

Migros memberships and partnerships

Migros cooperates with various organisations at regional, national and international level. The following list is a selection of Migros' most important memberships and partnerships with the objectives of the organisations as well as the cooperation with Migros.

Corporate

Migros signed the ten principles of the **UN Global Compact** in 2006, making a commitment to implement the principles and report on them annually. This Annual Report acts as a progress report within the meaning of the UNGC. The GRI Content Index provides information on the fulfilment of the ten principles.

The **Global Social Compliance Programme** (GSCP) is a multi-stakeholder initiative. It aims to make existing standards and initiatives in the areas of social acceptability and the environment comparable and to harmonise them around the world. Migros was one of the founding members in 2006. The GSCP also focuses on empowering producers and suppliers. In 2012, the FMC hosted the annual GSCP meeting and one of the four international workshops on the subject of empowerment. More than 130 producers, brand manufacturers and wholesalers took part, along with unions, human rights organisations and universities.

Vice President: Johann Züblin, Deputy Head of Sustainability & Issue Management, FMC

Öbu, the Swiss Association for Environmentally Conscious Management, is a think-tank dedicated to sustainability and management issues. Migros has been a member for many years and regularly participates in events.

As part of the strategic partnership with **WWF Switzerland**, Migros has been committed to sustainable consumption, climate protection and biodiversity since 2009. It also supports the children and youth programmes of WWF. This successful collaboration was renewed in 2012; in addition, mutual objectives up to 2015 were set in the areas of climate protection, sustainable consumption and biological diversity. The company continues to support the activities of WWF in the area of child and youth work. In 2012, as part of the joint activities launched for the benefit of nature and the environment, the two partners also sought ideas for the promotion of sustainable consumption with the «Idées Vertes» competition.

Economic policy

The **Swiss retail stakeholder group IG DHS** has been raising political and public awareness for the sector's concerns since 2006. The core topics of IG DHS are the reduction of price-driving obstacles to trade, a fair VAT reform, the optimisation of opening hours, and partnership solutions in the areas of food safety, freight, littering, energy and recycling. Migros is a founding member of IG DHS and is represented in various working groups.

President IG DHS: Herbert Bolliger, CEO of Migros

GGG (group of large electricity consumers) has been committed to a reliable electricity supply and a competitive electricity market in Switzerland since 2007. GGS summarises and presents the political interests of its members as well as end-consumers in matters relating to the supply and procurement of electricity, representing these interests towards legislature, authorities, the electricity sector and the public. Migros founded GGS in view of the liberalisation of the electricity market.

President: Andreas Münch, Member of the Executive Board, FMC

The **stakeholder group Agrarstandort Schweiz** (IGAS) was founded in 2008. It is a major platform for farmers, consumer groups, retailers and food manufacturers. Its aim is to combine competencies and achieve an optimum agricultural treaty between Switzerland and the EU that strengthens the entire value-added chain.

The **Swiss mountain products stakeholder group** is a Migros initiative established in 2004. It cooperates closely with representatives of mountain areas and aims to promote sales of Swiss

mountain products in the long term. Together with the Swiss mountain products stakeholder group, Migros regularly gives out an award for innovative alpine agriculture, most recently in 2011.

espace.mobilité is a stakeholder group of leading Swiss companies in the retail sector. As a founding member, Migros makes regular solution-oriented contributions to mobility issues in urban and regional planning, traffic and environmental policy.

President: Markus Neukom, Head of Planning & Expansion, FMC

Environment

The **Energy Agency for the Economy (EnAW)** was founded in 1999 by several business associations. EnAW helps industrial, commercial and service companies to reduce their CO2 emissions and increase energy efficiency. Together with EnAW, Migros has drawn up voluntary target agreements with the federal government and the cantons in the area of energy efficiency and CO2. These apply for all Migros branches as well as logistics and industrial enterprises, for the head offices of Hotelplan, Migros Bank, the FMC, for the major department stores of Globus and Interio, and for 17 Fitnessparks. Between 2000 and 2012, Migros reduced CO2 in the area of combustibles and propellants by 29%. EnAW will also help Migros to develop new target agreements for the 2013–2020 period. The degree to which the objectives are met is checked each year and new measures are developed.

The **Swiss Network of Sustainable Construction** was established in 2012, with the aim of promoting and coordinating sustainable farming in Switzerland. Migros is a founding partner. Migros' memberships and active contribution demonstrates the company's huge commitment to sustainable construction.

President: Martin Hitz, Head of Construction / Properties, Migros Cooperative Eastern Switzerland

The **Urban Mobility Future** project was initiated at the start of 2011. Around 50 companies, public sector organisations, universities, NGOs and associations developed a joint vision as well as specific suggestions for measures in respect of mobility in the metropolitan area of Zurich. Migros was one of the main sponsors of the project from the beginning. The final report was published in 2012.

Member of the Steering Committee: Andreas Münch, Member of the Executive Board, FMC

Migros and **Mobility** – Switzerland's biggest car-sharing enterprise – have had a programme partnership since 1998: Cumulus points are awarded for Mobility journeys, Mobility vans are available in six M-Parc centres, and various Migros companies use Mobility cars for business trips. Since 2011, electric cars from the Migros company m-way have been parked at Switzerland's main train stations.

The Swiss bicycle delivery association **VLD** is committed to the professionalisation and expansion of the various bicycle delivery services in Switzerland. Migros provided start-up financing in 2012. Eight Migros branches offer a bicycle home-delivery service.

Migros is represented in various **waste disposal organisations**: PET Recycling Switzerland (PET bottles), the aluminium recycling association IGORA, FERRO Recycling (tin cans), the Swiss Lighting Recycling Foundation, INOBAT (household batteries) and the Swiss Disposal Foundation (electrical devices). Migros is committed to ecological and efficient waste disposal systems and high recycling rates. The company also provides funding in this area and participates in various communication activities.

The **PET Recycling Switzerland** association organises the collection of PET drinks bottles in a nationwide disposal network. The aim is to reach the recycling rate set by the Federal Department of the Environment, Transport, Energy and Communications (UVEK). This rate has been exceeded considerably over the past years and currently stands at more than 80%. Migros has been a member since 1990 and collects the most PET bottles in retail. In 2012, Migros supported the campaign «Zurück in den Handel» (Back to the store), which encourages retail

customers to return used PET bottles.

Chairperson: Christine Wiederkehr-Luther, Head of Ecology, FMC

Consumption

The **Business Social Compliance Initiative** (BSCI) was established in 2002 to improve the social conditions along the supply chain. It has set up a globally recognised code of conduct to this end. As a founding member of the BSCI, Migros requires all its suppliers to observe minimum social standards and helps them to implement the code of conduct. The BSCI has grown to become the world's biggest social standard in recent years. As part of the National Contact Group, Migros is dedicated to raising awareness of the BSCI in Switzerland.

Chair of the Swiss National Contact Group: Jürg von Niederhäusern, Head of Standards, FMC

IP-Suisse is the association of Swiss integrated production farmers. Migros cooperates with IP-Suisse under its «TerraSuisse» label. The farmers provide additional services in the area of animal welfare and biodiversity. In turn, Migros provides IP farmers with part of the costs for nature measures.

Bio Suisse is the leading organic organisation in Switzerland. The umbrella organisation, which was founded in 1981, represents the interests of its 5600 Bud-registered agricultural and horticultural farms. In addition, 750 processing and trading companies have a Bud licensing contract with Bio Suisse. All operations are regularly inspected and certified by independent bodies with regard to compliance with the strict Bio Suisse guidelines.

Migros has had its own organic label («Bio») since 1995 and all organic products from Switzerland are sourced from farms which are certified according to the strict requirements of Bio Suisse. Migros' organic food range includes more than 1000 products.

The **Max Havelaar Foundation** (Switzerland) has been awarding a quality seal for fair trade products since 1982. Through fair trade, it improves the living and working conditions of smallholders and plantation workers in disadvantaged regions. Coffee and honey were the first fair trade products to be sold by Migros. A breakthrough was made in 1997 with the introduction of bananas. Today, Migros sells around 180 Max Havelaar fair trade products, with more being added continuously. Migros also promotes fair trade products from organic production.

Utz Certified is a sustainability programme for coffee, cocoa and tea. It promotes socially and environmentally friendly cultivation and teaches management skills to farmers. This allows them to produce higher volumes at lower costs, which raises the standard of living of the farming communities. All farmers are certified by independent auditors. Migros switched its coffee range to Utz Certified in 2010/11; by the end of 2013 at the latest, all Frey chocolate will be changed to Utz Certified cocoa.

Member Utz Standards Committee: Jürg von Niederhäusern, Head of Standards, FMC

The **Round Table on Sustainable Palm Oil** (RSPO), founded in 2003, is committed to the sustainable production of palm oil. Migros and WWF are among the founding members of the RSPO. At present, around 70% of the relevant products at Migros meet the RSPO criteria. Migros aims to use only sustainable palm oil in its products by the end of 2015 at the latest.

Together with WWF Switzerland, feed importers, the Swiss Farmers' Union and IP-Suisse, Migros is a founding member of the **Soy Network Switzerland** (2010). The aim of the network is to increase the proportion of sustainable and GM-free soya in farm animal feed in Switzerland to 90% by 2014. The figure currently stands at 70%. Together with the Soy Network Switzerland, Migros organised an international event in 2012 on the challenges and opportunities of soya in farm animal feed. On an international level, Migros has been part of the **Round Table on Responsible Soy Association** since 2010. This international association of distributors, producers and environment organisations promotes the sustainable production of soya worldwide.

Chairman: Bernhard Kammer, Development Sustainability Sourcing Freshness / Food, FMC

The **Better Cotton Initiative** (BCI) was founded in 2009 by Migros and WWF together with other organisations. This association aims to optimise traditional cotton cultivation over the long term in addition to organic agriculture: the objective is to achieve a more sustainable form of cultivation which protects the environment and gives farmers a secure source income. As a member, Migros is committed to promoting the procurement of sustainable cotton and thereby facilitating market access for producers. Migros is also working on a specific project in the region of Gujarat, western India, together with one of its Indian suppliers, building a bridge directly to the producer. 350 small-scale farmers are trained on how to use soil, water and pesticides, as well as on working conditions, and are helped to implement the corresponding measures. In 2012, Migros began selling textiles made from Better Cotton for the first time. The aim is to produce Better Cotton locally for around 2.6 million items of clothing each year.

The **Aquaculture Stewardship Council** (ASC) is a WWF initiative founded in 2011. It is committed to the responsible breeding of fish and seafood. Migros has been a partner of the ASC since June 2011. In 2012, it became the first retailer in Switzerland to introduce ASC-certified fish products.

The **Marine Stewardship Council** (MSC) was founded in 1997 by WWF and the Swiss food company Unilever, with the aim of finding a solution to the global problem of overfishing. This independent organisation promotes responsible fishing practices. Migros is the biggest seller of fish and seafood in Switzerland and its range of MSC-certified fish is being expanded continuously. In 2012, the share of MSC fish in the wild fish range was 45%.

Migros has been a member of the **International Pole and Line Foundation** (IPNLF) since 2012. The IPNLF promotes pole and line fishing, a traditional and sustainable method that avoids bycatch of tortoises, sharks, dolphins and all other marine life, as well as generating a good income for fishermen and creating jobs. Migros is the first retailer worldwide to offer tinned pink tuna which is caught using pole and line by local fishermen in the Maldives and is MSC-certified. Every second tin of tuna consumed in Switzerland comes from Migros. therefore the company is switching its entire own-brand range of tinned pink tuna to pole and line by the end of 2013, and some products will even be changed to MSC.

The **Better Work** programme is a locally integrated cooperative initiative of the International Labour Organization (ILO). It focuses on training at all levels and offering factories individual support to eliminate deficiencies. In 2012, a supplier company of Migros from the focus region of Southeast Asia took part in a pilot project for the first time. The aim is for 20 Migros production companies to be included in the programme by 2015.

GlobalGAP is an internationally recognised standard for good agricultural practices, setting standards regarding food safety, environmental protection, occupational health and safety and animal welfare. Migros demands that its suppliers of fruit, vegetables, flowers and plants conform to GlobalGAP, or to SwissGAP in Switzerland. On an international level, Migros participates in the Water Management and GRASP (Risk Assessment on Social Practices) working groups.

Migros is a founding member of the **Global Food Safety Initiative** (GFSI). The GFSI aims to improve food safety in the value-added chains, as well as making existing systems and standards comparable and harmonising them, thereby reducing inspections. At Migros, most domestic and foreign suppliers of processed foods are certified according to a standard recognised by the GFSI, as are the company's own industrial enterprises. The implementation rate has been around 95% for several years.

Society, health and employees

The Federal Office of Public Health launched the **Actionsanté** initiative as part of a national diet and exercise programme in 2009. The cooperation between Federal Government and business aims to create an environment for the population that promotes a healthy lifestyle. Migros has been showing its commitment since 2009, launching promises of action to lower the salt content

in bread and convenience products and to expand the Délifit range in Migros restaurants and take-aways. In 2012, it also launched a new promise of action to reduce the amount of sugar in yoghurts.

The independent foundation **aha!** Founded in 2000, Swiss Allergy Centre is a centre of excellence for allergies. Under its aha! label, Migros offers a broad range of convenience goods, especially in the areas of lactose and glucose intolerance. The aha! range is independently certified and checked and is being expanded continuously.

FSO (the Swiss folic acid campaign foundation) is committed to raising awareness of the importance of folic acid among Swiss people. Migros was one of the 12 founding members of FSO in 2000 and has been selling products with the «Folsäure» (folic acid) label since 2005. At present, around 50 Migros products bear the label (Blévita, Farmer, Actilife products).

Health Promotion Switzerland is an institution that initiates, promotes and carries out activities for the health of all people. Health Promotion Switzerland offers the «Friendly Work Space» quality seal for companies that successfully implement measures to optimise working conditions and take occupational health and safety into account as a component of corporate management. The FMC, the two national distribution centres, the industrial enterprise Micarna and the seven regional Cooperatives of Migros already bear the «Friendly Work Space» label.

Member of the economic advisory council: Hans-Rudolf Castell, Head of Human Resources, Migros Group, FMC

Pro Juventute is a non-profit organisation which aims to support children and young people on their way to becoming independent and socially responsible people with the help of their parents. Migros has a strategic partnership with Pro Juventute and «Eltern Club Schweiz» (parents' club Switzerland). Members of the Migros family club «famigros» enjoy discounted annual membership to Eltern Club Schweiz. On the 2012 international children's rights day, Migros donated one Swiss franc to Pro Juventute for each purchase made in its supermarkets. In addition, Migros customers donated 400'000 francs – in total, more than 1.5 million francs was handed over to Pro Juventute.