ACTING TODAY FOR TOMORROW
Sustainability in Corporate Strategy

Olaf Koch
March 2017 BERLIN
A NEW GROUP

DIGITAL ASSETS

ITB 10 March – Acting today for tomorrow
A STRONG INTERNATIONAL WHOLESALE GROUP (B2B)

By operating segment

<table>
<thead>
<tr>
<th>Segment</th>
<th>FY ‘15/16 sales: €37bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wholesale (warehouse &amp; foodservice)</td>
<td></td>
</tr>
<tr>
<td>(B2B)</td>
<td>80%</td>
</tr>
<tr>
<td>Food retail (B2C)</td>
<td>20%</td>
</tr>
<tr>
<td>Wholesale (warehouse &amp; foodservice)</td>
<td></td>
</tr>
<tr>
<td>(B2B)</td>
<td>86%</td>
</tr>
<tr>
<td>Food retail (B2C)</td>
<td>14%</td>
</tr>
</tbody>
</table>

By geography

<table>
<thead>
<tr>
<th>Region</th>
<th>FY ‘15/16 sales: €37bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany (METRO Wholesale)</td>
<td>13%</td>
</tr>
<tr>
<td>Eastern Europe</td>
<td>27%</td>
</tr>
<tr>
<td>Western Europe (ex-Germany)</td>
<td>28%</td>
</tr>
<tr>
<td>Asia</td>
<td>12%</td>
</tr>
</tbody>
</table>

Source: Company information, MWFS Group combined financial statements (the “METRO WFS combined financial statements”); Wholesale & foodservice includes METRO Cash & Carry (in the future METRO Wholesale), Other and Consolidation; food retail includes Real; 1 Business-to-business: professional customers; 2 Business-to-consumers: individual retail customers; 3 EBITDA before special items defined as earnings before the deduction of interest, taxes, depreciation, amortisation, impairment losses, reversals of impairment, losses on property, plant and equipment, intangible assets and investment properties.

ITB 10 March – Acting today for tomorrow
What do we stand for?
...contributing to our customers’ success!
THE CORE OF OUR BRAND: CHAMPION FOR INDEPENDENT BUSINESS

- We relentlessly seek **customer understanding**
- We build **trusted and personal relationships**
- We **go the extra mile** to make it happen
- We inspire with **expertise** and **unique solutions**
- We win when our **customers win**
WE HAVE AN IMPACT!

1 Company
25 countries
752 stores
20 million Customers
1 billion Consumers
HOW DOES THIS TRANSLATE INTO OUR DAILY ACTIONS?

- **Operations**
  - Energy & Waste Management

- **OFFER**
  - Sustainable Sourcing & Assortment

- **People**
  - Employees, Business Partner & Supplier

- **Innovations**
  - New Technologies which support our customers
HOW DOES THIS TRANSLATE INTO OUR DAILY ACTIONS?

**Operations**
Energy & Waste Management

**People**
Employees, Business Partner & Supplier

**OFFER**
Sustainable Sourcing & Assortment

**Innovations**
New Technologies which support our customers
# ENERGY MANAGEMENT

- We invest ~30 Mio. Euros every year in our energy awareness and saving programmes.
- Photovoltaic and combined heat and power systems installed in 5 countries (7 by end of this year) to reduce Emissions.

Example GERMANY: small scale cogeneration plants in Berlin and Düsseldorf.

- >25 per cent covering of the respective power demand of the stores.
- 300 tonnes saving of GHG emissions.
- 100 per cent covering of the heat demand.
- 4 per cent saving of energy procurement costs.
# REDUCE FOOD WASTE

~ 1.3 Mrd Tons of Food are thrown away every year.

This corresponds to 1/3 of the entire global food production.

Our goal is to reduce food waste by 50% until 2025.

Examples: 'Doggy bags' for our customers. Cooperations with non-profit organisations.
# PROVIDE SOLUTIONS

**METRO France: Waste Service for customers**

- Collecting and recycling used cooking oils
- Glass collection
- WEEE collection
- Used batteries
- Used lamps
- Used toners and cadridges
- And starting, aluminium cans and plastic bottles
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with more than 200,000 TONNES p.a. METRO is the biggest Fish Seller in Europe!

A good chef knows his fish:

- TRACEABILITY - more than 700 of our Fish Products are traceable
- This is preventing illegal activities and supporting the protection of our resources
- Our worldwide offer contains already 2,000 sustainable sourced and certified Fishproducts
Mr. Goodfish is a campaign on the sustainable consumption of seafood products, launched under the umbrella of the World Ocean Network.

In 2012 Metro France became a Partner of Mr Goodfish and thereby helps to preserve the resources of our sea!
Decrease the footprint of our products:

INFARMing is up to 10 times more environmentally friendly. In comparison to traditional agriculture we use:

- 90% less water
- 70% less fertilizers
- Zero pesticides
- Zero transportation

Plants

- Vegetables
- Tomatoes
- Cucumbers
- Peppers
- Leafy greens
- Lettuce
- Spinach

- Herbs
- Basil
- Mint
- Thyme
- Medical plants
- Echinacea
STAR FARM – Food safety & Fair Conditions

- Over 350 companies & farmer cooperatives
- 12,000 processing staffs trained
- Over 2,200 farm bases assessed
- Over 20,000 farmers trained
- Nearly 3,000 traceable products developed
HOW DOES THIS TRANSLATE INTO OUR DAILY ACTIONS?

Operations
Energy & Waste Management

OFFER
Sustainable Sourcing & Assortment

People
Employees, Business Partner & Supplier

Innovations
New Technologies which support our customers
# PEOPLE

We care about our People:

- Safeguard fair working conditions worldwide – for our employees & suppliers
- Unconditional support of International Labour Organization principles
# PEOPLE

- In 2015 METRO launched a new 1.5-year program for talented managers
- Create a better understanding of sustainability and our corporate responsibility
- Becoming a mentor for the next generation and an ambassador for sustainability
HOW DOES THIS TRANSLATE INTO OUR DAILY ACTIONS?

- **Operations**
  - Energy & Waste Management

- **People**
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# INNOVATIONS

Digital Solutions

+ METRO
WHAT WE HAVE ACHIEVED SO FAR

METRO IS RECOGNIZED INDUSTRY SUSTAINABILITY LEADER

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
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<tbody>
<tr>
<td>DJSI</td>
<td>Not listed</td>
<td>Bronze</td>
<td>Leader</td>
<td>Leader</td>
</tr>
<tr>
<td>FTSE4GOD</td>
<td>Not listed</td>
<td>Listed</td>
<td>Listed</td>
<td>Listed</td>
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<tr>
<td>CDP</td>
<td>97A-</td>
<td>98A-</td>
<td>99A-</td>
<td>A-(new)</td>
</tr>
<tr>
<td>OEKOM</td>
<td>C+</td>
<td>C+</td>
<td>2016</td>
<td>C+</td>
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METRO GROUP
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