

# UNITED NATIONS GLOBAL COMPACT COMMUNICATION ON PROGRESS 2011

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

With this Communication on Progress, METRO GROUP complies with its obligation to disclose through which guidelines and measures its performance in the fields of human rights, labour standards, environmental protection and the fight against corruption improves, and how it is ensured that the ten core principles of the Global Compact are respected – not only today, but also in future strategic decisions as well as in day-to-day work.



Dr. Eckhard Cordes  
Chairman of the Management Board

PRINCIPLE	RESPONSIBILITIES AND MANAGEMENT SYSTEMS	MEASURES 2011	PERFORMANCES 2011
<b>Human Rights</b>			
<b>PRINCIPLE 1:</b> Support of human rights  <b>PRINCIPLE 2:</b> Prevention of human rights violations	<ul style="list-style-type: none"> <li><b>METRO GROUP Business Principles</b> (<a href="http://www.metrogroup.de/internet/site/metrogroup/node/13933/Len/index.html">http://www.metrogroup.de/internet/site/metrogroup/node/13933/Len/index.html</a>)</li> <li><b>METRO GROUPGROUP's principles on fair working conditions and on social partnership</b> (<a href="http://www.metrogroup.de/internet/site/metro-group/node/13933/Len/index.html">http://www.metrogroup.de/internet/site/metro-group/node/13933/Len/index.html</a>)</li> <li><b>International standards along the supply chain (BSCI)</b> (<a href="http://www.metrogroup.de/internet/site/metrogroup/node/13933/Len/index.html">http://www.metrogroup.de/internet/site/metrogroup/node/13933/Len/index.html</a>)</li> <li><b>ILO (International Labour Organization) Declaration on Fundamental Principles and Rights at Work</b> embedded in different corporate guidelines (<a href="http://www.ilo.org/declaration/lang--en/index.htm">http://www.ilo.org/declaration/lang--en/index.htm</a>)</li> <li><b>OECD Guidelines</b> for Multinational Enterprises embedded in different corporate guidelines (<a href="http://www.oecd.org/document/28/0,3746,en_2649_34889_2397532_1_1_1_1,00.html">http://www.oecd.org/document/28/0,3746,en_2649_34889_2397532_1_1_1_1,00.html</a>)</li> </ul>	<ul style="list-style-type: none"> <li>Support of suppliers in the implementation of BSCI standards (Business Social Compliance Initiative)</li> <li>Kick-off for renewed attention to METRO GROUP's principles on fair working conditions and on social partnership</li> </ul>	<ul style="list-style-type: none"> <li>72 % of BSCI-relevant suppliers passed the BSCI social audit, thus increasing the share by 4 % compared to 2010* (*BSCI-relevant suppliers are those from countries categorised as risk countries by the BSCI, which supplied METRO GROUP with clothing, shoes, toys and hardware for the EU market in the corresponding year. Status November 2011)</li> <li>oekom research Prime Status</li> <li>Listing in the Dow Jones Sustainability Index</li> </ul>



## PRINCIPLE

## RESPONSIBILITIES AND MANAGEMENT SYSTEMS

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### Labour

#### PRINCIPLE 3:

Protection of the freedom of association and the right to collective bargaining

#### PRINCIPLE 4:

Elimination of all forms of forced and compulsory labour

#### PRINCIPLE 5:

Abolition of child labour

#### PRINCIPLE 6:

Elimination of discrimination

- **METRO GROUP Corporate Principles** (<http://www.metrogroup.de/internet/site/metrogroup/node/11149/Lde/index.html>)
- **METRO GROUP Business Principles** (<http://www.metrogroup.de/internet/site/metrogroup/node/13933/Len/index.html>)
- **Guideline on Antidiscrimination** (<http://www.metrogroup.de/internet/site/metrogroup/node/13933/Len/index.html>)
- **METRO GROUPGROUP's principles on fair working conditions and on social partnership** (<http://www.metrogroup.de/internet/site/metrogroup/node/13933/Len/index.html>)
- **International standards along the supply chain (BSCI)** (<http://www.metrogroup.de/internet/site/metrogroup/node/13933/Len/index.html>)
- **ILO (International Labour Organization)** Declaration on Fundamental Principles and Rights at Work embedded in different corporate guidelines (<http://www.ilo.org/declaration/lang--en/index.htm>)
- **OECD Guidelines for Multinational Enterprises** embedded in different corporate guidelines ([http://www.oecd.org/document/28/0,3746,en\\_2649\\_34889\\_2397532\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/28/0,3746,en_2649_34889_2397532_1_1_1_1,00.html))

- Social standards clause in supplier contracts
- Awareness campaign on occupational safety at METRO Cash & Carry International
- Kick-off for renewed attention to METRO GROUP's principles on fair working conditions and on social partnership

- In 23 of the currently 33 countries in which METRO GROUP is active, collective labour agreements on the sector or company level, depending on the sales line are already applicable or currently being prepared. These collective labour agreements are the result of social dialogue between local management representatives and one or more of the local employee representative bodies, e.g. the labour unions.
- Launch of the female leadership campaign (<http://www.metrogroup.de/internet/site/metrogroup/node/221646/Len/index.html>)
- Of the approximately 247,872 employees at METRO GROUP, 53 % are female. (full-time employees, Status 3rd quarter 2011)
- oekom research Prime Status



- Listing in the Dow Jones Sustainability Index



## PRINCIPLE

## RESPONSIBILITIES AND MANAGEMENT SYSTEMS

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### Environment

#### PRINCIPLE 7:

Precautionary environmental protection

- **METRO GROUP Corporate Principles** (<http://www.metrogroup.de/internet/site/metrogroup/node/11149/Lde/index.html>)
- **METRO GROUP Environmental Guidelines** ([http://www.metrogroup.de/internet/site/metrogroup/get/documents/metrogroup\\_international/corpsite/07\\_sustain/publications/guidelines-environment-de.pdf](http://www.metrogroup.de/internet/site/metrogroup/get/documents/metrogroup_international/corpsite/07_sustain/publications/guidelines-environment-de.pdf))

- Reduction of climate impact
- Joining the Round Table on Sustainable Palm Oil (RSPO)
- Implementation of the Fish Procurement Policy
- Implementation of energy efficiency measures

- Release of a special budget for energy efficiency measures at the business locations
- Listing of METRO GROUP in the "Carbon Disclosure Leadership Index" of the Carbon Disclosure Project (CDP) (<http://www.metrogroup.de/internet/site/metrogroup/node/28409/Len/index.html>)



#### PRINCIPLE 8:

Promote greater environmental responsibility

- **METRO GROUP Corporate Principles** (<http://www.metrogroup.de/internet/site/metrogroup/node/11149/Lde/index.html>)
- **METRO GROUP Environmental Guidelines** ([http://www.metrogroup.de/internet/site/metrogroup/get/documents/metrogroup\\_international/corpsite/07\\_sustain/publications/guidelines-environment-de.pdf](http://www.metrogroup.de/internet/site/metrogroup/get/documents/metrogroup_international/corpsite/07_sustain/publications/guidelines-environment-de.pdf))
- **Purchasing guidelines, e.g. Fish Procurement Policy** ([http://www.metrogroup.de/internet/site/metrogroup/get/documents/metrogroup\\_international/corpsite/07\\_sustain/common/procurement-policy-fish-de.pdf](http://www.metrogroup.de/internet/site/metrogroup/get/documents/metrogroup_international/corpsite/07_sustain/common/procurement-policy-fish-de.pdf))
- **International standards along the supply chain (Global GAP, IFS)** ([http://www.metrogroup.de/internet/site/ts\\_quality/node/56030/Lde/index.html](http://www.metrogroup.de/internet/site/ts_quality/node/56030/Lde/index.html))
- **Standard requirements for efficiency optimisation** with regard to new buildings and their technical service systems
- **The Consumer Goods Forum Board Resolution on Deforestation** ([http://www.mycgforum.com/files/Board\\_Resolutions\\_on\\_Deforestation\\_and\\_Refrigeration.pdf](http://www.mycgforum.com/files/Board_Resolutions_on_Deforestation_and_Refrigeration.pdf))

- Preparation of a carbon footprint
- Implementation of the Fish Procurement Policy
- Implementation of energy efficiency measures
- Initiation of logistics projects
- Committee functions (sustainable consumption, ocean protection, etc.)
- Voluntary taking back of waste electronic goods at Media Saturn

- In 2010, the energy demand in kWh per m<sup>2</sup> was reduced by 1.45% at METRO GROUP compared to 2009, more ... Link: <http://www.metrogroup.de/internet/site/sustainability2010/node/189833/Len/index.html>
- In 2010, CO<sub>2</sub> emissions at METRO GROUP in kg CO<sub>2</sub> per m<sup>2</sup> of sales area were reduced by 2.98% compared to 2009, more ... Link: <http://www.metrogroup.de/internet/site/sustainability2010/node/189833/Len/index.html>
- In 2010, the share of ecologically optimised paper at METRO GROUP was increased by 8% compared to 2009, more ... Link: <http://www.metrogroup.de/internet/site/sustainability2010/node/189833/Len/index.html>
- In 2010, the waste volume in kg per m<sup>2</sup> was reduced at METRO GROUP by 6.49% compared to 2009, more ... Link: <http://www.metrogroup.de/internet/site/sustainability2010/node/189833/Len/index.html>
- METRO GROUP Logistics was presented with the BME Innovation Award 2011 for its holistic Supply Chain Management concept (<http://www.metrogroup.de/internet/site/metrogroup/node/10837/Len/index.html>)



#### PRINCIPLE 9:

Diffusion of environmentally friendly technologies

- **The Consumer Goods Forum Board Resolution on Sustainable Refrigeration** ([http://www.mycgforum.com/files/Board\\_Resolutions\\_on\\_Deforestation\\_and\\_Refrigeration.pdf](http://www.mycgforum.com/files/Board_Resolutions_on_Deforestation_and_Refrigeration.pdf))

- Pilot projects for CO<sub>2</sub> refrigeration plants
- Warehouse locations with ammonia refrigeration plants

- In 2010, METRO GROUP was able to reduce the refill rate for cooling agents by 5.56% compared to 2009. Cooling agents have to be refilled due to emissions through leakages, incidents like bursting pipes or within the framework of exchange processes, more ... Link: <http://www.metrogroup.de/internet/site/sustainability2010/node/189833/Len/index.html>
- Sale of efficiency class A+ appliances at Media Saturn



PRINCIPLE	RESPONSIBILITIES AND MANAGEMENT SYSTEMS	MEASURES 2011	PERFORMANCES 2011
Anti-Corruption			
<b>PRINCIPLE 10:</b> Anti-corruption measures	<ul style="list-style-type: none"> <li>• <b>METRO GROUP Business Principles</b> (<a href="http://www.metrogroup.de/internet/site/metrogroup/node/13933/Len/index.html">http://www.metrogroup.de/internet/site/metrogroup/node/13933/Len/index.html</a>)</li> <li>• <b>OECD Guidelines</b> for Multinational Enterprises embedded in different corporate guidelines (<a href="http://www.oecd.org/document/28/0,3746,en_2649_34889_2397532_1_1_1_1,00.html">http://www.oecd.org/document/28/0,3746,en_2649_34889_2397532_1_1_1_1,00.html</a>)</li> </ul>	<ul style="list-style-type: none"> <li>• Group-wide introduction of the METRO GROUP Anti-corruption guidelines on the dealings with officials/ government agencies and with business partners</li> <li>• Execution of compulsory face-to-face training sessions (up to 2.5 hours) for the relevant addressees of the guideline</li> <li>• Ensuring the necessary accompanying "Tone from the Top" communication of the METRO AG Management Board</li> </ul>	<ul style="list-style-type: none"> <li>• By the end of October 2011, more than 4,600 employees of all hierarchy levels were trained face-to-face for 2.5 hours on Anti-corruption guidelines (this corresponds to 57% of the target group).</li> <li>• In more than 50 % of all affiliated corporations, a so-called electronic Hospitality Log has already been introduced for the transparent documentation of invitations made by business partners to METRO GROUP employees and which were accepted.</li> <li>• To prevent corruption, use of clear "Tone from the Top" messages by all members of the Board of METRO AG on the Group-wide intranet, in the Compliance Newsletter which is distributed Group-wide to all executives and in employee trainings.</li> </ul>

