

# Progress in the area of sustainability 2012

In 2012 Migros continually made progress socially and ecologically. The following review shows how far it has come in implementing its most important goals.

## Basic social and ecological requirements in the Migros Group

In mid-2011, the Executive Board of the Federation of Migros Cooperatives (FMC) defined the basic social and ecological requirements for all companies of the Migros Group based on the existing guidelines in Cooperative Retailing. In an initial step, the FMC, together with around eighteen Migros companies from the business units Commerce and Industry & Wholesaling, analysed the issues affecting the individual companies. Based on this analysis, the rolling implementation of the basic requirements was started in 2012. The progress report shows the current status of the implementation with selected examples. The task will be completed in 2013 and additional Migros companies will be involved in the implementation process.

## Table basic requirements (Migros Group)

Issues	2012 measures and outlook
<b>Social acceptability</b>	Business Social Compliance Initiative (BSCI) code of conduct: the suppliers of 18 companies were transferred to the central database, together with all certificates and inspection reports. For nine of these companies, a risk assessment of the individual suppliers was performed as the basis for planning the independent checks. For seven of the companies, the planning will be completed at the start of 2013. Additional companies will also be included in the BSCI process.
<b>Food safety / good agricultural practices</b>	13 companies are incorporated in the food safety process for processed foods. For nine of these companies, all certificates (GlobalGAP and GFSI) and inspection reports are stored in the central database. For the remaining four of the companies, documentation will be available at the start of the year. A new concept will be developed in 2013 for the inspections at small suppliers with the aim of further simplifying on-site inspections.
<b>Protection of the seas</b>	Micarna is constantly increasing the share of fish from sustainable sources. The product range of eight companies is being evaluated for the implementation of improvements in sustainability in 2013. Their products are currently being assessed by an independent body as the basis for changes in product range.
<b>Protection of the rainforests</b>	Wood/paper: 13 companies recorded their wood and paper range and their packaging material in 2012. The objective is to be 100% FSC certified in the medium term; an implementation plan is in place for each company. Nine companies were already able to make great progress in 2012, including Micarna (70% of packaging), Delica and Chocolat Frey (60% of packaging each). Palm oil: the FMC represents the interests of Migros in the Roundtable on Sustainable Palm Oil (RSPO), which strives to ensure that all companies use only sustainably produced palm oil by 2015 at the latest. Soya: the FMC presides over the Soy Network Switzerland. The aim is for at least 90% of Swiss farm animals to be fed with sustainable and GMO-free feed from 2014. This benefits all Migros companies.
<b>Animal welfare</b>	Eggs: Migros' own industry has been using only free-range eggs in the production process since 2007. Migros has tightened the suppliers' obligation to provide corresponding proof and extended this to other suppliers of Migros companies. In Switzerland, eggs from caged hens have been banned in retail since 1992 – but not in food production. Rabbit: all companies now only sell meat from rabbits that are reared in accordance with Swiss animal welfare law. One company will present a confirmation of this at the start of 2013.
<b>Genetically modified organisms</b>	The Migros companies do not sell any food that falls under the duty of declaration.
<b>Nanotechnology</b>	The companies are in possession of the nanotechnology code of conduct, which they apply where relevant, such as within the Mibelle Group (cosmetics). The government is developing an implementation aid in 2013. As part of the Swiss retail stakeholder group IG DHS, Migros will decide what this means for the future.
<b>Compliance</b>	Migros created a central compliance function in the FMC at the end of 2012. New, modern codes of conduct, along with the introduction of a central compliance system, are currently being prepared.

## Progress in the core business

In 2012 Migros continued to make progress socially and ecologically – you can find out more about this in the individual sections. A number of goals were also set out within the framework of the sustainable development programme Generation M in the form of promises to the next generation. A full review of how goals were achieved in all of the promises launched in 2012 » [can be found here](#) (in german).

### Progress table: Sustainable development management

Issues	Objectives & measures
<b>Strengths of sustainable development within the company</b>	«Sense of responsibility» was also incorporated as a value into the Group strategy in 2012 and appreciation of sustainable development focused on the four fields of action: consumption, health, environment, society and employees.
	Basic social and ecological requirements now apply to all companies in the Migros Group. Implementation has been ongoing on a rolling basis since 2012 (see above).
	The former Sustainable Development and Issue Management staff unit has been upgraded to an Operating Division. This regrading is a statement of how sustainable development is strategically managed at Migros and has a place at the very top level of the company.
	In 2012 Migros launched the sustainable development programme Generation M, making concrete promises to the next generation. Checks are carried out twice a year to see how many of the individual promises have been realised; each set of results is published on the website.
	The Climate and Energy Strategy 2020 has been in effect since 2012. By 2020 Migros aims to have cut greenhouse gas emissions by 20% and electricity consumption by 10% compared to 2010.

### Progress table: Sustainable consumption

Issues	Objectives & measures
<b>Development of products with social or ecological value added</b>	Compared to 2011, sales of products with sustainable labels rose by 14% to CHF 2.6 billion. This represents 18% of overall sales by Cooperative Retailing.
	In 2012 some 50 new products were added to the Bio range. Sales of Bio organic products increased year-on-year by 9%.
	The Fairtrade Max Havelaar range has been expanded with the addition of 26 new products. Compared to 2011, sales were up by 4.4% to CHF 84 million.
	By spring 2013 the entire Chocolat Frey range of chocolate will have been converted to UTZ certified. The figure was already 62% at the end of 2012. The label now also appears on the own brand Tea Time.
	Migros was the first retailer in Switzerland to introduce responsibly farmed ASC-certified fish. The proportion of organic fish in the farmed fish range was 10%, and the proportion of MSC fish in the wild-caught range 45%. By the end of 2020, 100% of the fish range will come from sustainable sources – at the end of 2012 the total already stood at 93%.
	Migros has tightened up its guidelines for meat. From 2013, feed containing soya will be banned as a feed supplement for pasture-raised beef carrying the Bio-Weide-Beef and Weide-Beef labels. The same applies to dairy cows which produce pasture-raised milk for TerraSuisse.
	83% of Migros veal carries the TerraSuisse label. In 2012 the guidelines covering the use of certain active substances were tightened up. The TerraSuisse label is therefore the first programme to limit the use of antibiotics.
	Over 35% of all electrical appliances already meet the highest energy class standards. They carry the Topten label.
	Migros has published the carbon footprint of over 850 products on Migipedia.ch.

<b>Procurement of sustainably produced raw materials</b>	Sales of organic cotton textiles rose by over 8% in 2012 to CHF 33 million. In addition, products made of Better Cotton were sold for the first time at Migros.
	The Eco Standard applies to two thirds of Migros clothing. The standard represents textiles that are produced ecologically, in a socially responsible way and with full traceability. By the end of 2017, all Migros own-brand textiles will be manufactured in accordance with the strict Eco guidelines.
	Sales of FSC-certified products increased by almost 20% to CHF 200 million. By the end of 2015, 75% of timber and paper products will come from sustainable sources.
	30% of the palm oil that is processed in Migros Industry already comes from a sustainable plantation in Cambodia. The balance is still covered by the purchase of certificates. By the end of 2015 this will be 100% physically sustainable palm oil.
	As a founder member of the Soy Network Switzerland, Migros has committed itself to using 90% sustainable and GMO-free soya in livestock feed by the end of 2014. In 2012 the share was over 70%.
	None of the Migros Bio Garden soils contain any peat. From 2013, Migros will completely cease selling peat soil. Migros made a start on this move as early as 2011.
<b>Further development of manufacturing conditions and competency of suppliers</b>	All Migros' suppliers must comply with the BSCI Code of Conduct. Audits were carried out on 246 suppliers during 2012.
	In 2012 Migros tightened up its commitment to improve the competency of its suppliers locally. Migros Hong Kong, for example, held 20 training sessions for suppliers in China and other Asian countries.
	About 98% of fruit and vegetable suppliers and 96% of suppliers of flowers and plants are certified under GlobalGAP/SwissGAP.
	More than 355 suppliers and small farmers in Italy and Spain are included in the GRASP process.
<b>Investments in product safety &amp; transparency</b>	Migros has carried out about 20,000 product tests, with nine products having to be recalled because of faults.
	Working with the retail community of interests, IG DHS, and the Federal Office of Public Health, measures have been defined to prevent the contamination of canned foods by paint residues.
	A number of Migros products can be traced back to the producer, for example UTZ coffee, UTZ cocoa and eggs.
	In 2012 Migros decided to make the declaration of origin on its Israeli and Moroccan products more precise. Implementation will take place during 2013.
	All products containing nanoparticles will be published on the website.
	The changeover to the new world standard for danger symbols for chemicals has taken place, accompanied by an information campaign.
<b>Promotion of a balanced diet</b>	By the end of 2013, the sugar content in 52 yogurts will have been progressively reduced by between five and ten per cent. Roughly half of this reduction has already been completed.
	Migros has reduced the sugar content in various soft drinks, and in the beverage dispensing machines in Migros Restaurants.
	Migros has set binding limit values on all product groups in the ready-to-go assortment and by the end of 2012 had reduced the salt content of 130 products.
	The Migros Restaurants and Take Away area have expanded the Délifit line and made catering employees aware of the healthy eating theme.
	Some 70 products in the food, cosmetics and household area carry the aha! label. These also include ten gluten-free Jowa products.
	Migros has optimised the labelling of vegetarian and vegan products. By the end of 2012, 120 products carried the V label.
	Since 2012 the Migros range now includes beta-glucan products. Beta-glucan is a component of oats and helps to lower cholesterol levels.
	Migros' nutrition advisers answer specific questions relating to Migros products. In 2012 more than 2300 people made use of the free information service.

## Progress table: Environmental protection

Issues	Objectives & measures
<b>Increased energy efficiency and reduced CO<sub>2</sub> emissions</b>	Between 2000 and 2012, Migros reduced its CO <sub>2</sub> emissions from heating oil and motor fuels by 29.5%.
	In 2012 total energy consumption by Migros was 0.5% lower than the year before. The interim goals set have therefore been achieved.
	Migros is still Swiss Minergie champion: 32 Migros supermarkets and over 50 other buildings and migrolino filling station shops carry the Minergie label. This represents a total area of 821'526 m <sup>2</sup> .
	At the end of 2012, 78 stores had already been fitted with glass doors. In 2010 Migros was the first Swiss retailer to fit glass doors to its «plus» freezer cabinets.
	30% of all stores were already using climate-friendly CO <sub>2</sub> as a refrigerant by the end of 2012.
	Migros is one of the biggest purchasers of renewable power in Switzerland, and in 2012 bought 87 GWh of certified green electricity (naturemade star and basic, as well as TÜV-certified green electricity).
	In 2012 a wind turbine, together with four new solar power plants installed on Migros roofs, went into operation. In total, 24 photovoltaic plants are installed on Migros buildings with a total annual output of about 4'400 MWh of electricity.
	The volume of renewable energy in the total heat consumption amounts to 79'400 MWh, which is equivalent to about 15% of the total.
<b>Promotion of environmentally-friendly transport</b>	In 2012 Migros' goods wagons travelled a total of about 9.9 million kilometres.
	Migros is increasingly using combined transport systems for its freight, both in Switzerland and in other countries.
	In China, Migros has started trials on transport by rail – a pioneering performance. Depending on the place of origin, overland transport will in the future be an interesting alternative in terms of time to transport by sea.
	Migros' own fleet of lorries is constantly being updated: 84% of the total kilometres travelled is done using low-emission lorries of Euro-categories 4, 5 and 6.
	Since mid-2012, the Federation of Migros Cooperatives has only worked with transport firms whose vehicles comply with the Euro-5 Standard as a minimum.
	In 2012 the CO <sub>2</sub> emissions from business flights increased by 28% to around 2'900 tonnes; these are offset through the myclimate foundation.
	Migros took part for the eighth time in the «Bike to work» campaign.
	Migros took part in the «Zukunft urbane Mobilität» project on urban mobility systems for the future, which came to an end in 2012. More than 50 organisations put forward proposed solutions for sustainable mobility.
<b>Reduction of operating waste and expansion of the take-back system for customer waste</b>	Migros has continued to optimise product packaging. Within two years it has managed to save a total of 1'360 tonnes of material as well as using some 1'300 tonnes of recycled material and 3'780 tonnes of FSC cardboard.
	Starting in autumn 2012, plastic bags are being replaced by carrier bags made from 100% recycled plastic.
	In 2012 Migros was the first and only retailer in Switzerland to commit itself to taking back and recycling all types of household plastic bottles. The take-back system for customer waste is being reorganised and extended to include the collection of CDs and DVDs. By the end of 2015, Migros aims to collect and recycle five tonnes of CDs and DVDs every year.
	About 98.6% of all food sold by Migros is also used as such. This is shown by an internal analysis carried out in 2012. The cooperation with charity organisations has been stepped up further in some cases.
	In 2012 Migros once again supported a number of private and official anti-litter initiatives.
<b>Responsible handling of natural resources such as water and biodiversity</b>	In 2012 a pilot project was carried out among 38 strawberry producers in southern Spain with the aim of further optimising water and land use.
	Migros has supported Indian farmers in developing rice production that is environmentally friendly and less water-intensive.
	Overall, Migros has reduced its water requirement by about 50% since 1990, thanks also to the much lower water consumption in the stores.
	More than 500 employees took part in a WWF nature campaign in Engadin, Upper Valais and Ticino
	By the end of 2013, the species-rich habitats on Swiss IP-Suisse farms should have risen by 30%. By the end of 2012 the area had already grown by 44%.

## Progress table: Society

Issues	Objectives & measures
<b>Promotion of culture and education</b>	In 2012 the Migros Culture Percentage invested around CHF 125 million in culture, society, education, leisure and the economy.
	The travelling concert hall Classic Express and the newly launched workshop «Mit den Enkeln zur Klassik» for grandparents and grandchildren introduced large numbers of children to classical music.
	The Migros Culture Percentage dance festival Steps featured 94 productions in 33 towns and cities. The event attracted 32'000 dance enthusiasts.
	After a two-year rebuilding period, the Migros Museum for Contemporary Art opened its renovated and extended premises in Zurich at the end of 2012.
	In 2012 a total of 410'000 people took part in a total of 52'000 training and other courses at the Migros Club Schools. These also include language courses which help the integration of migrants.
	In 2012 the Migros Culture Percentage joined partners to launch a free digital learning aid on the subject of migration: conTAKT-spuren.ch.
<b>Extending social commitment</b>	With the new development fund «Engagement Migros», Migros has extended its cultural and social commitment to the entire Migros Group.
	In 2012 the Migros Aid Fund supported around 20 projects in Switzerland and other countries.
<b>Commitment to leisure activities</b>	Over 226'000 runners took part in running events sponsored by Migros. Migros aims to continue facilitating running events which benefit over 200'000 sports enthusiasts every year until 2015.
	Since 2012 Migros has supported the Swiss Alpine Club in encouraging the public to enjoy the mountains in a nature-friendly way. Particular focus is aimed at sensitising young people.
	Migros has managed to further consolidate its leading position in the Swiss fitness and wellness market, adding seven more centres in 2012. In addition, the eleventh Medbase health centre was opened in Lucerne
	With its six Golfparks and two Golfcampuses, Migros is still the largest provider of public golf facilities in Switzerland. In 2012, 11'010 golfers held the ASG GolfCard Migros.
<b>Promoting the stakeholder dialogue</b>	Migros is assuming a pioneering role with social media: the customer platform Migipedia, for example, offers around 30'000 members the facility to contribute their suggestions online and to play a part in product development.
	50'000 people used the Internet platform to participate in the sustainable development campaign «Generation M» in 2012. Many of them have made their own sustainable development promises.
	The new Internet platform Famigros supports families with practical tips on everyday family life and on organising their leisure time.
	Migros Magazin kept 3'107'000 readers informed every week.