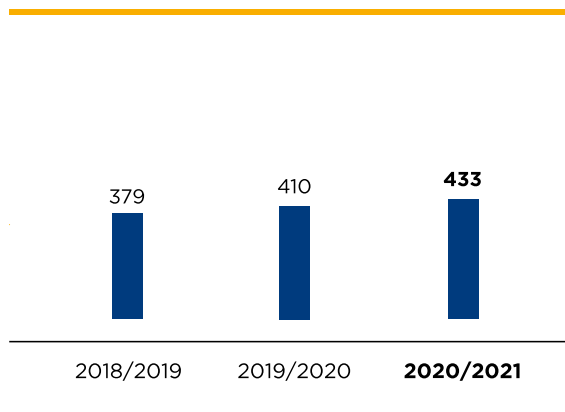
in MWh	2018/19	2019/20	2020/21
Fuel (heating oil, gas, petrol, diesel, LPG, LNG)	523,762	499,428	526,947
Electricity	1,610,400	1,523,866	1,488,084
of which electricity (grid mix)	1,533,970	1,445,795	1,382,171
of which renewable electricity (certified through GoOs)	68,383	64,105	87,915
of which self-generated renewable PV energy	8,047	13,966	17,998
District heating	70,648	64,207	64,622
District cooling	3,692	1,299	1,299
Total energy consumption	2,208,502	2,088,800	2,080,952

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.

The renewable energy figure includes Guarantees of origin (GoO) as well as green electricity contracts with GoOs such and renewable Power Purchase Agreements (PPAs) with GoOs. METRO is purchasing GoOs in combination with green electricity contracts in countries such as Italy, Portugal or Austria. Additionally we closed PPAs in France in 2021 and in India already in 2014 with off-site solar and wind farms. METRO is using the solar energy from the PV systems for its store operations; the PV systems are installed on METRO store roofs, the energy of those PV systems are reported under self-generated renewable PV energy.

Water  

Water withdrawal and wastewater generated
(in l per m² 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 3.7 million m³ 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.

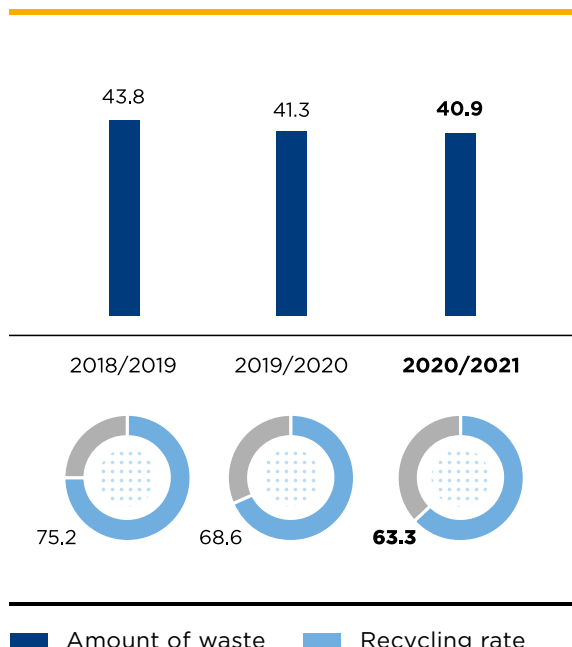
We also measure and monitor the total amount of wastewater we generate at the group level. As our locations do not consume a significant amount of water, our calculations are based on the assumption that the volume of wastewater is the same as the amount of fresh water. All wastewater is fed into public 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 2021, we were able to reduce the consumption in our stores of METRO Wholesale by 2% calculated per square metre of net operating area compared to the previous year.

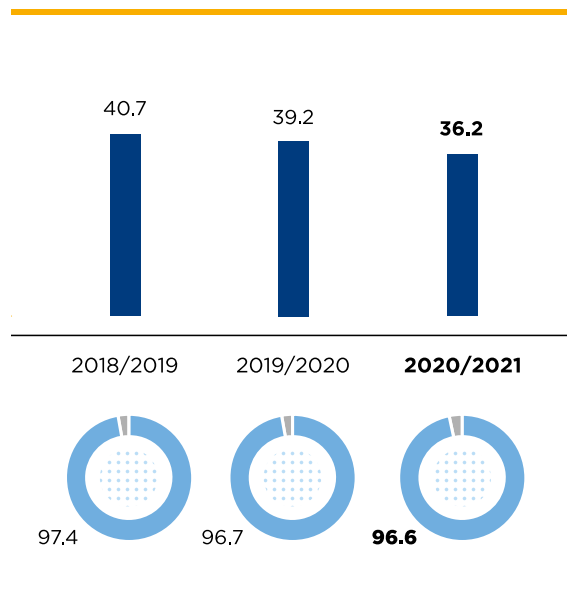
Waste   

Amount of waste and recycling rate
(in kg per m² of selling and delivery space and in %)

METRO



Germany



Definition: Waste generated in relation to the space used for sales and delivery operations. The recycling rate is calculated as the amount of waste destined for recycling, energy recovery and composting in relation to the amount of total waste.

Explanation: The volume of waste in absolute terms, 218,579 t, marks a reduction from the previous year. This can be broken down as follows:

- Waste for composting (9,246 t)
- Waste for energy recovery (11,035 t)
- Waste for landfill (43,273 t)
- Waste for recycling (118,169 t)
- Waste for special waste treatment, such as hazardous waste (11,338 t)
- Waste for unknown disposal (4,549 t)

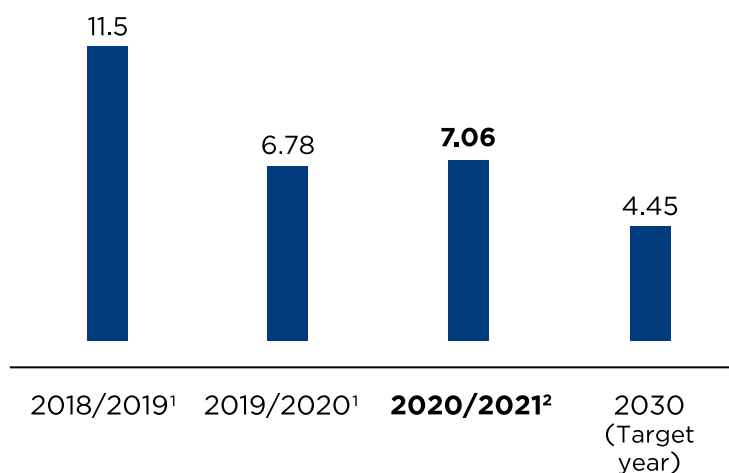
When we calculate the recycling rate, we do not take hazardous waste into account because we cannot systematically record the way in which it is treated (recycled or disposed of) in all of the countries in which we operate. However, based on information from several countries, most of the hazardous waste is also recycled. In reality, the recycling rate is therefore higher.

Human Rights

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



Germany



¹ This figure has not been subjected to the limited assurance business review in accordance with ISAE 3000 by KPMG AG Wirtschaftsprüfungsgesellschaft. In addition, the figure excludes the national subsidiary Japan.

² The national subsidiary Japan is not included in the calculation of this key indicator

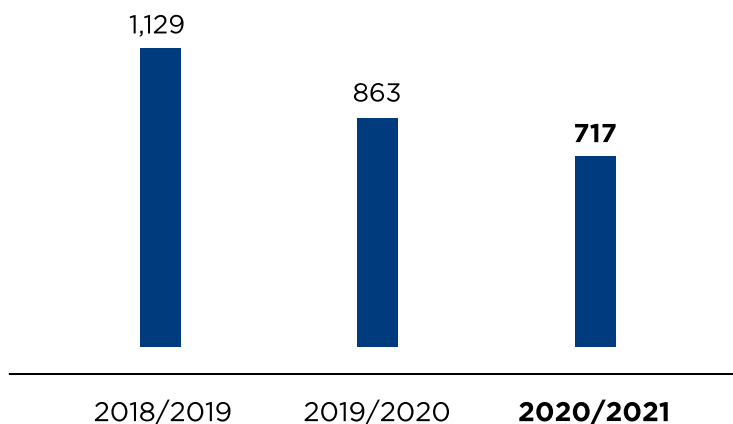
Definition: The LTIFR captures the number of incidents with at least 1 missed day of work (not including the day of the incident) per 1 million hours worked. Fatalities and cases of permanent sick leave or disability are likewise included, whereas accidents while commuting are not.

Explanation: In 2020, we began transforming our operational safety system “Occupational health and safety management systems” based on the principles of ISO 45001. During the financial year 2020/21 we have set up a group-wide Operational Safety Management System (OSMS) for METRO. To support the OSMS Guideline, an OSMS manual has been released in April 2021. The OSMS manual assists in developing and implementing an effective OSMS. It provides practical tools on the processes and procedures involved in OSMS development, implementation and maturation, and provides information on how the OSMS can be used to enhance the safety, efficiency and effectiveness of the entity when securing Occupational Health and Safety. Moreover, we are continuing to work on a transparent group-wide reporting system, we are further developing our incident management tool to fit the needs of the METRO entities and our Occupational Health and Safety standards (language setup, additional forms, etc.).

Producers in risk countries



Risky Non-Food Producers

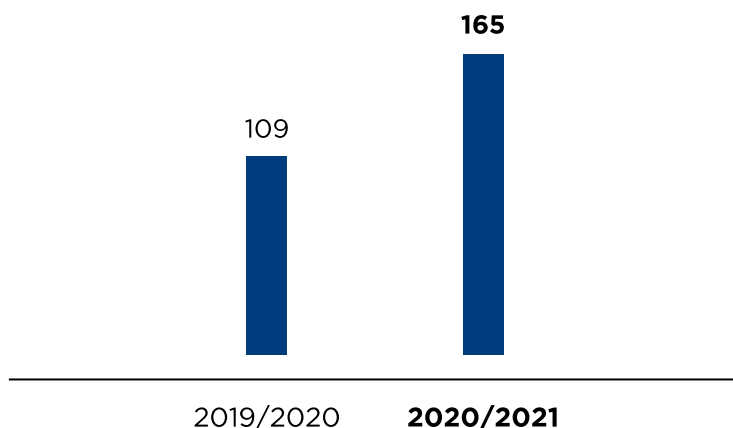
Risky Non-Food Producers¹ (number)

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. Risky producers for Non-Food are considered to the following criteria (and/or):

I. Inherent risk - Producers located in a risk country according to amfori BSCI

II. Fact based risk - Critical incidents (site or worker level) (negative press, history of bad audit results, local union reports, NGO reports)

Risky Food/Near-Food Producers

Risky Food/Near-Food Producers¹ (number)

¹ Risky producers for **Near-Food** are considered to the following criteria (and/or):

I. Inherent risk - Producers located in a risk country according to amfori BSCI

II. Fact based risk - Critical incidents (site or worker level) (negative press, history of bad audit results, local union reports, NGO reports)

Risky producers for **Food** are considered to the following criteria (And/Or):

I. Inherent risk

a. Producers located in a risk country

b. Producers that produce products from the following commodity groups and/or in a particular sector/industry independent from the risk country status:

1. Fish and seafood (fishery on sea if the vessel is above 24 meters length or is more than 72 consecutive hours on sea and aquaculture farms if the farm is located in a risk country)

2. Meat (slaughtering and processing factories)

3. Fruit & vegetables (farm level when typically carried out by migrant seasonal/temporary workers)

4. Coffee (farm level) all sourcing countries

5. Cocoa (farm level) all sourcing countries

6. Soy (Tier 1) (farm level) all sourcing countries from deforestation areas

7. Palm oil (Tier 1) (farm level) all sourcing countries from deforestation areas

All process steps have to be considered (ultra)-fresh, processed, canned and frozen. This considers products where the commodity is main ingredient (first or second consideration in ingredient list). Additionally, producers who produce products with:

8. Palm oil as ingredient

9. Soy as animal feed

c. Governance & organisational structures: workforce mainly women or migrants or seasonal/temporary workers or workers without established or regular contracts

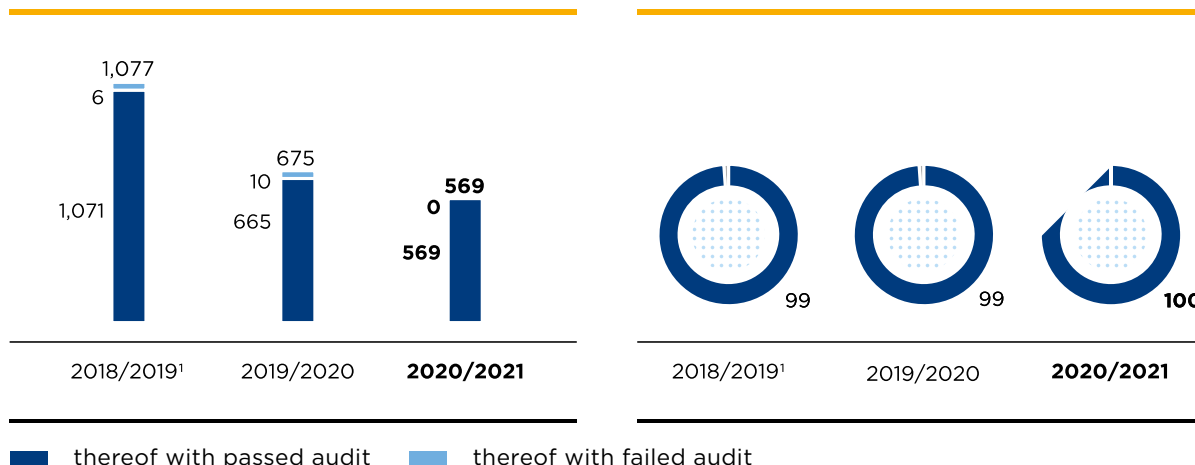
II. Fact based risk-Critical incidents (site or worker level) (negative press, history of bad audit results, local union reports, NGO reports)

Social audits  

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

**Risky Non-Food Producers¹ with valid audit
(number)**

**Thereof with passed audit
(in %)**



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.

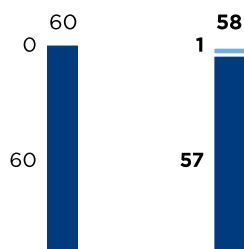
Definition: Status of all risky producers in which METRO SOURCING INTERNATIONAL has import goods manufactured, and of risky non-food producers who manufacture own brands or own imports for our sales lines. Regarding the definition of "risky" refer to footnote 1 of the KPI Risky Non-Food Producers. Producers 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: 569 producers were audited as of 30 September 2021. Of these, 100% (569 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. No use was made of the exemption in the reporting period.

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

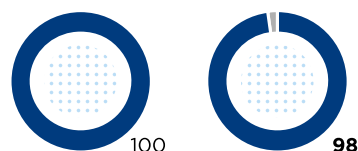
Social audits relating to own imports by METRO SOURCING
and food/near-food own-brand products of the METRO sales lines

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



2019/2020 2020/2021

**Thereof with passed audit
(in %)**



2019/2020 2020/2021

■ thereof with passed audit ■ thereof with failed audit

Definition: Status of all risky producers in which METRO FOOD SOURCING has import goods produced, and of risky Food/Near-Food producers who produce own brands or own imports for our sales lines. Regarding the definition of "risky" refer to footnote 1 of the KPI Risky Food-/Near-Food Producers. 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.

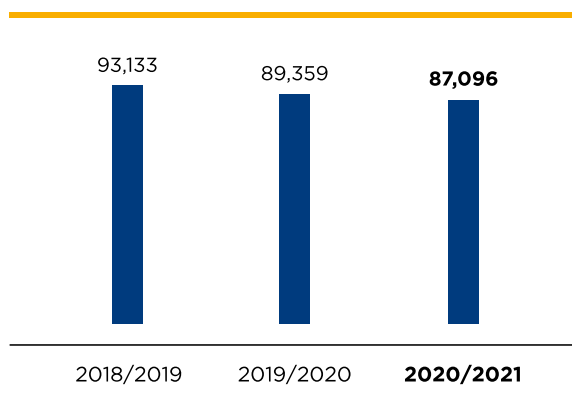
Explanation: The roll-out of the process for Food/Near-Food producers started end of 2019. 58 producers were audited as of 30 September 2021. Of these, 98% (57 producers) passed the audit. In order to allow for a gradual on-boarding of our producers into a social compliance system such as amfori BSCI 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.

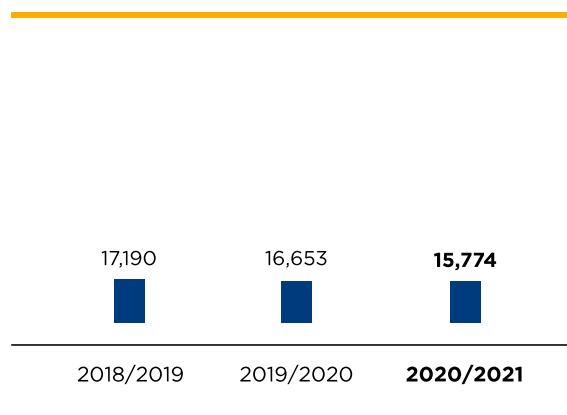
Diversity and Inclusion

Employees   

METRO



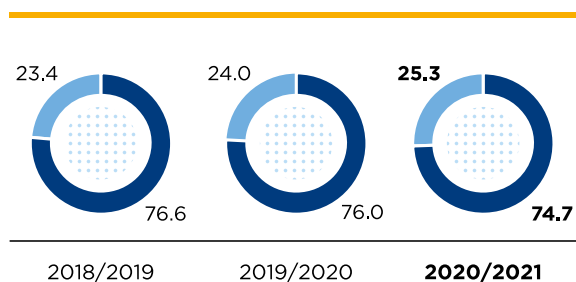
Germany



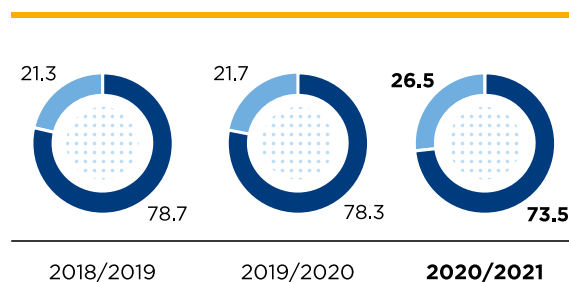
Definition: Full-time equivalent employees, average for the year, excluding trainees.

Women in MINT-positions (in %)

METRO



Germany



■ Proportion of men in % ■ Proportion of women in %

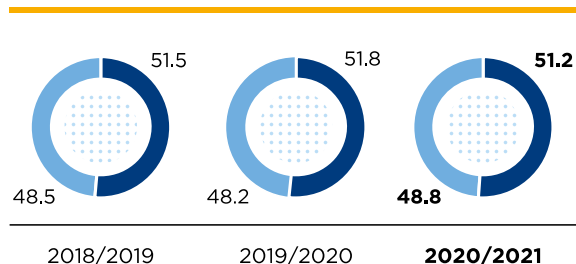
Definition: All employees in functional roles in the engineering and/or research & development (R&D) departments of the company at fiscal year-end; excludes contractors, and contract based employees.

Representative of at least 80% of the total workforce.

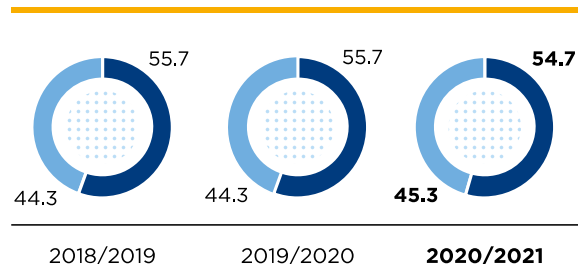
Engineering or R&D roles may include, but are not limited to, engineers, software engineers, software quality engineers, infrastructure engineers, systems engineers, and hardware engineers.

Employees by gender (in %)

METRO



Germany

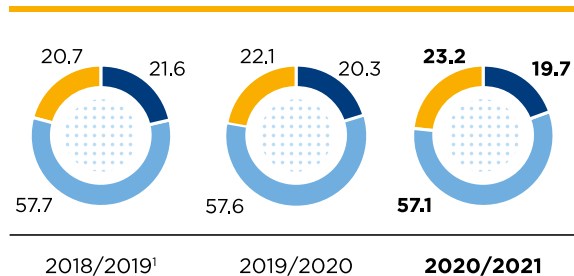


■ Proportion of men in % ■ Proportion of women in %

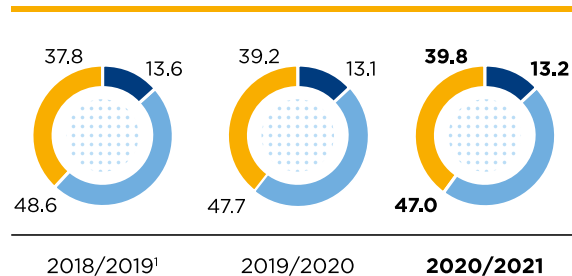
Definition: The percentage of male and female employees is calculated per capita as of 30 September.

Employees by age group (in %)

METRO



Germany

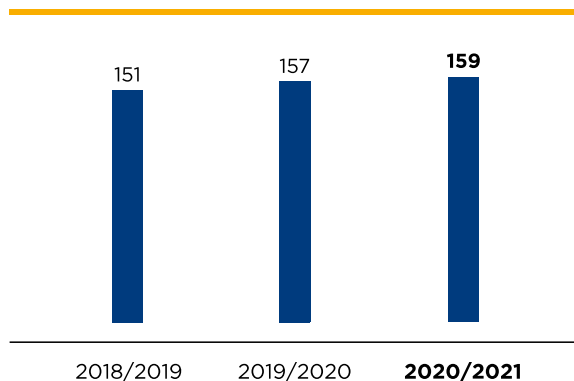


■ < 30 years old ■ 30–50 years old ■ > 50 years old

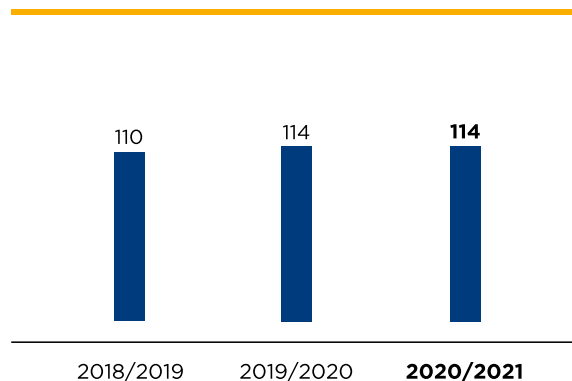
Definition: Breakdown of employees by age group, excluding trainees, as of 30 September.

Number of nationalities

METRO



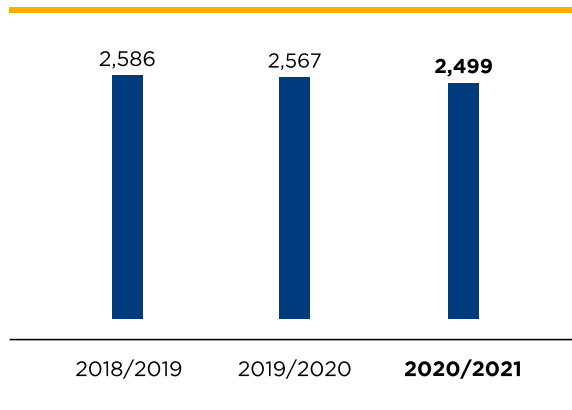
Germany



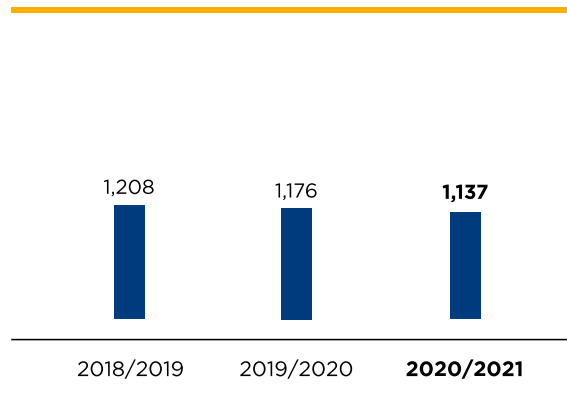
Definition: Number of different nationalities among our employees, excluding trainees, as of 30 September.

Employees with a recognised severe disability or equivalent status

METRO



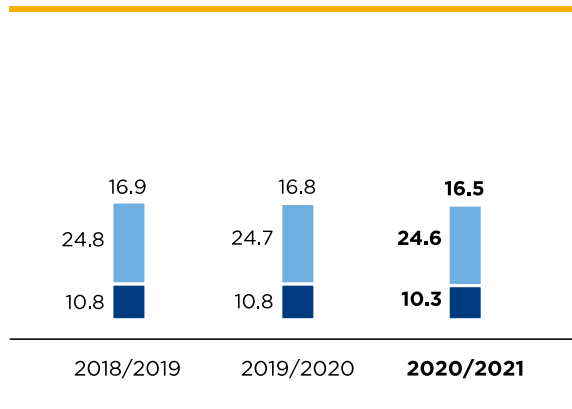
Germany



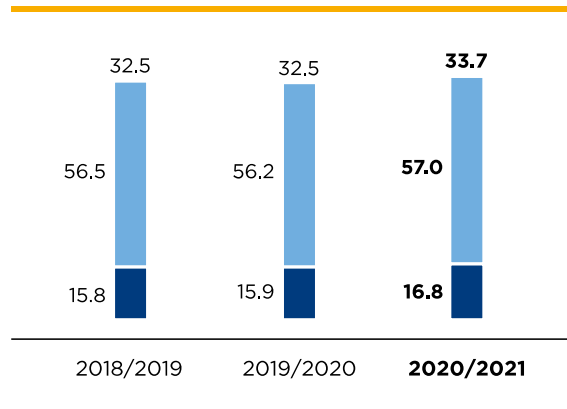
Definition: All employees considered severely disabled as defined by the respective country, or those with equivalent status.

Part-time rate by gender (in %)

METRO



Germany



■ Part-time rate men (% of total men)

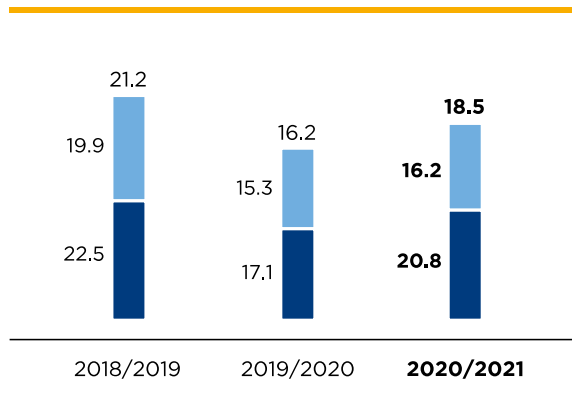
■ Part-time rate women (% of total women)

Part-time rate (in % of total employees)

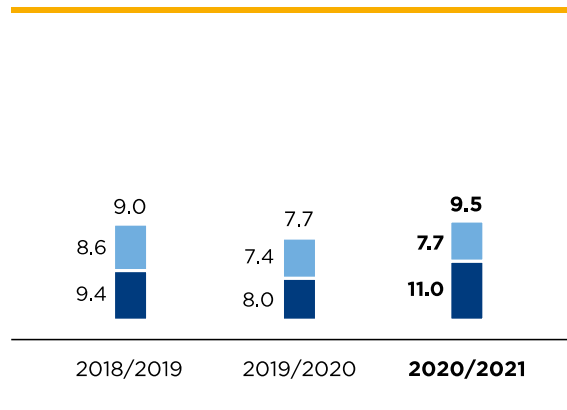
Definition: Share of part-time employees, average for the year, excluding trainees.

Employee turnover by gender (in %)

METRO



Germany



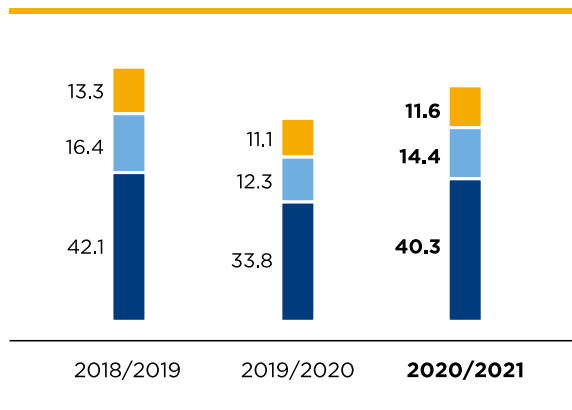
■ Staff turnover of men (% of total men)
 ■ Staff turnover of women (% of total women)
 Staff turnover total (% of total employees)

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.

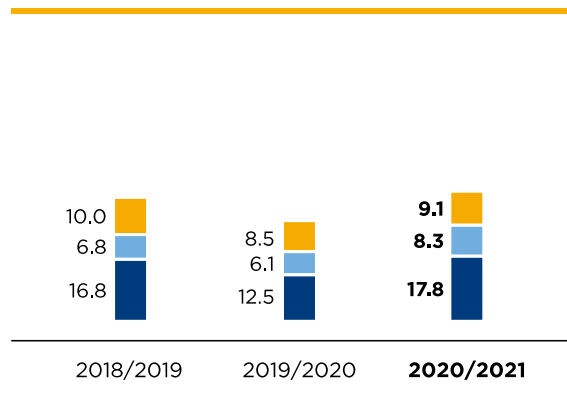
Explanation: The employee turnover rate is high at METRO. This is primarily attributable to the fact that the employee turnover is generally high in several Asian and Eastern European countries where METRO operates.

Employee turnover by age (in %)

METRO



Germany

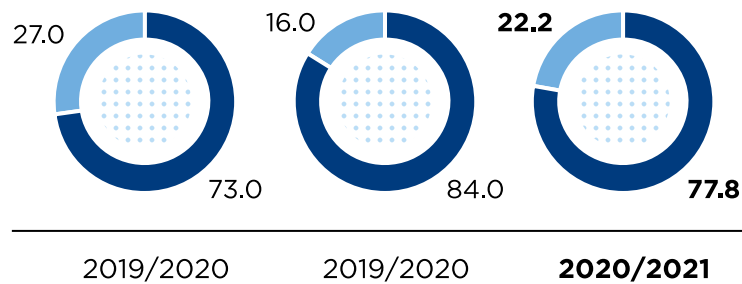


■ < 30 years old ■ 30-50 years old ■ > 50 years old

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

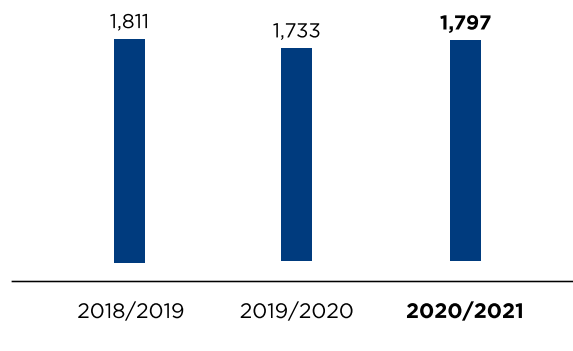


- Proportion of employees who are represented by employee representatives (%)
- Proportion of employees who are not represented (%)

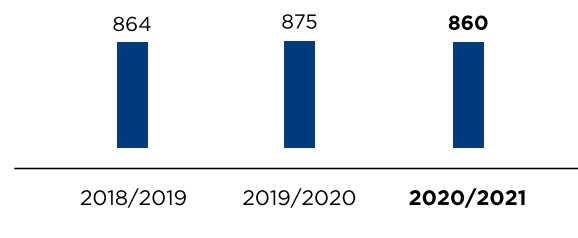
Definition: Proportion of employees who are represented by works councils, employee representatives and an independent trade union or whose interests are covered by collective agreements.

Trainees, interns and students

METRO



Germany

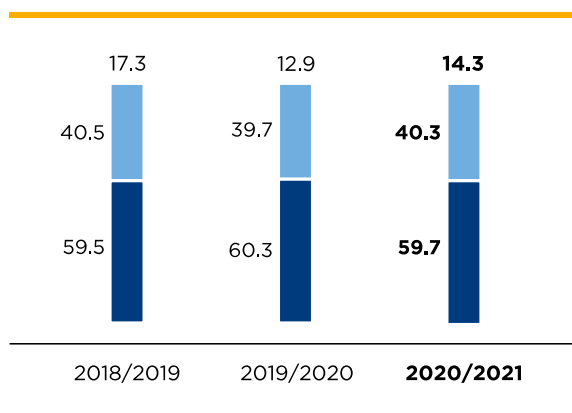


Definition: All trainees including interns and students.

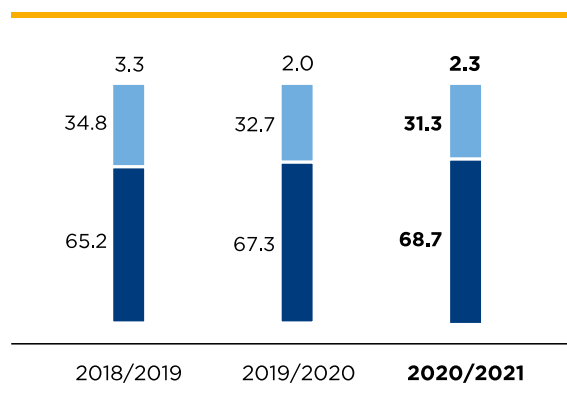
New employees 5  8  10 

New employees by gender (in %)

METRO



Germany



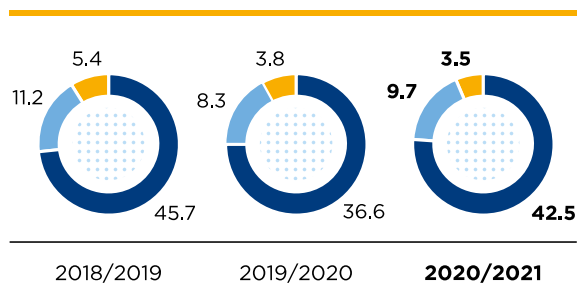
■ Proportion of men
■ Proportion of women

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

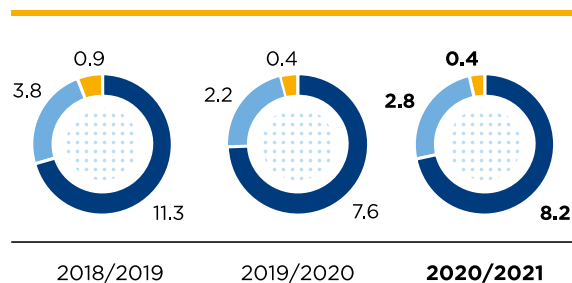
Definition: The figure for new employees includes all newly recruited employees and returning workers. The KPI shows the number of workers joining the company in relation to the average number of employees. This does not include trainees, interns, BA students and employees on temporary contracts.

New employees by age (in %)

METRO



Germany

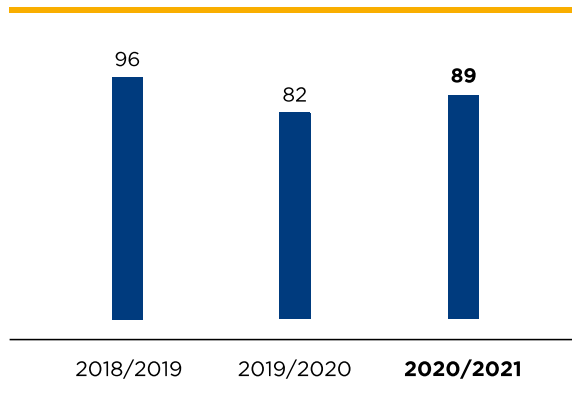


■ < 30 years old ■ 30-50 years old ■ > 50 years old

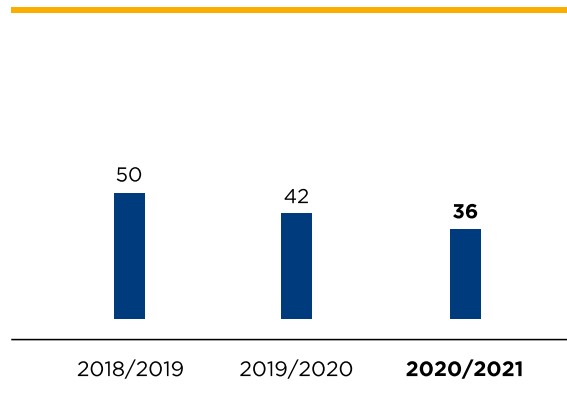
Definition: Breakdown of new employees by age group, average for the year. This does not include trainees, interns, BA students and employees on temporary contracts.

New employees number of nationalities

METRO



Germany



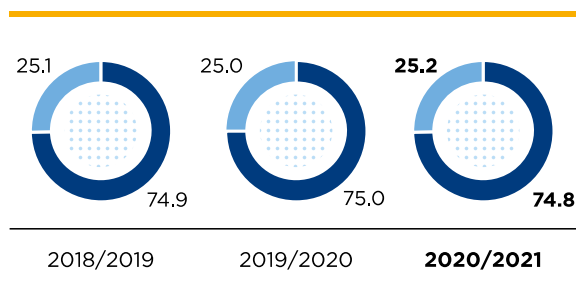
Definition: Number of different nationalities among our employees, excluding trainees, as of 30 September.

Management

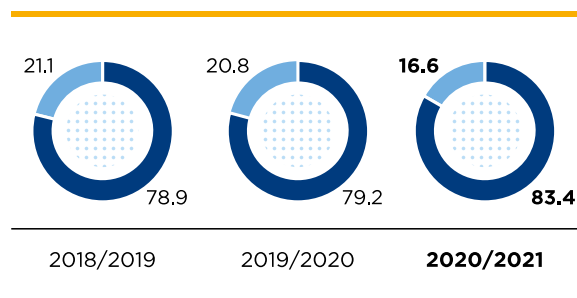


Gender breakdown in managerial positions (in %)

METRO



Germany



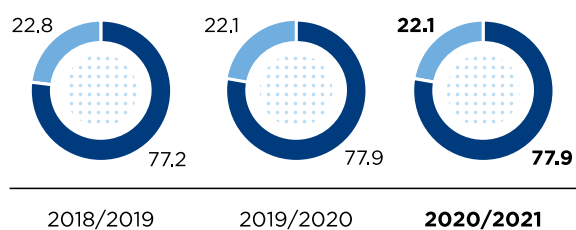
■ Proportion of men ■ Proportion of women

Definition: Managerial positions are those in levels 1–3 (Management Board, General Management, divisional management and store management). The percentage of male and female employees in these positions is calculated per capita as of 30 September.

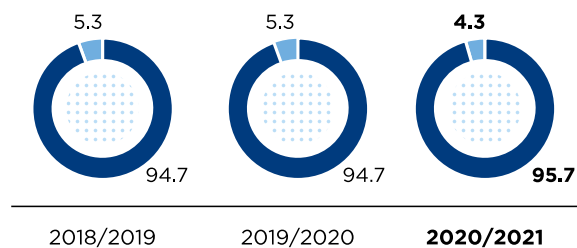
Targets: As part of the revision of the strategy and through the positive development with regard to achieving the target of increasing the proportion of women in management positions at METRO AG and METRO's wholesale business, we have shortened the target achievement date of the current gender targets set by the Management Board on 26 July 2017 to 30 September 2020 (originally: 30 June 2022) and set new targets for September 2025. The objective is for 25% of employees on the first management level below the Management Board and 40% of employees on the second management level below the Management Board of METRO AG to be women by September 2025. Furthermore, METRO has again set a voluntary target for the proportion of women in executive positions at our wholesale business. According to this, the share of women in management positions at levels 1 to 3 (including store managers) of METRO locations worldwide is to be 30% by September 2025.

Gender breakdown in managerial positions top management (in %)

METRO



Germany

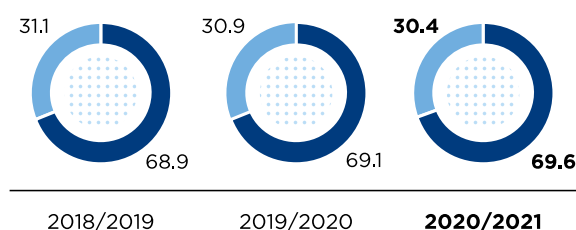


■ Proportion of men ■ Proportion of women

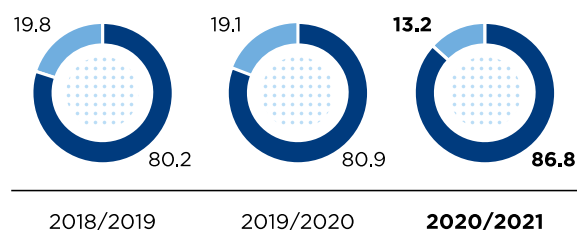
Definition: Managerial positions are those in levels 1-3 (Management Board, General Management, divisional management and store management). The percentage of male and female employees in these positions is calculated (per capita as of 30 September). This graph refers to women and men in top management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

METRO



Germany

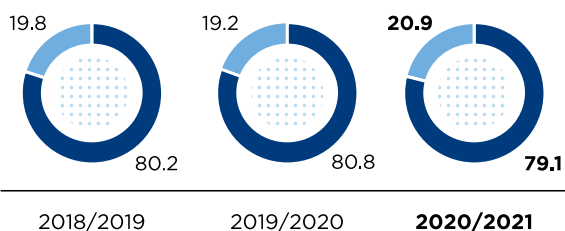


■ Proportion of men ■ Proportion of women

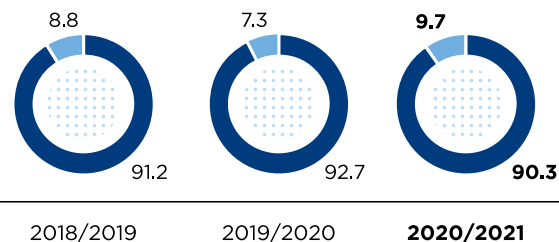
Definition: Managerial positions are those in levels 1-3 (Management Board, General Management, divisional management and store management). The percentage of male and female employees in these positions is calculated (per capita as of 30 September). This graph refers to women and men in junior management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

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

METRO



Germany

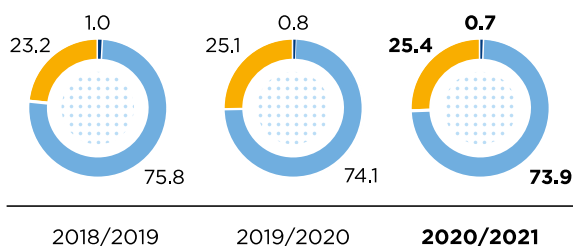


■ Proportion of men ■ Proportion of women

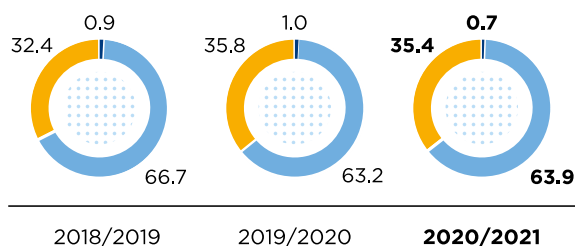
Definition: Managerial positions are those in levels 1–3 (Management Board, General Management, divisional management and store management). The percentage of male and female employees in these positions is calculated (per capita as of 30 September). This graph refers to women and men in management positions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

Managers by age (in %)

METRO



Germany

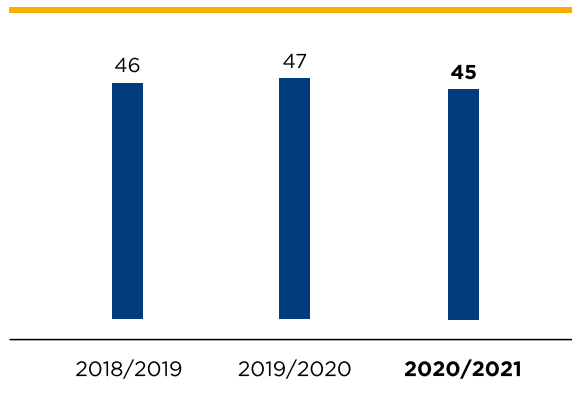


■ < 30 years old ■ 30–50 years old ■ > 50 years old

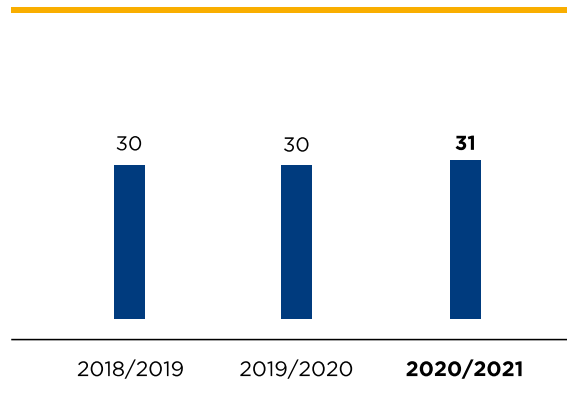
Definition: Breakdown of managers by age group as of 30 September.

Number of nationalities among managers

METRO



Germany

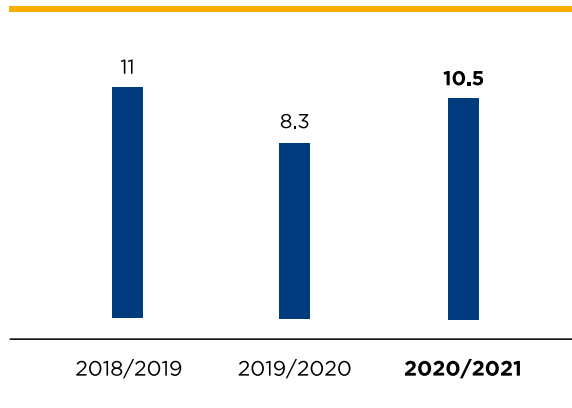
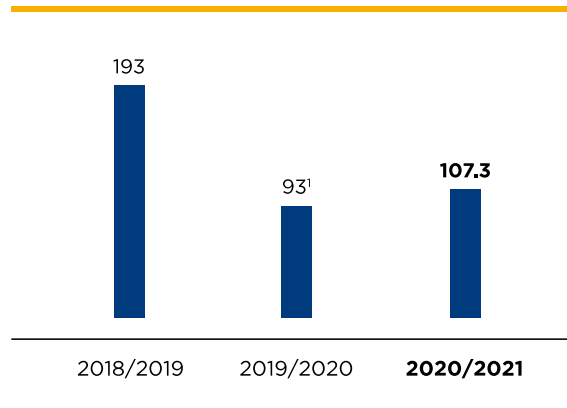


Definition: Number of different nationalities among our managers as of 30 September.

Training and Engagement



Continuing professional development

Average number of hours of CPD
per employee per yearAverage CPD expenditure
per employee per year in €

¹ 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 87% of all METRO employees.²

In this financial year, training activities as well as training-related expenditures increased compared to the past period.

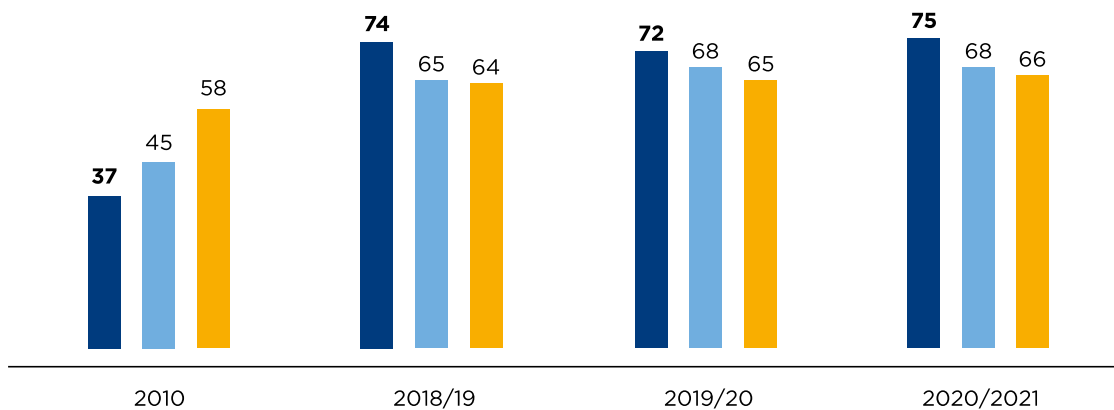
Both the activities in digital self-learning increased as well as in instructor-led courses, though still often delivered digitally.

² The reported figures include all METRO Wholesale entities as well as METRO AG.

Reasons lie in less restrictions due to the Covid-19 pandemic as well as the international implementation of a new learning platform which provides a user-friendly and engaging access to learning resources for each employee.

Employee engagement

METRO



■ Engagement Score METRO ■ Global Retail Benchmark
■ Global All Industries Benchmark

Since the start of 2019 the engagement survey has been carried out quarterly. The 2020/2021 figure is from August 2021.

The global retail benchmark was 68% this year and the global benchmark for all industries was 66%.

Community Involvement

Community Involvement - METRO

in € thousand	2018/19	2019/20	2020/21
Charitable donations	2,002	2,400	1,737
Community investments	2,361	3,735	5,152
Commercial initiatives	1,740	744	539
Total	6,103	6,879	7,428

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 Involvement - Germany

in € thousand	2018/19	2019/20	2020/21
Charitable donations	142	38	410
Community investments	1,184	1,093	955
Commercial initiatives	628	221	134
Total	1,954	1,352	1,499

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 (stores and warehouses) by 50% by 2025. We have committed to achieving this in a resolution of the Consumer Goods Forum.
WRI 10x20x30 Commitment: Champion 12.3 - 10x20x30 initiative	METRO to work together with WRI (World Resources institute) and engage 20 of its suppliers to commit to halving their food waste by 2030 in line with SGD 12.3.

Conscious Proteins

Commitment/Policy/ Position	Target
Position on Conscious proteins	<p>METRO's approach to Conscious Proteins has three streams:</p> <ol style="list-style-type: none">1. Sustainable sourcing: conscious proteins must be sourced responsibly which includes following established practices determined by our existing policies and commitments on sustainable sourcing2. Marketing and creating customer awareness: to create more awareness amongst our suppliers and our internal and external stakeholders, we will promote conscious proteins in a responsible way3. Creating awareness of our customers: we will help our customers to 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	Target
METRO Health and Nutrition Policy	<p>METRO aims to offer to our customers healthier own-brand products globally (common sourced and sourced by country organisations) with less sugar, salt, and fats and/or completely or partially free from additives and/or organic certified and/or alternative protein-based by:</p> <ul style="list-style-type: none"> — end of 2021 a total of 1,000 own brand products — end of 2022 a total of 1,250 own brand products — end of 2023 a total of 1,500 own brand products

See all KPIs of Organic and Responsible Products ► page 14

Raw Material Sourcing

Commitment/Policy/ Position	Target
Approach for sourcing of agricultural raw materials	./.
Policy for Sustainable Sourcing	./.
Soy Procurement Policy	<p>Soy as an ingredient (Tier 1 soy) in products with over 95% soy ingredient.</p> <p>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 zero deforestation by end 2025 with certification scheme by:</p> <ol style="list-style-type: none"> 1. Round Table for Responsible Soy (RTRS Credits or RTRS Certified) or 2. ProTerra certification scheme or 3. Any of the other FEAC benchmarked soy certification schemes

Palm oil Procurement Policy	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	<p>Environmental:</p> <ul style="list-style-type: none">— 100% of own brand products made from wood or wood fibre in accordance with the scope originate from legal and responsibly managed forests by 2023 <p>For assessing compliance the following shall apply:</p> <ul style="list-style-type: none">— Products made from virgin fibre must be certified in accordance to one of the third-party forest certification schemes<ul style="list-style-type: none">— FSC® (Forest Stewardship Council®) or— PEFC (Programme for the Endorsement of Forest Certification Schemes)— Products made from recycled wood or fibre are considered to be sustainable for the purpose of this policy; acceptable certifications can be ISO 14024:2018 type I label or local eco-label <p>Paper and Wood Policy was updated in Nov. 2021. In the previous version, our target was 2020 or 2023 for challenging markets. However, most markets (apart from TR and KZ who achieved 100% rate) did not manage to achieve the target. Therefore, we have now revised the target to 100% for all countries to 2023.</p> <p>The Social Compliance target in the Paper and Wood Policy has also been reviewed and revised to 2030 to align with the overarching METRO AG target.</p>
Meat Procurement Policy	The meat policy does not contain any own targets but builds upon relevant targets from existing public METRO policies related to sustainable meat sourcing, e.g. soy and animal welfare policy.

Animal Welfare Policy

METRO aims to improve its assortment towards higher animal health and welfare standards by achieving the following targets by 2025:

- 100% Transparency of livestock origin (country of farm & slaughtering)
- 100% Exclusion of preventive usage of antibiotics and growth promoters
- 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% humanely stunning of animals prior to slaughtering
- Avoidance of long distance traveling wherever possible and keeping animal live transportation to a minimum

Cage Free Eggs targets have been revised in November 2021 and included in the relevant policy (see below)

Fish and Seafood Procurement Policy

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
 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
 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 the seafood-specific social benchmark tool developed by The Global Sustainable seafood Initiative (GSSI) in collaboration with the Consumer Goods Forum.

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

METRO is committed to sourcing 100% cage free shell eggs

- by the end of 2022 in Western and Southern Europe (DE|AT|IT|PT|ES|BE|NL|FR)
- by the end of 2025 in Eastern Europe(EU) (HU|HR|PL|CZ|SK|RO|BG)
- by the end of 2027 in remaining markets, such as TR|UA|RS|RU|IN|PK|JP

METRO is committed to sourcing 100% cage free liquid egg own brand products by the end of 2027 (in challenging markets this timeline may be extended).

The Policy was revised in May and November 2021 to reflect tighter EU regulatory landscape on Cage Free farming and NGO feedback. As a result, our targets changed as above and TR, UA and RS moved into the 2027 target as non-EU countries. RU is now also included in the 'remaining markets' and no longer requires a special mention.

We also differentiated between shell and liquid eggs products, giving the latter category more flexibility due to its immaterial impact in our assortment (only 2 countries having liquid egg product articles).

Policy on Genetically
Modified Organisms (GMOs)

METRO is committed to:

- Genetically modified livestock (meat and fish) must not be used in our own-brand supply chain in line with our Animal Welfare Policy requirements.
- 100% transparency concerning genetically modified ingredients and ingredients originating from genetically modified organisms/plants in food products.
- 100% transparent labelling of food products containing more than 0.9% genetically modified ingredients

The Policy is currently under review.

Position on Biodiversity

./.

Principles of good practice
supply chain food (European
Supply Chain Initiative)

./.

Human Rights

Commitment/Policy/ Position

Policy for Social Compliance

Target

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 22](#)

Packaging and Plastic

Commitment/Policy/ Position

METRO Packaging Policy

Target

METRO aims that with a baseline of 2018, by 30 September 2023

1. all own brand packaging on all packaging levels is 100% PVC (PVdC) and EPS free
2. all primary and secondary paper/cardboard/wood own-brand packaging is FSC/PEFC certified or has a minimum of 70% recycled content
3. 2,000 tonnes of plastic (virgin and recycled) own-brand packaging shall be reduced.

Single use plastic

By 2025, we will empower our customers' businesses to move into a 100% future without any conventional single use plastic and increase resource efficiency by:

- Providing reusable, recyclable and compostable alternatives only
- 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. Becoming climate neutral by 2040 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.
Water Protection target	Reduce the use of water by 5% in our own operations by 2025 compared to the base year 2016/17

See all [KPIs of Climate Action](#) ► [page 15](#)

Diversity and Inclusion

Commitment/Policy/ Position	Target
Commitment for equal opportunities at work for all genders	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 26](#)

GRI AND UN GLOBAL COMPACT

GRI STANDARDS CONTENT INDEX

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards "Core option". In the GRI Content Index we report beside the general disclosures on at least one associated indicator for every issue that has been identified as material in order to make our performance in this area transparent.

Universal standards

Organizational profile

GRI indicator		Link/Comment 2020/21
102-1	Name of the organization	CRR: Imprint ► page 77
102-2	Activities, brands, products, and services	AR: Group business model
102-3	Location of headquarters	CRR: Imprint ► page 77
102-4	Location of operations	AR: Group business model AR: Affiliated companies AR: Store network by country and segments
102-5	Ownership and legal form	CRR: Imprint ► page 77 AR: Shareholder structure of METRO AG AR: Combined non-financial statement of METRO AG
102-6	Markets served	AR: Group business model
102-7	Scale of the organization	CRR: Key Performance Indicators – Diversity and Inclusion – Employees ► page 26 CRR: Key Performance Indicators – Company ► page 12 AR: Group business model AR: Asset, financial and earnings position AR: Capital structure Additional information: METRO sells products from renowned manufacturers as well as own brands that combine high quality with an attractive price. In Germany, for example, the entire assortment comprises around 186,000 at METRO Wholesale.

GRI indicator	Link/Comment 2020/21
102-8 Information on employees and other workers	<p>CRR: Key Performance Indicators – Diversity and Inclusion – Employees ► page 26</p> <p>CRR: Key Performance Indicators – Diversity and Inclusion – Part-time rate ► page 26</p> <p>Additional information:</p> <p>Due to different legal regulations in the individual countries in which METRO operates, it is not meaningful to indicate the proportion of fixed-term employment contracts.</p> <p>Since the proportion of persons who are not employees or employees bound by instructions (including employees and employees of contractual partners bound by instructions) is immaterial, it is not reported.</p>
102-9 Supply chain	<p>CRR: Sustainability strategy ► page 5</p> <p>AR: Group business model</p> <p>Additional information:</p> <p>As a retail and wholesale company, our supply chain can be simplified as follows: Manufacturers, producers and producers of food and non-food products; transport, storage and distribution; stores; consumers.</p> <p>Our supply chain management approaches can be found in the sections related to our sustainability key focus areas.</p>
102-10 Significant changes to the organization and its supply chain	<p>AR: Sales and earnings development of the segments</p> <p>AR: Letter to the shareholders</p> <p>AR: Overview of financial year 2020/21 and outlook</p> <p>Additional information:</p> <p>In our purchasing processes we make sure that we are not dependent on our suppliers. Our supplier structure has not changed significantly in this respect. Accordingly, we do not report changes in supplier location, supply chain structure or supplier relationships (including selection and termination).</p> <p>METRO's internal structures have also largely remained the same. The chapter Review of the Annual Report provides information on the changes.</p>
102-11 Precautionary Principle or approach	<p>CRR: Sustainability strategy ► page 5</p> <p>CRR: Our focus areas ► page 10</p> <p>CRR: Commitments, positions and targets ► page 38</p>
102-12 External initiatives	<p>CRR: Commitments, positions and targets ► page 38</p>
102-13 Membership in associations and interest groups	<p>Additional information:</p> <p>(PDF:) Memberships in selected organisations</p>

Strategy

GRI indicator	Link/Comment 2020/21
102-14 Statement from senior decision-maker	<p>CRR: Letter from the Management Board ► page 3</p> <p>CRR: Sustainability strategy ► page 5</p> <p>CRR: Materiality analysis 2020/21 ► page 7</p> <p>CRR: Management approach ► page 9</p> <p>CRR: Our focus areas ► page 10</p> <p>AR: Letter to the shareholders</p> <p>AR: Goals and strategy</p> <p>AR: Macroeconomic and industry-specific conditions</p> <p>AR: Report on events after the closing date and outlook</p> <p>AR: Opportunities and risk report</p>

Ethics and integrity

GRI indicator	Link/Comment 2020/21
102-16 Values, principles, standards, and norms of behavior	<p>CRR: Sustainability strategy ► page 5</p> <p>CRR: Our focus areas ► page 10</p> <p>CRR: Commitments, positions and targets ► page 38</p> <p>AR: Combined non-financial statement of METRO AG – Employee interests – Sustainable human resources (HR) strategy</p> <p>AR: Combined non-financial statement of METRO AG – Corporate ethics and transparency – Compliance – including the fight against corruption and bribery as well as antitrust violations</p> <p>AR: Corporate Governance</p>

Governance

GRI indicator	Link/Comment 2020/21
102-18 Governance structure	<p>AR: Combined non-financial statement of METRO AG – Actively managing sustainability</p> <p>AR: The Management Board</p> <p>AR: Advice and supervision in consultation with the Management Board</p> <p>AR: Work in the committees</p> <p>AR: Report of the Supervisory Board</p>

Stakeholder engagement

GRI indicator	Link/Comment 2020/21
102-40 List of stakeholder groups	<p>Additional information:</p> <p>Stakeholder relations - METRO Sustainable (metroag.de)</p>
102-41 Collective bargaining agreements	<p>CRR: Key Performance Indicators – Diversity and Inclusion – Employee representation ► page 26</p>
102-42 Identifying and selecting stakeholders	<p>CRR: Sustainability strategy ► page 5</p> <p>Additional information:</p> <p>Stakeholder relations - METRO Sustainable (metroag.de)</p> <p>The exchange takes place with stakeholders along the entire value chain and takes into account both our impact and the potential impact on us.</p>
102-43 Approach to stakeholder engagement	<p>CRR: Materiality analysis 2020/21 ► page 7</p> <p>AR: Combined non-financial statement of METRO AG – Responsible procurement and a more sustainable product range</p> <p>Additional information:</p> <p>Stakeholder relations - METRO Sustainable (metroag.de)</p>
102-44 Key topics and concerns raised	<p>CRR: Materiality analysis 2020/21 ► page 7</p> <p>CRR: Management approach ► page 9</p> <p>CRR: Our focus areas ► page 10</p> <p>AR: Combined non-financial statement of METRO AG – Responsible procurement and a more sustainable product range</p>

Reporting practice

GRI indicator	Link/Comment 2020/21
102-45 Entities included in the consolidated financial statements	AR: Group business model AR: Consolidated group AR: Affiliated companies Additional information: The METRO Corporate Responsibility Report 2019/20 covers the main operating units, including the sales lines and service companies as well as the holding. In addition, the respective scope is noted in the indicators.
102-46 Defining report content and topic Boundaries	CRR: Materiality analysis 2020/21 ► page 7
102-47 List of material topics	CRR: Materiality analysis 2020/21 ► page 7
102-48 Restatements of information	CRR: Key performance indicators and targets ► page 11 Additional information: Any new representations of information in comparison with previous reports are explained by footnotes at the appropriate points, where available.
102-49 Changes in reporting	CRR: Key performance indicators and targets ► page 11 AR: Internal control system for financial and operational processes Additional information: Important changes to the scope of the report and the limitations of aspects, if any, are explained in the appropriate places.
102-50 Reporting period	CRR: About this report ► page 72
102-51 Date of most recent report	CRR: About this report ► page 72
102-52 Reporting cycle	CRR: About this report ► page 72
102-53 Contact point for questions regarding the report	CRR: Imprint ► page 77
102-54 Claims of reporting in accordance with the GRI Standards	CRR: About this report ► page 72
102-55 GRI content index	CRR: GRI Content index ► page 46
102-56 External assurance	CRR: About this report ► page 72 CRR: Assurance about this report ► page 74

Material topics

Business ethics and transparency

GRI indicator	Link/Comment 2020/21
GRI 103: Management approach 2016	
103-1 Explanation of the material topic and its Boundary	AR: Combined non-financial statement of METRO AG – Corporate ethics and transparency – Compliance – including the fight against corruption and bribery as well as antitrust violations CRR: Materiality analysis 2020/21 ► page 7 CRR: UN GC – Anti-corruption measures ► page 70 Additional information: Corporate Governance – METRO AG

GRI indicator		Link/Comment 2020/21
103-2	The management approach and its components	<p>AR: Combined non-financial statement of METRO AG – Corporate ethics and transparency – Compliance - including the fight against corruption and bribery as well as antitrust violations</p> <p>CRR: UN GC – Anti-corruption measures ► page 70</p> <p>Additional information:</p> <p>Corporate Governance - METRO AG</p>
103-3	Evaluation of the management approach	<p>AR: Combined non-financial statement of METRO AG – Corporate ethics and transparency – Compliance - including the fight against corruption and bribery as well as antitrust violations</p> <p>CRR: UN GC – Anti-corruption measures ► page 70</p> <p>Additional information:</p> <p>Corporate Governance - METRO AG</p>
GRI 206: Anti-competitive Behavior 2016		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	<p>AR: Remaining legal issues</p> <p>Additional information:</p> <p>Information on legal disputes, investigations and other legal issues as well as on the associated potential risks and effects for METRO can be found in section 48 “Remaining legal issues” in the notes to the consolidated financial statements of METRO AG as of 30 September 2021.</p> <p>Only legal matters of material importance for the net assets, financial position and results of operations of the Group or METRO AG are reported. The principle of materiality of management reporting is derived from § 315 HGB in conjunction with DRS 20 for the consolidated financial statements of METRO AG and from § 289 HGB in conjunction with DRS 20 for the individual financial statements of METRO AG.</p>

Data privacy and security

GRI indicator		Link/Comment 2020/21
GRI 103: Management approach 2016		
103-1	Explanation of the material topic and its Boundary	<p>CRR: Materiality analysis 2020/21 ► page 7</p> <p>AR: Combined non-financial statement of METRO AG – Protection of personal data</p>
103-2	The management approach and its components	AR: Combined non-financial statement of METRO AG – Protection of personal data
103-3	Evaluation of the management approach	AR: Combined non-financial statement of METRO AG – Protection of personal data
GRI 418: Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	<p>Additional information:</p> <p>Group-wide Data Protection - METRO AG</p>

Employee diversity and inclusion

GRI indicator	Link/Comment 2020/21
GRI 103: Management approach 2016	
103-1 Explanation of the material topic and its Boundary	CRR: Materiality analysis 2020/21 ▶ page 7 CRR: Management approach ▶ page 9 CRR: Our focus areas – Diversity and Inclusion ▶ page 10 CRR: Commitments, positions and targets – Diversity and Inclusion ▶ page 45 CRR: UN GC – Human rights and labour standards ▶ page 62 AR: Combined non-financial statement of METRO AG – Employee interests – Diversity and Inclusion AR: Combined non-financial statement of METRO AG – Employee interests – Equal opportunities in the workplace
103-2 The management approach and its components	AR: Combined non-financial statement of METRO AG – Employee interests – Diversity and Inclusion CRR: Our focus areas – Diversity and Inclusion ▶ page 10 CRR: Commitments, positions and targets – Diversity and Inclusion ▶ page 45 CRR: UN GC – Human rights and labour standards ▶ page 62
103-3 Evaluation of the management approach	AR: Combined non-financial statement of METRO AG – Employee interests – Diversity and Inclusion CRR: Our focus areas – Diversity and Inclusion ▶ page 10 CRR: Commitments, positions and targets – Diversity and Inclusion ▶ page 45 CRR: UN GC – Human rights and labour standards ▶ page 62
GRI 405: Diversity and Equal Opportunity 2016	
405-1 Diversity of governance bodies and employees	CRR: Key Performance Indicators – Diversity and Inclusion – Gender breakdown in managerial positions ▶ page 32 CRR: Key Performance Indicators – Diversity and Inclusion – Gender breakdown in managerial positions top management ▶ page 32 CRR: Key Performance Indicators – Diversity and Inclusion – Gender breakdown in managerial positions junior management ▶ page 32 CRR: Key Performance Indicators – Diversity and Inclusion – Gender breakdown in managerial positions of revenue generating units ▶ page 32 CRR: Key Performance Indicators – Diversity and Inclusion – Managers by age ▶ page 32 CRR: Key Performance Indicators – Diversity and Inclusion – Number of nationalities among managers ▶ page 32 CRR: Key Performance Indicators – Diversity and Inclusion – Employees ▶ page 26 CRR: Key Performance Indicators – Diversity and Inclusion – Employees by age group ▶ page 26 CRR: Key Performance Indicators – Diversity and Inclusion – Employees with a recognised severe disability or equivalent status ▶ page 26 CRR: Key Performance Indicators – Diversity and Inclusion – Employees by age group ▶ page 26 CRR: Key Performance Indicators – Diversity and Inclusion – Number of nationalities ▶ page 26

Food waste management

GRI indicator		Link/Comment 2020/21
GRI 103: Management approach 2016		
103-1	Explanation of the material topic and its Boundary	<p>AR: Combined non-financial statement of METRO AG – Environmental matters</p> <p>CRR: Materiality analysis 2020/21 ► page 7</p> <p>CRR: Management approach ► page 9</p> <p>CRR: Our focus areas – Food Waste ► page 10</p> <p>CRR: Commitments, positions and targets – Food Waste ► page 38</p> <p>CRR: UN GC – Environmental protection ► page 67</p>
103-2	The management approach and its components	<p>AR: Combined non-financial statement of METRO AG – Environmental matters - Reduction of food waste</p> <p>CRR: Our focus areas – Food Waste ► page 10</p> <p>CRR: Commitments, positions and targets – Food Waste ► page 38</p> <p>CRR: UN GC – Environmental protection ► page 67</p>
103-3	Evaluation of the management approach	<p>AR: Combined non-financial statement of METRO AG – Environmental matters - Reduction of food waste</p> <p>CRR: Our focus areas – Food Waste ► page 10</p> <p>CRR: Commitments, positions and targets – Food Waste ► page 38</p> <p>CRR: UN GC – Environmental protection ► page 67</p>
GRI 306: Waste 2020		
306-1	Waste generation and significant waste-related impacts	<p>CRR: Our focus areas – Food Waste ► page 10</p> <p>AR: Combined non-financial statement of METRO AG – Environmental matters - Reduction of food waste</p>
306-2	Management of significant waste-related impacts	<p>CRR: Key Performance Indicators – Amount of waste and recycling rate ► page 21</p> <p>AR: Combined non-financial statement of METRO AG – Environmental matters - Reduction of food waste</p> <p>Additional information:</p> <p>The determination of the waste disposal method is based on the information provided by the waste disposal service providers we use.</p>
306-3	Waste generated	<p>AR: Combined non-financial statement of METRO AG – Environmental matters - Reduction of food waste</p> <p>CRR: Key Performance Indicators – Amount of waste and recycling rate ► page 21</p> <p>CRR: Key Performance Indicators – Food Waste ► page 15</p>

Healthy and nutritious products

GRI indicator		Link/Comment 2020/21
GRI 103: Management approach 2016		
103-1	Explanation of the material topic and its Boundary	<p>CRR: Materiality analysis 2020/21 ► page 7</p> <p>CRR: Our focus areas – Organic and Responsible Products ► page 10</p> <p>CRR: Commitments, positions and targets – Organic and Responsible Products ► page 39</p> <p>AR: Opportunities and risk report</p> <p>AR: Combined non-financial statement of METRO AG – Customer – Responsible procurement and a more sustainable product range</p> <p>AR: Combined non-financial statement of METRO AG – Customer – Healthy and nutritious products</p>
103-2	The management approach and its components	<p>CRR: Our focus areas – Organic and Responsible Products ► page 10</p> <p>CRR: Commitments, positions and targets – Organic and Responsible Products ► page 39</p> <p>AR: Opportunities and risk report</p> <p>AR: Combined non-financial statement of METRO AG – Customer – Responsible procurement and a more sustainable product range</p> <p>AR: Combined non-financial statement of METRO AG – Customer – Healthy and nutritious products</p>
103-3	Evaluation of the management approach	<p>CRR: Our focus areas – Organic and Responsible Products ► page 10</p> <p>CRR: Commitments, positions and targets – Organic and Responsible Products ► page 39</p> <p>AR: Opportunities and risk report</p> <p>AR: Combined non-financial statement of METRO AG – Customer – Responsible procurement and a more sustainable product range</p> <p>AR: Combined non-financial statement of METRO AG – Customer – Healthy and nutritious products</p>
GRI 416: Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	<p>CRR: Key Performance Indicators – Organic and Responsible Products ► page 14</p> <p>AR: Opportunities and risk report</p> <p>Reasons for omission: Percentage data cannot be collected for internal reporting system reasons. In addition, METRO mainly only works on own-brand products in this area.</p>

Human rights

GRI indicator	Link/Comment 2020/21
GRI 103: Management approach 2016	
103-1 Explanation of the material topic and its Boundary	<p>CRR: Materiality analysis 2020/21 ► page 7</p> <p>AR: Combined non-financial statement of METRO AG – Employee interests – Fair working conditions and social partnership</p> <p>AR: Combined non-financial statement of METRO AG – Social matters – Respect for human rights</p> <p>AR: Combined non-financial statement of METRO AG – Social matters – Global labour and social standards in the supply chain</p> <p>CRR: Management approach ► page 9</p> <p>CRR: Our focus areas – Human Rights ► page 10</p> <p>CRR: Commitments, positions and targets – Human Rights ► page 44</p>
103-2 The management approach and its components	<p>AR: Combined non-financial statement of METRO AG – Employee interests – Fair working conditions and social partnership</p> <p>AR: Combined non-financial statement of METRO AG – Social matters – Respect for human rights</p> <p>AR: Combined non-financial statement of METRO AG – Social matters – Global labour and social standards in the supply chain</p> <p>CRR: Management approach ► page 9</p> <p>CRR: Our focus areas – Human Rights ► page 10</p> <p>CRR: Commitments, positions and targets – Human Rights ► page 44</p> <p>CRR: UN GC – Human rights and labour standards ► page 62</p> <p>Additional information:</p> <p>Principles on Fair Working Conditions & Social Partnership</p> <p>amfori BSCI Code of Conduct</p>
103-3 Evaluation of the management approach	<p>AR: Combined non-financial statement of METRO AG – Employee interests – Fair working conditions and social partnership</p> <p>AR: Combined non-financial statement of METRO AG – Social matters – Respect for human rights</p> <p>AR: Combined non-financial statement of METRO AG – Social matters – Global labour and social standards in the supply chain</p> <p>CRR: Management approach ► page 9</p> <p>CRR: Our focus areas – Human Rights ► page 10</p> <p>CRR: Commitments, positions and targets – Human Rights ► page 44</p> <p>CRR: UN GC – Human rights and labour standards ► page 62</p> <p>Additional information:</p> <p>Principles on Fair Working Conditions & Social Partnership</p> <p>amfori BSCI Code of Conduct</p>

GRI indicator		Link/Comment 2020/21
GRI 414: Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	<p>AR: Combined non-financial statement of METRO AG – Social matters – Respect for human rights</p> <p>AR: Combined non-financial statement of METRO AG – Social matters – Global labour and social standards in the supply chain and supplier development</p> <p>CRR: UN GC – Human rights and labour standards ► page 62</p> <p>Additional information:</p> <p>Social criteria form a general contractual element (paragraph on social standards) in all own brand and brand contracts as well as through our Code of Conduct.</p> <p>Active screening for own brand suppliers happens automatically during the on-boarding into our social standard process as compliance with social criteria is a prerequisite for becoming a new supplier but new suppliers are not tagged as “new” in our system.</p>

Occupation health, safety and well-being

GRI indicator		Link/Comment 2020/21
GRI 103: Management approach 2016		
103-1	Explanation of the material topic and its Boundary	<p>CRR: Materiality analysis 2020/21 ► page 7</p> <p>AR: Combined non-financial statement of METRO AG – Employee interests – Occupational safety and health management</p> <p>AR: Combined non-financial statement of METRO AG – Employee interests – KPIs for occupational safety and health</p> <p>AR: Combined non-financial statement of METRO AG – Employee interests – Occupational safety in times of Covid-19</p> <p>CRR: UN GC – Human rights and labour standards ► page 62</p>
103-2	The management approach and its components	<p>CRR: Materiality analysis 2020/21 ► page 7</p> <p>AR: Combined non-financial statement of METRO AG – Employee interests – Occupational safety and health management</p> <p>AR: Combined non-financial statement of METRO AG – Employee interests – KPIs for occupational safety and health</p> <p>AR: Combined non-financial statement of METRO AG – Employee interests – Occupational safety in times of Covid-19</p> <p>CRR: UN GC – Human rights and labour standards ► page 62</p> <p>Additional information:</p> <p>We report on 23 countries.</p> <p>We do not collect information based on the gender of employees.</p> <p>We do not calculate absentee rate as this issue is not related to Safety, but HR.</p>
103-3	Evaluation of the management approach	<p>CRR: Materiality analysis 2020/21 ► page 7</p> <p>AR: Combined non-financial statement of METRO AG – Employee interests – Occupational safety and health management</p> <p>AR: Combined non-financial statement of METRO AG – Employee interests – KPIs for occupational safety and health</p> <p>AR: Combined non-financial statement of METRO AG – Employee interests – Occupational safety in times of Covid-19</p> <p>CRR: UN GC – Human rights and labour standards ► page 62</p>

GRI indicator	Link/Comment 2020/21
GRI 403: Occupational Health and Safety 2018	
403-1 Occupational health and safety management system	<p>AR: Combined non-financial statement of METRO AG - Employee interests - Occupational safety and health management</p> <p>Additional information:</p> <p>Occupational safety and health are managed and coordinated:</p> <ul style="list-style-type: none"> — At the corporate level by Expert Operational Safety, at Corporate, Security, Safety and Forensics Department — At country level by Country and regional safety responsible persons. Each location has appointed safety responsible person. In addition, in certain countries, outsourced safety expert companies are being hired. <p>Continuous improvement is achieved through an annual OSMS gap analysis. These results in the development of an action plan to improve the OSMS.</p>
403-2 Hazard identification, risk assessment, and incident investigation	<p>Additional information:</p> <p>The procedures for hazard identification, risk assessment and incident investigation are set out in the OSMS Policy and the OSMS Manual.</p> <p>Human Rights - Occupational Health and safety - it's always safety first</p>
403-3 Occupational health services	<p>Additional information:</p> <p>A company medical service has been appointed for METRO AG and other Group companies in Germany in accordance with § 1 ASiG. A specialist in occupational and general medicine acts as company physician. The occupational health services include mandatory travel medicine screening, blood glucose and blood pressure measurement for early diabetes detection, nutritional medicine consultation, G37 eye examination, ergonomics consultation at the workplace and a psychological consultation. All employees of the above-mentioned companies have access to the description of services via the internal social network. A visit by the company doctor is open to all the above-mentioned employees during working hours. The company medical service accompanies the risk assessments and inspections of workplaces and work sites in order to eliminate, exclude or reduce hazards of working and environmental conditions. Similar services are also offered at METRO's national subsidiaries. In order to purchase special office furniture or work equipment for health reasons, it is necessary for employees to disclose certificates or invoices for necessary equipment. Confidentiality is ensured by providing this data only to a specific group of people for review. The company physician is subject to medical confidentiality.</p>
403-4 Worker participation, consultation, and communication on occupational health and safety	<p>Additional information:</p> <p>Human Rights - Occupational Health and safety - it's always safety first</p>
403-5 Worker training on occupational health and safety	<p>Additional information:</p> <p>Human Rights - Occupational Health and safety - it's always safety first</p>
403-6 Promotion of worker health	<p>AR: Combined non-financial statement of METRO AG - Employee interests - Well-Being</p> <p>Additional information:</p> <p>All interested employees in all METRO national as well as group companies were offered flu vaccinations and Covid-19 vaccinations as a voluntary service via the company medical services. In addition, METRO AG incl. METRO Digital, METRO Advertising, METRO PROPERITES, METRO Markets and MIB offers access to a so-called Employee Assistant Program, through which employees can, for example, obtain faster access to medical specialists.</p>

GRI indicator		Link/Comment 2020/21										
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	<p>Additional information:</p> <p>Human Rights - Occupational Health and safety – it's always safety first</p>										
403-9	Work-related injuries	<p>CRR: Key Performance Indicators – Human Rights - LTIFR ► page 22</p> <p>AR: Combined non-financial statement of METRO AG - Employee interests - KPIs for occupational safety and health</p> <p>Additional information²:</p> <p>We collect following types of injuries: Fatality, Lost work day cases (LWDC), Medical treatment cases (MTC), Restricted Work Cases (RWC), First Aid cases (FA). Also, we collect commuting accidents and Near Misses, which are not included in LTIFR. We calculate following indicators: LTI (Lost Time Injury) and LTIFR (Lost Time Injury Frequency Rate) because these are the key control indicators for METRO. The other indicators required by GRI 403-9 are therefore not included. We provide information on all employees, without exception. During the reporting period, there was a one-digit number of high-consequence injuries. The main root causes for half of the cases were inattention of employees when working with moving equipment, the rest derived from wrong movement during manual handling of loads and organisation of workspace. All cases involve human factor, which, according to the hierarchy of controls, requires administrative controls, e.g., changing the way people work and conducting periodic safety equipment inspections, conducting trainings, changing the work patterns of personnel and giving appropriate instructions to personnel.</p> <p>METRO LTIFR FY 20/21:</p> <table><tr><th>Hours Worked¹</th><th>Fatality</th><th>LWDC</th><th>LTI = F+LWDC</th><th>LTIFR = (LTI/HW) x 1,000,000</th></tr><tr><td>140,039,245.62</td><td>0</td><td>988</td><td>988</td><td>7.06</td></tr></table> <p>1 For company employees: the total number of hours worked including overtime and training during the period. For contractor employees, the total number of hours worked for the company during the period.</p> <p>2 The additional information on 403-9 presented below has not been subjected to the limited assurance audit in accordance with ISAE 3000 by KPMG AG Wirtschaftsprüfungsgesellschaft.</p> <p>Human Rights - Occupational Health and safety – it's always safety first</p>	Hours Worked ¹	Fatality	LWDC	LTI = F+LWDC	LTIFR = (LTI/HW) x 1,000,000	140,039,245.62	0	988	988	7.06
Hours Worked ¹	Fatality	LWDC	LTI = F+LWDC	LTIFR = (LTI/HW) x 1,000,000								
140,039,245.62	0	988	988	7.06								

Packaging and plastic

GRI indicator	Link/Comment 2020/21
GRI 103: Management approach 2016	
103-1 Explanation of the material topic and its Boundary	<p>CRR: Materiality analysis 2020/21 ► page 7</p> <p>CRR: Management approach ► page 9</p> <p>CRR: Our focus areas – Packaging and Plastic ► page 10</p> <p>CRR: Commitments, positions and targets – Packaging and Plastic ► page 44</p> <p>CRR: UN GC – Environmental protection ► page 67</p>

GRI indicator	Link/Comment 2020/21
103-2 The management approach and its components	CRR: Management approach ▶ page 9 CRR: Our focus areas – Packaging and Plastic ▶ page 10 CRR: Commitments, positions and targets – Packaging and Plastic ▶ page 44 CRR: UN GC – Environmental protection ▶ page 67
103-3 Evaluation of the management approach	CRR: Management approach ▶ page 9 CRR: Our focus areas – Packaging and Plastic ▶ page 10 CRR: Commitments, positions and targets – Packaging and Plastic ▶ page 44 CRR: UN GC – Environmental protection ▶ page 67
GRI 301: Materials 2016	
301-2 Recycled input materials used	CRR: Key Performance Indicators – Climate Action – Amount of waste and recycling rate ▶ page 21 Additional information: Key Performance Indicators – Packaging and Plastic – METRO Sustainable (metroag.de)

Resource-efficient operations

GRI indicator	Link/Comment 2020/21
GRI 103: Management approach 2016	
103-1 Explanation of the material topic and its Boundary	AR: Combined non-financial statement of METRO AG – Environmental matters CRR: Materiality analysis 2020/21 ▶ page 7 CRR: Management approach ▶ page 9 CRR: Our focus areas – Climate Action ▶ page 10 CRR: Commitments, positions and targets – Climate Action ▶ page 45 CRR: UN GC – Environmental protection ▶ page 67
103-2 The management approach and its components	AR: Combined non-financial statement of METRO AG – Environmental matters CRR: Our focus areas – Climate Action ▶ page 10 CRR: Commitments, positions and targets – Climate Action ▶ page 45 CRR: UN GC – Environmental protection ▶ page 67
103-3 Evaluation of the management approach	AR: Combined non-financial statement of METRO AG – Environmental matters CRR: Our focus areas – Climate Action ▶ page 10 CRR: Commitments, positions and targets – Climate Action ▶ page 45 CRR: UN GC – Environmental protection ▶ page 67

GRI indicator	Link/Comment 2020/21
GRI 302: Energy 2016	
302-1 Energy consumption within the organization	<p>CRR: Key Performance Indicators – Climate Action – Total energy consumption ► page 18</p> <p>Additional information:</p> <p>We do not sell significant quantities of energy to third parties. The consumption of the individual energy sources is converted into MWh using standard factors. Total fuel consumption within the organization from renewable sources amounts to 17,000 MWh from METRO France for biogas.</p>

Responsible sourcing and sustainable assortment

GRI indicator	Link/Comment 2020/21
GRI 103: Management approach 2016	
103-1 Explanation of the material topic and its Boundary	<p>AR: Combined non-financial statement of METRO AG – Environmental matters</p> <p>CRR: Materiality analysis 2020/21 ► page 7</p> <p>CRR: Management approach ► page 9</p> <p>CRR: Our focus areas – Climate Action ► page 10</p> <p>CRR: Our focus areas – Organic and Responsible Products ► page 10</p> <p>CRR: Our focus areas – Conscious Proteins ► page 10</p> <p>CRR: Our focus areas – Raw Material Sourcing ► page 10</p> <p>CRR: Commitments, positions and targets – Climate Action ► page 45</p> <p>CRR: Commitments, positions and targets – Organic and Responsible Products ► page 39</p> <p>CRR: Commitments, positions and targets – Conscious Proteins ► page 38</p> <p>CRR: Commitments, positions and targets – Raw Material Sourcing ► page 39</p> <p>CRR: UN GC – Environmental protection ► page 67</p>
103-2 The management approach and its components	<p>CRR: Our focus areas – Climate Action ► page 10</p> <p>CRR: Our focus areas – Organic and Responsible Products ► page 10</p> <p>CRR: Our focus areas – Conscious Proteins ► page 10</p> <p>CRR: Our focus areas – Raw Material Sourcing ► page 10</p> <p>CRR: Commitments, positions and targets – Climate Action ► page 45</p> <p>CRR: Commitments, positions and targets – Organic and Responsible Products ► page 39</p> <p>CRR: Commitments, positions and targets – Conscious Proteins ► page 38</p> <p>CRR: Commitments, positions and targets – Raw Material Sourcing ► page 39</p> <p>AR: Combined non-financial statement of METRO AG – Customer – Responsible procurement and a more sustainable product range</p> <p>AR: Combined non-financial statement of METRO AG – Customer – Healthy and nutritious products</p>

GRI indicator		Link/Comment 2020/21
103-3	Evaluation of the management approach	CRR: Our focus areas – Climate Action ▶ page 10 CRR: Our focus areas – Organic and Responsible Products ▶ page 10 CRR: Our focus areas – Conscious Proteins ▶ page 10 CRR: Our focus areas – Raw Material Sourcing ▶ page 10 CRR: Commitments, positions and targets – Climate Action ▶ page 45 CRR: Commitments, positions and targets – Organic and Responsible Products ▶ page 39 CRR: Commitments, positions and targets – Conscious Proteins ▶ page 38 CRR: Commitments, positions and targets – Raw Material Sourcing ▶ page 39 AR: Combined non-financial statement of METRO AG – Customer – Responsible procurement and a more sustainable product range AR: Combined non-financial statement of METRO AG – Customer – Healthy and nutritious products
Performance indicator	Raw material-specific policy and reporting training sessions with METRO workers	AR: Combined non-financial statement of METRO AG – Customer – Responsible procurement and a more sustainable product range

Talent attraction and development

GRI indicator		Link/Comment 2020/21
GRI 103: Management approach 2016		
103-1	Explanation of the material topic and its Boundary	CRR: Materiality analysis 2020/21 ▶ page 7 AR: Combined non-financial statement of METRO AG – Employee interests
103-2	The management approach and its components	AR: Combined non-financial statement of METRO AG – Employee interests
103-3	Evaluation of the management approach	AR: Combined non-financial statement of METRO AG – Employee interests
GRI 401: Employment 2016		
401-1	New employee hires and employee turnover	CRR: Key Performance Indicators – Diversity and Inclusion – New employees by gender ▶ page 31 CRR: Key Performance Indicators – Diversity and Inclusion – New employees by age ▶ page 31 CRR: Key Performance Indicators – Diversity and Inclusion – Employee turnover by gender ▶ page 26 CRR: Key Performance Indicators – Diversity and Inclusion – Employee turnover by age ▶ page 26

UNITED NATIONS GLOBAL COMPACT

Participation in the United Nations Global Compact – the world's largest corporate responsibility initiative – helps METRO anchor sustainability in its corporate strategy. It also provides the appropriate framework for our long-standing commitment to responsible and ethically correct business operations.

With this Communication on Progress, METRO fulfills its commitment to demonstrate which guidelines and measures it is taking to improve its performance within the areas of human rights, labor standards, environmental protection and anti-corruption, and to ensure that the 10 basic principles of the Global Compact are respected not only today, but also in the future, in strategic decisions as well as in daily work.

Düsseldorf, December 2021



United Nations Global Compact Communication on progress 2020/21

In the following tables, we list examples of commitments and management systems that serve to ensure compliance with the 10 Principles, measures we have taken, and results we were able to achieve in the 2020/21 reporting period.

- Human rights and labour standards ► page 62
- Environmental protection ► page 67
- Anti-corruption measures ► page 70

Human rights and labour standards

PRINCIPLE 1: Support for human rights

PRINCIPLE 2: Elimination of human rights abuses

PRINCIPLE 3: Freedom of association and the right to collective bargaining

PRINCIPLE 4: Elimination of all forms of forced labour

PRINCIPLE 5: Abolition of child labour

PRINCIPLE 6: Elimination of discrimination

Commitments and management systems

- Key labour standards of the ILO (International Labour Organization), embedded in a variety of corporate guidelines
- OECD Guidelines for Multinational Enterprises, embedded in a variety of corporate guidelines
- International standards throughout the supply chain (amfori BSCI, Sedex SMETA, RSPO etc.)
- METRO Business Principles
- Code of Conduct for Business Partners
- METRO Human Rights Guidelines in its own business operations and entire supply chain
- METRO Anti-discrimination tenet
- Policy social standards for all own brand suppliers producing in risk countries
- Social standards clause in supplier contracts
- The Accord on Fire and Building Safety in Bangladesh
- METRO guidelines on fair working conditions and social partnership
- The Consumer Goods Forum Resolution on Forced Labour
- The Consumer Goods Forum Resolution on Health & Wellness

Measures 2020/21

- Continuous auditing of non-food, near-food and food producers according to Amfori Business Social Compliance Initiative (Amfori BSCI), Sedex audit according to SMETA or equivalent social standard systems. This applies according to a risk approach to all producers of certain typically human rights-critical food categories and industries as well as producers in defined risk countries (based on the Amfori BSCI assessment) where METRO SOURCING International (MSI) and METRO Food Sourcing (MFS) have imported goods manufactured, as well as to all above-mentioned risky producers who manufacture private label or own import articles for our sales divisions. The country organizations will be trained in the roll-out for near-food and food suppliers (valid since June 1, 2019) and gradually integrated into the process.
- Training of suppliers to raise awareness of issues associated in particular with the Covid-19 pandemic, especially stricter hygiene regulations and potential human rights violations such as the risk of unregulated overtime as a consequence of the sometimes severe economic losses. At the same time, the Amfori BSCI and Sedex audits, which were largely not carried out, will be compensated for, thereby fulfilling the duty of care to ensure that human rights are respected even in the absence of audits.
- Conducting an initial survey specifically on the topic of living wage through METRO SOURCING International (MSI).
- In addition to its focus on social issues, MSI began using a self-assessment questionnaire to assess its producers' compliance with environmental requirements during the fiscal year.
- In the course of the fiscal year, the technical implementation was developed for defining the Code of Conduct as a "minimum requirement" and integrating it as a mandatory document in the new METRO Supplier Portal. After the function has gone live, all suppliers who have a business relationship with METRO will be able to read and agree to it.
- Embedding the catalog of criteria for our social standard process in the food own-brand manual of the purchasing company European Food Sourcing (EFS). This strengthens the process so that, from the time the manual comes into force (October 1, 2021), all requirements for demonstrating human rights compliance are already in place at the time of tendering. The relevant documents must be available at the time of listing.
- METRO is a signatory to the new International Agreement on Fire Protection and Building Safety in Bangladesh.
- Since fiscal year 2019/20, we have changed our audit process for compliance with the Fair Working Conditions and Social Partnership (FWC & SP) guidelines at METRO companies based on Covid-19. Surveys on the Principles on Fair Working Conditions and Social Partnership (FWC & SP) are conducted online. The aim is to assess the current status of implementation of the FWC & SP principles in key units and to provide recommendations for improving the FWC & SP process. .
- Unfolding of various occupational safety measures

■ The colour-coding highlights the corresponding measures and achievements

□ Items with this bullet point do not have any corresponding passages

- Various events organized by the Women in Trade (WiT) employee network to help sustainably increase the proportion of women in management positions, promote internal and external dialog and create better conditions for women in the Group. 5 WiT country networks are active in France, Portugal, , Pakistan, Germany and Bulgaria. The number of network members at the Düsseldorf site is now around 500.
- In the course of revising the strategy and due to the positive development in terms of achieving the target of increasing the proportion of women in management positions at METRO AG and METRO Wholesale, we have shortened the target achievement date of the current gender targets set by the Management Board on 26 July 2017 to 30 September 2020 (originally: 30 June 2022) and set ourselves new targets for September 2025. By September 2025, METRO AG aims to employ 25% women in the 1st management level below the Management Board and 40% in the 2nd management level below the Management Board. In addition, we have again voluntarily set a target for the share of women in management positions in our wholesale business. According to this target, the share of women in management positions at levels 1 to 3 (including store managers) is to be 30% worldwide by September 2025.
- The METRO PRIDE employee network for lesbians, gays, bisexuals, transsexuals and intersexuals aims to raise awareness of sexual orientation and identity issues. In the fiscal year, the network engaged in activities including in various communication initiatives to contribute to the internal dissemination of METRO's international LGBTIQ+ strategy and broader awareness and visibility on the topic.
- Commitment to the LEAD (Leading Executives Advancing Diversity) network, of which METRO has been a member since 2016. The non-profit network at European level is committed to employing more women in the retail and consumer goods industries and supporting them in their careers in order to increase the proportion of women in management positions in these industries.
- METRO offers all employees an eTraining on the topic of "Diversity + Inclusion". The goal of the training is to ensure a common understanding of Diversity + Inclusion in general and at METRO. In addition, the eTraining demonstrates the importance of the topic in the business environment within METRO.
- ☐ METRO AG organizes a virtual conference with another 15 companies from the Rhine-Ruhr region on the occasion of the German Diversity Day.
- ☐ METRO maintains a constant exchange with works councils and trade unions both nationally and internationally. Plenary meetings are held once a year with a training event for all employee representatives of the Euro Forum and up to three times a year with the METRO Euro Forum Steering Committee, our European Works Council and management representatives. In addition, there is regular social dialogue with the international trade union organization UNI Global Commerce at global level, where, among other things, the commitment to fair working conditions and social partnership is discussed.

Achievements 2020/21

- As of September 30, 2021, 569 of 717 active private label non-food producers and 58 of 165 corresponding food/near-food producers have passed the auditing process. Of these, 100% (569) of non-food producers and 98% (57) of food/near-food producers passed the audit.
- 120 producers with 144 participants from 12 supplier countries were trained on human rights and fair working conditions via MSI in the reporting year.
- Just under 50% of the approximately 1,000 suppliers contacted responded to the survey. The next steps will be training sessions focusing on this topic as well.
- 13% of MSI producers listed with amfori BSCI responded to the self-assessment questionnaire on environmental compliance.
- The operating units will be successively connected to the new portal, the new function will be activated in fiscal year 2021/22, and thus more and more suppliers will gradually be included.
- As of September 30, 2021, factories reported in the Bangladesh Fire and Building Safety Agreement that produce for METRO SOURCING International and/or METRO national companies have completed 97% of their points for improvement. This includes points such as not interconnecting smoke detectors with fire alarms or not protecting circuit breakers mounted on the cable duct.
- In fiscal 2020/2021, we added FWC & SP to our Risk Governance Process. No audits have taken place.
- In the reporting year 2020/21, we established the Occupational health and safety management system (OSMS), which is based on the principles of ISO 45001 and was prepared in the fiscal year 2020, throughout the METRO Group.
- Comprehensive organizational measures were implemented to ensure the occupational safety of all employees, particularly during the Covid-19 pandemic. These include:
 - Optimization of the flexible work offer
 - Travel restrictions and
 - Safety and hygiene measures at headquarters, stores and warehouse locations in METRO companies.
- By September 2025, METRO AG aims to employ 25% women in the 1st management level below the Management Board and 40% in the 2nd management level below the Management Board. At the end of the financial year 2020/21, the share of women in the 1st management level below the Management Board will be 18.8% and 31.3% in the 2nd management level below the Management Board. In addition, we have voluntarily set ourselves a target for the share of women in management positions in our wholesale business. According to this target, the share of women in management positions at levels 1 to 3 (including store management) is to be 30% worldwide by September 2025. At the end of fiscal 2020/21, the share of women in management positions at levels 1 to 3 (incl. store managers) is 25.2%. In addition, according to the Supervisory Board's target, at least 1 woman should be a member of the Management Board of METRO AG by June 2022. Andrea Euenheim was appointed to the Management Board of METRO AG as the new Labor Director effective November 1, 2019. METRO AG thus already achieved the target set by the Supervisory Board in 2019.

- Various activities of the WiT employee network
 - Monthly digital Lunch & Learn meetings with up to 20 participants
 - 12 participants in the training "The Brand ME"
 - 10 participants in the virtual conference Emotion Women's Days
- Various activities of the METRO PRIDE employee network
 - Pilot LGBTIQ+ training with regional managers internationally to raise awareness of the issue.
 - Implementation of a Pride Month: daily Pride Ambassador videos on METRO's internal communication platform United
 - Publication of infographics and a brochure on LGBTIQ+ Publication PROUTPERFORMER Germany lists various METRO Group employees (PROUT Executive Allies and PROUT Voices)
 - Participation in the LGBTIQ+ job fair Sticks & Stones (METRO AG, METRO Digital, METRO Markets and Hospitality Digital)
 - Development of a global LGBTIQ+ strategy
 - 1st METRO Pride Network internationally: in the reporting year 2020/21, the METRO Pride Network was launched at METRO Services in India.
 - Implementation of the LGBTIQ+ audit for METRO AG and achievement of Gold Status.
- In fiscal year 2020/2021, METRO expanded its partnership with the LEAD Network. Since this fiscal year, the METRO Foundation has been a partner, demonstrating the importance and its own efforts to advance gender equality and inclusion in the retail and consumer goods industry.
- In reporting year 2020/21 372 participants participated in a diversity & inclusion training of which 169 successfully completed all training questions.

Environmental protection

PRINCIPLE 7: Preventive environmental protection




PRINCIPLE 8: Promoting greater responsibility for the environment

PRINCIPLE 9: Dissemination of environmentally friendly technologies







Commitments and management systems

- Purchasing policy for sustainable procurement, along with specific purchasing guidelines for fish and seafood, meat, animal welfare, cage-free eggs, palm oil, paper and wood, soy, packaging and disposable plastic
- Use of international standards along the supply chain (GlobalG.A.P., IFS)
- METRO Environmental guideline
- METRO Water guideline
- Energy management systems according to ISO 50001
- METRO climate protection target: reducing greenhouse gas emissions of the Scope 1 and Scope 2 CO₂ emissions by 60% per m² of selling and delivery space by 2030 compared to 2011 and of absolute Scope 3 CO₂ emissions by 15% by 2030 compared to 2018. Operational climate neutrality by 2040 in our own global business operations, largely through our own efforts.
- Company car guideline with incentive system for more fuel-efficient vehicles
- “EV100”(electric vehicle joining commitment) Commitment
- The Consumer Goods Forum Resolution on Deforestation
- The Consumer Goods Forum Resolution on Sustainable Refrigeration
- The Consumer Goods Forum Resolution on Food Waste
- World Ressource Institute 10x20x30 Verpflichtung
- Membership in the Roundtable on Sustainable Palm Oil (RSPO)
- Membership in the Palm Oil Transparency Coalition (POTC)
- Membership in the Round Table on Responsible Soy (RTRS)
- Membership in the Retailer Cocoa Coalition
- Membership in the Global Sustainable Seafood Initiative (GSSI)
- Membership in the Global Tuna Alliance (GTA)
- Signing of the Tuna 2020 Traceability Declaration
- Signing of the Cerrado Manifesto Statement of Support
- Signing of the Ellen MacArthur New Plastics Economy Global Commitment


Measures 2020/21

-  Implementing the general buying policy for sustainable procurement and the specific buying guidelines for fish and seafood, meat, cage-free eggs, palm oil, paper and wood, soy, packaging and disposable plastic as well for the resulting range of certified products or products with enhanced sustainability performance. During the reporting period, new guidelines on meat and animal welfare came into force across the Group. The guidelines on single-use plastic and cage-free eggs, our health and nutrition policy and METRO's packaging targets were updated
-  Behavior change measures (Energy Awareness Programs), investments in energy efficiency and renewable energy (Energy-Saving Programs), and conversion of refrigeration systems to natural refrigerants (F-Gas Exit Programs)
-  Recertification and annual audit of sites according to energy management system ISO 50001 as well as environmental management system ISO 14001
-  Engagement with diverse stakeholders to combat food waste
-  Recovery of resources through recycling
-  Transparent public reporting on climate change, water and forests via CDP Climate, CDP Water and CDP Forest.
-  Participation in the Global Tuna Alliance (GTA) and Global Sustainable Seafood Initiative (GSSI) committees
-  Collaboration on pilots of the Biodiversity Guidance Navigation Tool (accompanying the Natural Capital Protocol) in cooperation with the Cambridge Conservation Initiative (CCI) and the Capitals Coalition

Achievements 2020/21

-  Expansion of the traceability solution to include new suppliers and preparatory measures to extend the solution to additional product categories, such as fruit and vegetables and flour. Deployment of the technical solution for dynamic price adjustment depending on the best-before date (BBD) with the aim of reducing food waste as part of a pilot. In addition, support of in-house production through BBD or lot-based production quantity control
-  Empowering local suppliers and promoting more sustainable products, such as improved packaging and organic products, e.g. in METRO Czech Republic and METRO Germany through communication campaigns
-  Greenhouse gas emissions per m² of sales and delivery area reduced by 37.3% compared to 2011
-  Greenhouse gas emissions from refrigerant losses per m² of sales and delivery area reduced by 29.5% compared to 2011
-  Electricity consumption per m² of sales and delivery area reduced by 39.3% compared with 2011
-  Investments of €4.0 million in fiscal 2020/21 as part of the Energy Saving Program. This will save us around €1.0 million in energy costs per year in the future

 The colour-coding highlights the corresponding measures and achievements

 Items with this bullet point do not have any corresponding passages

- Investments of €31.8 million in fiscal 2020/21 as part of the F-Gas Exit program for the replacement of refrigeration systems using climate-damaging refrigerants
- Installation of 14 additional photovoltaic plants in France, India, Italy, Pakistan, Spain and Hungary, with a total additional capacity of 2,976 kWp
- Installation of 557 charging stations for electric vehicles for METRO customers. At the Düsseldorf campus, 300 employees already use electric vehicles as company cars, the emissions of which are offset via certificates for hydropower plants
- Certification of all METRO locations in France in fiscal year 2020/21 in accordance with the ISO 50001 energy management system
- Certification of the Ukraine store in Kiev (Stepana Bandery Avenue) according to the ISO 14001 environmental management system
- In 22 countries, we work with food bank organizations to pass on unsold food to those in need. In 10 countries, we work with TooGoodToGo for this purpose, also as a solution for our customers. So far, this has “saved” more than 180,000 meals, which corresponds to a saving of 450 tons of CO₂
- METRO is a member of the World Resources Institute’s (WRI) “10x20x30” initiative, which calls on the world’s 10 largest food retailers to commit at least 20 of their suppliers to halving their food waste by 2030, in line with United Nations Sustainable Development Goal 12.3. METRO AG and METRO Turkey have already jointly committed more than 30 suppliers
- We work with different technical solutions to reduce food waste, depending on availability and need. In Turkey, we are analyzing food waste hotspots and disposal routes with Whole Surplus. In Poland, we are running a Wasteless pilot project using artificial intelligence (AI)-powered technology to price perishables to reduce food waste in our markets.
- METRO Ukraine is cooperating with a local waste recycling company and social partner to recycle plastics: with the YAPOMOGABOX 3.0, customers can donate to a charity of their choice by placing the plastic bottles to be recycled in a vending machine.
- Customer information on the recycling and environmental friendliness of private label packaging. Specially developed icons show whether the packaging is made of recycled, certified or degradable material.
- Publication of METRO’s CDP Climate Questionnaire on their website including TCFD Matrix.
- Water consumption per m² of sales and delivery area reduced by –15.9% compared with 2011, and by –1.3% compared with the previous year
- Collaboration on the publication of the GDST (Global Dialogue on Seafood Traceability) traceability standard 1.0
- Panel participation in various international conferences on the 2025 Pledge towards Sustainable Tuna (25PST) and supply chain transparency.

Anti-corruption measures

PRINCIPLE 10: Combating corruption

Commitments and management systems

- OECD Guidelines for multinational Enterprises, embedded in a variety of corporate guidelines
- Compliance Management System according to the audit standard 980 of the Institute of Auditors (IDW PS980)
- METRO Business Principles
- METRO Anti-corruption guideline
- METRO Consultant guidelines
- Digital due diligence process for business partners (risk-based)

Measures 2020/21







- Compliance communication in various formats – internal and external – to inform employees as well as third parties outside the Group, including METRO's social network platform
- Ongoing implementation of the anti-corruption guideline in day-to-day business
- IT tool (CDDS – Compliance Due Diligence Solution) for digital business partner screening rolled out across the Group and fully implemented. For high-risk business partners, an in-depth due diligence review is planned, including the review of external databases.
- Membership and participation in the Alliance for Integrity, an anti-corruption initiative of the German Federal Ministry for Economic Cooperation and Development, and the United Nations Global Compact network.

Achievements 2020/21

- Examples of internal communication measures:
 - Compliance training on anti-corruption in various companies in central functions and in sales, partly as e-training
 - Compliance-Talks
 - Compliance presence in METRO's social network
 - Speak-up communication campaign (Inspirational Compliance Video)
 - Tones from the top in various companies on the contents of the anti-corruption guidelines (e.g. the acceptance of gifts)

■ The colour-coding highlights the corresponding measures and achievements

□ Items with this bullet point do not have any corresponding passages

-  Examples of external communication measures:
 -  Business principles on METRO's websites - with access to the Compliance Reporting System.
 -  Code of Conduct for Business Partners on METRO's websites
 -  Anti-corruption clause applied in external contracts on a graduated basis according to the risk of the business partner
-  Compliance risk workshops in various companies (depending on the level of risk) to identify corruption risks and compliance with guidelines
-  Workshops, trainings and feedback sessions to ensure the use of the digital tool (CDDS) throughout the Group including monitoring at corporate level of reported cases for follow-up at the level of individual companies

ABOUT THIS REPORT

REPORT PROFILE

Transparent reporting

This Corporate Responsibility Progress Report 2020/21 was prepared in accordance with the GRI standards and fulfils the 'Core' option. You will find the GRI content index [here](#) ► [page 46](#).

Reporting period

The reporting period is the financial year 2020/21 (1 October 2020 to 30 September 2021). To provide updates on developments, information has also been included that relates to periods prior to 2020/21. In the interests of topicality, we have also taken into account events which occurred up to the time of going to press (14 December 2021). The frame of reference for each of our targets and measures is indicated in the relevant section.

METRO reports on its sustainability performance each year by publishing either a progress report or a Corporate Responsibility Report. A [full report](#) was produced for financial year 2019/20, which was published on 14 December 2020.

Limitations of the report

The scope of applicability of the information is given in the respective texts, key performance indicators or targets. Unless expressly stated otherwise, all presentations refer to continuing operations.

United Nations Global Compact

Since 2010, METRO has subscribed to the principles of the [UN Global Compact](#) ► [page 61](#), a United Nations-led global initiative that aims to encourage businesses to adopt universal sustainability principles. By subscribing to the United Nations Global Compact, we have committed ourselves to continuous improvements in the areas of human rights, labour standards, environmental protection and anticorruption measures. With this Corporate Responsibility Progress Report 2020/21 that is available online, METRO meets its obligation to demonstrate how improvements have been made within these areas.

Independent external assurance of the CR Report 2020/21

We strive to continuously improve our sustainability management. Having our report audited externally is a means of emphasising the credibility and transparency of our sustainability reporting. The quantitative and qualitative sustainability performance information included in the scope of the limited assurance engagement was conducted by KPMG AG Wirtschaftsprüfungsgesellschaft according to ISAE 3000 and ISAE 3410. It was not part of the engagement to review product and service related information, references to external websites and information sources, as well as future-related statements in the Report. The certification from the independent auditor can be viewed under [assurance report](#) ► [page 74](#).

Disclaimer

This Corporate Responsibility Progress Report contains forward-looking statements that are based on certain assumptions and expectations at the time of its publication. These statements are therefore subject to risks and uncertainties, which means that actual results may differ substantially from the future-oriented statements made here. Many of these risks and uncertainties are determined by factors that are beyond the control of METRO and cannot be gauged with any certainty at this point in time. These include future market conditions and economic developments, the behaviour of other market participants, the achievement of expected synergy effects as well as legal and political decisions. METRO does not feel obliged to publish corrections to these forward-looking statements to reflect events or circumstances that occur after the publication date of this material.

Join in the dialogue

Dialogue with all of our stakeholders such as you as our readers is important to us because it shows us what you expect of our company and where we can make further improvements. We would therefore like to hear any questions or comments you may have about the METRO Corporate Responsibility Progress Report 2020/21 and our sustainability activities in general.

Want to share some thoughts with us? Find us and our latest activities on [Twitter](#) and [LinkedIn](#) or send us an e-mail: CR@metro.de

LIMITED ASSURANCE REPORT OF THE INDEPENDENT AUDITOR REGARDING SUSTAINABILITY INFORMATION¹

To the Management Board of METRO AG, Düsseldorf

We have performed an independent limited assurance engagement on the sustainability information published in the “Corporate Responsibility Progress Report 2020/21” (further “Report”) for the period from October 1, 2020 to September 30, 2021 of METRO AG, Düsseldorf (further “Company”), published online at www.metroag.de/cr-report-2020-21.

It was not part of our engagement to review product- and service-related information, references to external websites and information sources, as well as future-related statements in the Report. As disclosed in the section ‘Social audits’, certifications on manufacturing facilities of suppliers were conducted by external certification firms mandated by METRO AG to ensure compliance with the environmental, social and health standards of the amfori Business Social Compliance Initiative (BSCI) or equivalent standards. The appropriateness and accuracy of the conclusions from the audit/certification work performed was not part of our assurance procedures.

Management’s Responsibility

The legal representatives of the Company are responsible for the preparation of the Report and the determination and presentation of the sustainability information in accordance with the Reporting Criteria. METRO AG applies the principles and standard disclosures of the Sustainability Reporting Standards of the Global Reporting Initiative (GRI), the Corporate Accounting and Reporting Standard (Scope 1 and 2) and the Corporate Value Chain (Scope 3) Standard of World Resources Institute/World Business Council for Sustainable Development, supported by internal guidelines (further: Reporting Criteria).

This responsibility of the legal representatives includes the selection and application of appropriate methods to prepare the Report and the use of assumptions and estimates for individual disclosures which are reasonable under the given circumstances. Furthermore, the legal representatives are responsible for the internal controls they deem necessary for the preparation of the Report that is free of – intended or unintended – material misstatements.

¹ Our engagement applied to the German version of the Corporate Responsibility Progress Report 2020/21. This text is a translation of the Independent Assurance Report issued in the German language, whereas the German text is authoritative.

Practitioner's Responsibility

It is our responsibility to express a conclusion on the Report based on our work performed within a limited assurance engagement.

We conducted our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information" and the International Standard on Assurance Engagements (ISAE) 3410: "Assurance Engagements on Greenhouse Gas Statements" of the International Auditing and Assurance Standards Board (IAASB).

Accordingly, we have to plan and perform the assurance engagement in such a way that we obtain limited assurance as to whether any matters have come to our attention that cause us to believe that the Report of the Company for the period from October 1, 2020 to September 30, 2021 has not been prepared, in all material respects, in accordance with the Reporting Criteria. We do not, however, issue a separate conclusion for each disclosure. As the assurance procedures performed in a limited assurance engagement are less comprehensive than in a reasonable assurance engagement, the level of assurance obtained is substantially lower. The choice of assurance procedures is subject to the auditor's own judgement.

Within the scope of our engagement we performed, amongst others, the following procedures:

- Inquiries of group-level personnel who are responsible for the materiality analysis in order to understand the processes for determining material topics and respective reporting boundaries for METRO AG
- A risk analysis, including a media research, to identify relevant information on METRO AG's sustainability performance in the reporting period
- Evaluation of the design and the implementation of systems and processes for the collection, processing and monitoring of disclosures, including data consolidation, on environmental, employee and social matters, respect for human rights, and combatting corruption and bribery matters
- Inquiries of group-level personnel who are responsible for determining disclosures on concepts, due diligence processes, results and risks, performing internal control functions and consolidating disclosures
- Inspection of selected internal and external documents
- Analytical procedures for the evaluation of data and of the trends of quantitative disclosures as reported at group level by all sites
- Assessment of local data collection and reporting processes and reliability of reported data via a sampling survey at METRO Deutschland GmbH and MCC Ukraine via videoconference
- Assessment of the overall presentation of the disclosures.

In our opinion, we obtained sufficient and appropriate evidence for reaching a conclusion for the assurance engagement.

Independence and Quality Assurance on the Part of the Auditing Firm

In performing this engagement, we applied the legal provisions and professional pronouncements regarding independence and quality assurance, in particular the Professional Code for German Public Auditors and Chartered Accountants (in Germany) and the quality assurance standard of the German Institute of Public Auditors (Institut der Wirtschaftsprüfer, IDW) regarding quality assurance requirements in audit practice (IDW QS 1).

Conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the sustainability information in the “Corporate Responsibility Progress Report 2020/21” of METRO AG, published online at www.metroag.de/cr-report-2020-21 for the period from October 1, 2020 to September 30, 2021, has not been prepared, in all material respects, in accordance with the Reporting Criteria.

Restriction of Use/Clause on General Engagement Terms

This report is issued for purposes of the Management Board of METRO AG, Düsseldorf, only. We assume no responsibility with regard to any third parties.

Our assignment for the Management Board of METRO AG, Düsseldorf, and professional liability as described above was governed by the General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (Allgemeine Auftragsbedingungen für Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften) in the version dated January 1, 2017 (https://www.kpmg.de/bescheinigungen/lib/aab_english.pdf). By reading and using the information contained in this assurance report, each recipient confirms notice of the provisions contained therein, including the limitation of our liability as stipulated in No. 9, and accepts the validity of the General Engagement Terms with respect to us.

Frankfurt am Main, December 14, 2021

KPMG AG

Wirtschaftsprüfungsgesellschaft

[Original German version signed by:]

Glöckner

Wirtschaftsprüfer

[German Public Auditor]

Brokof

Wirtschaftsprüferin

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Online design, concept and realisation

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