

# Migros Sustainability Reporting 2011

## GRI Content Index

### Principles of Sustainability Reporting

Sustainability reporting is part of the Annual Report. In this reporting, Migros discloses its main economic, ecological and social contributions in accordance with the GRI standard. Migros' reporting is guided by the specifications of the Global Reporting Initiative GRI (G3). The GRI certifies that the report has a compliance at level B.

[> Principles of Sustainability Reporting](#)

### Legend

● reported    ● partially reported    ● not reported    core indicator    supplement indicator

Profile disclosure and performance indicators	Reported	Cross-reference / Direct answer	Global Compact principle
<b>1. Strategy and Analysis</b>			
1.1 Chairman and CEO's statement	●	<a href="#">Chairman and CEO's statement</a>	
1.2 Risks and opportunities	●	<a href="#">The Strategic Business Units</a> <a href="#">Sustainability Progresses 2011</a>	
<b>2. Organizational Profile</b>			
2.1 Name of organization	●	<a href="#">Migros Group</a>	
2.2 Primary brands, products and services	●	<a href="#">Companies and Foundations</a>	
2.3 Operational structure	●	<a href="#">Group Structure</a>	
2.4 Location of headquarters	●	<a href="#">Impressum</a>	
2.5 Countries of operation	●	<a href="#">Commerce &gt; Distribution network</a>	
2.6 Nature of ownership and legal form	●	<a href="#">Legal form</a>	
2.7 Markets served	●	<a href="#">Commerce &gt; Distribution network</a>	
2.8 Scale of the organisation	●	<a href="#">Key figures 2011</a>	
2.9 Significant structural changes	●	<a href="#">Acquisitions and disposals</a>	
2.10 Awards received	●	<a href="#">Awards 2011</a>	
<b>3. Report Parameter</b>			
3.1 Reporting period	●	<a href="#">Principles sustainability reporting</a>	
3.2 Date of most recent previous report	●	<a href="#">Principles sustainability reporting</a>	
3.3 Reporting cycle	●	<a href="#">Principles sustainability reporting</a>	
3.4 Report contact person	●	Federation of Migros Cooperatives, Issue Management & Sustainability Limmatstrasse 152, CH-8031 Zurich Tel: +41 44 277 23 42, E-Mail: isabel.specker@mgb.ch	
3.5 Report content: process for defining	●	The method suggested by the GRI for defining the relevance of topics was applied in this report. The following topics are relevant for Migros: a) significant economical, ecological and social effects; b) particular concerns of target groups. The topics are selected as part of the annual sustainability screening by the Issue Management & Sustainability unit from annual expert discussions with the respective experts and from findings from the Issue & Stakeholder Forum. The process takes into consideration the central stakeholders and their informational interests. Apart from customers and employees, these are, for instance, business partners, the media, social partners, authorities or non-government organizations (NGOs). The Migros Annual Report (Sustainability Report) primarily addresses professionals (persons responsible for sustainability, the media, social partners, authorities or NGOs). The interests of the customers and of the population as a whole are covered in an annual "Sustainability" supplement of the weekly customer magazine "Migros Magazin".	
3.6 Boundary of the report	●	<a href="#">Principles sustainability reporting</a>	
3.7 Limitations on report scope	●	<a href="#">Principles sustainability reporting</a>	
3.8 Basis for reporting	●	See 3.6. The basis for reporting has not changed during the last financial year.	
3.9 Data measurement techniques	●	The report in general adheres to the indicators defined by the GRI. Where national legislation imposes other methodical procedures, the data collecting methods differ slightly	
3.10 Re-statements of information	●	see 3.11	
3.11 Significant changes in scope and methods	●	No relevant changes compared to previous years.	
3.12 GRI Content Index	●	<a href="#">Principles sustainability reporting</a>	
3.13 Assurance	●	<a href="#">Principles sustainability reporting</a>	
<b>4. Governance, Commitments and Engagement</b>			
4.1 Governance structure	●	<a href="#">Organisation</a>	
4.2 Chair/ executive officer status	●	The chairman of the Board has no operational function.	
4.3 Board: non-executive directors	●	<a href="#">Board of Directors</a>	
4.4 Board: mechanisms for feedback	●	<a href="#">Assembly of Delegates</a>	
4.5 Remuneration: senior executives	●	<a href="#">Remuneration</a>	
4.6 Board: conflicts of interest	●	<a href="#">Board of Directors</a>	
4.7 Board: qualifications and expertise	●	No specific processes for defining qualifications with regard to economic, social and ecological topics have been defined for other members of the FMC board. The new Issue and Stakeholder Forum set up in 2007 does, however, advise the Board of Directors on these issues. The forum looks at trends and current developments in society.	
4.8 Internal statements: mission and principles	●	<a href="#">Environmental and Social Policy</a> , <a href="#">Mission Statement</a> , <a href="#">Staffing Policy</a> , <a href="#">Collective Labour Agreement</a>	
4.9 Board: oversight of performance	●	<a href="#">Board of Directors</a>	
4.10 Board: evaluating own performance	●	No such processes have been implemented.	
4.11 Precautionary principle	●	<a href="#">Group Strategy</a>	7
4.12 External charter/initiatives endorsed	●	<a href="#">Partnerships &gt; Commitments</a>	
4.13 Memberships	●	<a href="#">Memberships</a>	
4.14 Stakeholder: list	●	<a href="#">Dialogue &gt; Partnerships</a>	
4.15 Stakeholder: identification and selection	●	<a href="#">Dialogue &gt; Partnerships</a> As part of the group strategy process the key stakeholders were identified: customers, employees, members of the Cooperatives, suppliers and society itself, including apart from the general public, also the media, authorities, the economy, politics and associations/NGOs. The specialist departments are in contact with various organisations, e.g. the Ecology dept. with different disposal organizations, Marketing with animal welfare associations, the Commercial Policy department with farmers' associations, the personnel department with internal and external social partners. The department Issue Management & Sustainability, for instance, identifies on one hand the main sustainability topics and looks for an exchange with organizations, operating in these areas. On the other hand it actively approaches NGOs, discusses their concerns, searches for mutual solutions, where possible and also enters into partnerships with NGOs from time to time – such as with the WWF.	
4.16 Stakeholder engagement: approaches	●	<a href="#">Dialogue &gt; Partnerships</a> <a href="#">Partnerships</a> The specialist departments maintain a regular contact to their central interest groups. For this purpose they either look for a bilateral exchange (e.g. as part of the strategic partnership with the WWF the common steering committee meets three times a year), participate in interest groups (e.g. apart from regular meetings, the interest group Swiss Retail Trade also arranges meetings addressing specific topics) or set up their own committees (e.g. the Issue and Stakeholder forum, where 6 of the 12 members are external representatives, meets twice a year to discuss socio-political topics). The rhythm of contact ranges from once a week (Migros magazine) up to once a year.	

Profile disclosure and performance indicators	Reported	Cross-reference / Direct answer	Global Compact principle
4.17 Stakeholder engagement: key topics	●	<a href="#">Dialogue &gt; Partnerships</a> The chapter Dialogue > Partnerships contains a selection of interest groups as well as their core interests. Within the WWF Climate Group member companies agree to meet climate protection goals – the climate protection measures are disclosed in the articles Energy & Climate as well as in the branches. Another issue for the WWF is bio diversity – Migros' accomplishments in this area are described in the article Biodiversity. Customers can air their concerns through various channels, for instance, through the Helpline M-Infoline and now also via the Online platform migropedia.ch. Migros address each individual concern – this is, for instance, apparent from a drink being offered in new packaging after requests from customers. As the specialist departments maintain a continuous exchange with the central interest groups and any issues and concerns are addressed during the year, such matters are not as yet systematically considered as part of the Sustainability Reporting.	
<b>ECONOMIC PERFORMANCE INDICATORS</b>			
Management Approach	●	<a href="#">Environmental and Social Policy</a>	
EC1 Economic value generated	●	<a href="#">Download &gt; Financial Reporting Migros Group: see added value statement p. 27</a>	
EC2 Climate change: financial risks	●		(7, 8)
EC3 Benefit plan obligations	●	<a href="#">Employee &gt; Pension Plans</a> The Migros pension fund, based on optimisation of benefits, provides a high-level of insurance benefits. The old-age pension payment for staff having contributed all their working life is 74 percent of the final salary. Two-thirds of the pension funds contributions are paid by the employer. With an employer's contribution rate of 17 percent (employee: 8.5 percent of gross wage) contributions made by Migros are by far above the average for companies in Switzerland. Migros also pays for the old-age reserve pension allowing early retirement for staff at all levels.	
EC4 Financial assistance from government	●	<a href="#">Finanzbericht 2011 Migros-Gruppe &gt; Andere betriebliche Erträge (Übrige betriebliche Beiträge) (p. 90)</a>	
EC5 Entry level wage	●	Minimum wage for unskilled workers Minimum wage for skilled workers	(6)
EC6 Locally-based suppliers: Policies, spendings	●	<a href="#">Products from the Region</a>	
EC7 Local hiring policy	●	<a href="#">Collaborators &gt; Nationalities and Nations Protection of Discrimination</a> Migros has defined no specific procedure for personnel operating abroad. When recruiting and hiring staff, Migros applies the principle of treating all employees equally, irrespective of their origin and nationality. Migros also applies the universal principle of not discriminating against any employees along the entire value-added chain from the start to the termination of employment.	(6)
EC8 Infrastructure developments	●	<a href="#">Migros Culture Percentage Social Commitment</a>	
EC9 Indirect economic impacts	●	<a href="#">Investment in the Swiss business area Social Commitment Products from the Region</a>	
<b>ECOLOGICAL PERFORMANCE INDICATORS</b>			
Management Approach	●	<a href="#">Environmental and Social Policy</a>	
EN1 Materials: used	●		(8)
EN2 Materials: recycled input materials	●		8, 9
EN3 Energy: direct energy consumption	●	<a href="#">Energy and Climate</a> The total energy consumption for 2011 of 1'600 GWh (5'760 TJ) can be split into 630 GWh (2'268 TJ) of direct energy consumption and 970 GWh (3'492 TJ) of indirect energy consumption (see graph Share of Energy Carriers in total energy consumption). The Migros companies involved in the sustainability report do not produce any direct energy sources. All figures are in the energy unit gigawatt hours (GWh), as usual in Switzerland. 1 GWh = 3.6 Terajoule (TJ).	(8)
EN4 Energy: indirect energy consumption	●	<a href="#">Energy and Climate</a> The electricity consumption for 2011 amounted to 970 GWh (3'492 TJ). Green power certificates were purchased for 101 GWh 727 TJ). The energy consumption from long-distance heating amounted to 50 GWh (180 TJ) (mostly waste incineration, average. CO2 factor 8.2 g/kWh). Migros produced 2'980 MWh (10.4 TJ) of solar energy. All figures are in the energy unit gigawatt hours (GWh), as usual in Switzerland. 1 GWh = 3.6 Terajoule (TJ).	(8)
EN5 Energy: efficiency savings	●	<a href="#">Energy and Climate Sustainable Stores</a>	8, 9
EN6 Products: energy-efficient or renewables	●	<a href="#">Sustainable Labels Sustainable Stores</a>	8, 9
EN7 Indirect energy consumption	●	<a href="#">Energy and Climate Sustainable Stores</a>	8, 9
EN8 Water: consumption	●	<a href="#">Water</a>	
EN9 Water: sources	●	<a href="#">Water</a>	
EN10 Water: recycled	●		8, 9
EN11 Biodiversity: land usage	●	There is no knowledge of any buildings being located in or adjacent to zones with increased bio diversity.	(8)
EN12 Biodiversity: impacts on	●	<a href="#">Biodiversity</a> Migros does not operate in any conservation areas. No major effects on the bio diversity in conservation areas and areas with a high bio diversity value are known. In order to make a contribution to the biological diversity in settlement areas Migros has by now adopted an eco-friendly design for 8 company sites and has had these certified by the foundation "Nature & Science".	(8)
EN13 Biodiversity: habitats protected or restored	●	<a href="#">Biodiversity</a>	8
EN14 Biodiversity: managing impacts	●	<a href="#">Biodiversity</a>	8
EN15 Biodiversity: red list species	●		
EN16 Greenhouse gas emissions: direct and indirect	●	<a href="#">Energy and Climate</a>	(8)
EN17 Greenhouse gas emissions: other indirect	●	<a href="#">Business Traffic</a>	(8)
EN18 Greenhouse gas emissions: reduction	●	<a href="#">Energy and Climate</a>	8, 9
EN19 Ozone-depleting substances by weight	●	<a href="#">Energy and Climate Sustainable Stores</a>	(8)
EN20 NOx & SOx, and other significant air emissions	●	<a href="#">Ecological Transports</a>	(8)
EN21 Wastewater: discharge (quality and destination)	●	<a href="#">Water</a>	8
EN22 Waste: total weight and disposal method	●	<a href="#">Disposal &gt; Section Operational Waste</a>	8
EN23 Significant spills: total number and volume	●	No relevant spills known.	(8)
EN24 Hazardous waste: transported weight	●		(8)
EN25 Affected water bodies	●	<a href="#">Water</a>	(8)
EN26 Products: environmental impacts reduction	●	<a href="#">Sustainable Labels Climate Friendly Products Sustainable Stores</a>	8, 9
EN27 Products/packaging: percentage	●	<a href="#">Disposal</a>	8, 9
EN28 Non-compliance environmental laws	●	No significant non-compliance of environmental laws is known.	(8)
EN29 Transport: environmental impacts of transport	●	<a href="#">Energy and Climate Ecological Transports</a>	(8)
EN30 Environmental protection expenditures	●		8
<b>SOCIAL PERFORMANCE INDICATORS: LABOR PRACTICES AND DECENT WORK</b>			
Management Approach	●	<a href="#">Collective Labour Agreement Staffing policy Working at Migros</a>	
LA1 Workforce: employment type, contract, region	●	<a href="#">Collaborators &gt; Figures and Charts &gt; Section Human Resource Management Migros Group Employment type</a>	

Profile disclosure and performance indicators	Reported	Cross-reference / Direct answer	Global Compact principle
LA2 Employee turnover by age group, gender, region	🔴	<a href="#">Collaborators &gt; Human Resource Management &gt; Workforce and Staff Movements</a>	6
LA3 Employee benefits	🟡	<a href="#">Supplementary Benefits</a> All employees who are part of the country-wide collective agreement receive the same additional benefits. There is no difference between full and part time positions.	(6)
LA4 Collective bargaining agreements	🟡	<a href="#">Collective Labour Agreement</a>	(1), 3
LA5 Operational changes: minimum notice period	🔴	Such changes are generally communicated immediately following a decision, as stated in the internal and external communication guidelines.	3
LA6 Health & safety: workforce in committees	🟡	<a href="#">Collective Labour Agreement</a>	
LA7 Health & safety: rates of injury, lost days	🔴	<a href="#">Work and Health</a>	
LA8 Health & safety: prevention of serious diseases	🔴	<a href="#">Work and Health</a>	
LA9 Health & safety: agreements with trade unions	🔴	Within Migros' national collective agreement an occupational health management was agreed with the social partners beyond the classical issues such as occupational safety and health. The occupational health management which respects both working conditions and individual health behavior, was elaborated in collaboration with employees and social partners.	
LA10 Training & development: hours per	🟡		
LA11 Training & development: lifelong learning	🔴	<a href="#">Personnel and Leadership Development</a> <a href="#">Collective labour agreement: operational restructuring measures, p. 46</a>	
LA12 Training & development: performance reviews	🟡	<a href="#">Personnel and Leadership Development</a>	
LA13 Diversity statistics	🔴	<a href="#">Human Resource Management</a>	(1), 6
LA14 Remuneration: basic salary men - women	🟡	<a href="#">Collaborators &gt; Wage Equality</a>	(1), 6
<b>SOCIAL PERFORMANCE INDICATORS: HUMAN RIGHTS</b>			
Management Approach	🟡	<a href="#">Collective Labour Agreement</a> <a href="#">Staffing policy</a> <a href="#">Working at Migros</a>	
HR1 Human rights: significant investments screening	🟡	The BSCI standard, demanding and assuring the protection of human rights according to the Universal Declaration of Human Rights of the UN forms an integral part of all agreements. As Migros already applies the respective standard since 1997, this also includes long-term contractual relationships.	1, 2, (4), (5), (6)
HR2 Human rights: procurement screening	🟡	<a href="#">Production Conditions</a>	1, 2,
HR3 Human rights: employee training	🟡		1, (4), (5)
HR4 Discrimination: number of incidents	🟡	No significant cases known.	
HR5 Freedom of association: right at risk	🟡	<a href="#">Production conditions &gt; Section BSCI</a> Neither Migros nor independent audit firms commissioned with the monitoring and control of the BSCI standard, have detected any business activities potentially endangering the freedom of association and right to collective bargaining. Activities that could contain such a potential hazard are generally already excluded from the business activities of Migros via the Pre-Clearance Compliance.	1, 6
HR6 Child labour: operations with significant risk	🟡	HR6 The information of HR 5 also apply to child labor.	1, 5
HR7 Forced labour: operations with significant risk	🟡	HR7 The information of HR 5 also apply to forced labor.	1, 4
HR8 Human rights: security personnel trained	🟡	The safety measures of Migros are based on the standards of international human rights as well as the laws and occupational standards of the country or of the countries, in which they apply, and are solely used for the prevention of risk and to avert danger. All of the safety personnel is continuously trained and instructed on this basis and is obliged to observe the physical and psychological integrity of all people without restriction and to refrain from any type of physical or psychological force.	1, 2
HR9 Indigenous people rights: incidents	🟡	The areas of business of Migros do not cover areas in which the interests or traditions of original inhabitants could be violated. Neither Migros nor third parties have made any statements that affect or could even violate the business activities of Migros and the rights of original inhabitants.	1
<b>SOCIAL PERFORMANCE INDICATORS: SOCIETY</b>			
Management Approach	🟡	<a href="#">Collective Labour Agreement</a> <a href="#">Staffing policy</a> <a href="#">Working at Migros</a>	
SO1 Impacts of operations on communities	🟡	<a href="#">Migro Culture Percentage</a> The Migros Culture Percentage is a voluntary commitment of Migros in the areas culture, society, education, leisure and economy. Its institutions, projects and activities, allow the population at large access to cultural and social benefits.	1
SO2 Corruption: number of business units analyzed	🔴	<a href="#">Corporate Governance &gt; Anti-Corruption</a> Migros Group operates a comprehensive risk management, which also analyses and reports ethical risks. The degree of cover is nearly 100 %. Corruption risks are, however, not mentioned directly. Geplant ist im übrigen der Aufbau eines einheitlichen Compliance Konzeptes mit Prozessen zur Prävention und Kontrolle.	10
SO3 Anti-corruption: training	🔴	<a href="#">Corporate Governance &gt; Anti-Corruption</a> When hiring new staff, terms of employment are pointed out. The terms of employment for management staff include points for combating corruption.	10
SO4 Corruption: actions taken in response to	🔴	<a href="#">Corporate Governance &gt; Anti-Corruption</a> An anti-corruption guideline can be found at <a href="http://www.arbeiten-bei-migros.ch">www.arbeiten-bei-migros.ch</a> . Respective provisions can also be found in the Purchasing Manual and in the Terms of Employment for management staff.	10
SO5 Public policy development	🟡	<a href="#">Economic Policy</a>	(10)
SO6 Political contributions: total value	🟡	Migros on principle does not support any political parties and does not support individual candidates in their election campaign. Migros does, however, support projects of organisations and associations.	(10)
SO7 Legal actions: anti-competitive behavior	🟡	Due to its acquisitions, Migros is in constant contact with cartel authorities (merger control). There are currently no known antitrust proceedings involving Migros.	
SO8 Non-compliance: significant fines	🟡	No significant cases known.	
<b>PRODUCT RESPONSIBILITY PERFORMANCE INDICATORS</b>			
Management Approach	🟡	<a href="#">Environmental and Social Policy</a>	
PR1 Products: customer safety assessments	🔴	<a href="#">Product Responsibility</a>	
PR2 Non-compliance: customer health & safety	🟡	<a href="#">Product Responsibility</a>	
PR3 Products: information requirements	🟡	The statutory regulations according to Swiss law must be fully complied with by all suppliers. 100% of the in-house brands must fulfill additional Migros requirements as regards labeling. Migros provides suppliers with information regarding declaration/marketing of products. These are specified in the M Declaration regulations and the M Dating Regulations. Die Lebensmittelkennzeichnungsverordnung z.B. regelt sämtliche gesetzlich obligatorischen Angaben auf den Verpackungen wie Zutaten und Herkunft.	(8)
PR4 Non-compliance: product information	🟡		(8)
PR5 Customer satisfaction	🔴	<a href="#">Customer Dialogue</a>	
PR6 Marketing communications: voluntary codes	🟡		
PR7 Non-compliance: marketing communications	🟡	There are no known relevant procedures or infringements of the law.	
PR8 Customer complaints: customer privacy	🟡	There are no known relevant incidents.	
PR9 Non-compliance: provision of products	🟡	There are no known relevant incidents.	



## Statement GRI Application Level Check

GRI hereby states that Migros has presented its report "Migros Annual Report 2011" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level B.

GRI Application Levels communicate the extent to which the content of the G3 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3 Guidelines.

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, March 8th 2012

A handwritten signature in blue ink, appearing to read "Nelmara Arbex", is written over a faint, large watermark of the GRI logo in the background.

Nelmara Arbex  
Deputy Chief Executive  
Global Reporting Initiative



*The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. [www.globalreporting.org](http://www.globalreporting.org)*

**Disclaimer:** Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on February 28th 2012. GRI explicitly excludes the statement being applied to any later changes to such material.