

About This Report

As a large group of companies and service providers, Migros is in constant contact with people and its environment in various ways.

Thus, in addition to Migros' economic performance and its asset, financial and earnings position, this report also highlights its roots in the natural and man-made environment and its interactions with society and various stakeholders. Migros has a clear concept of value creation and manages the company accordingly.

Principles of Reporting

Financial reporting

The Migros Group financial statements are prepared in conformity with the provisions of the law and with the International Financial Reporting Standards (IFRS).

These standards comprise the IFRS as issued by the International Accounting Standards Board (IASB), the International Accounting Standards (IAS) as well as the interpretations of the IFRS Interpretations Committee (IFRIC) and the Standard Interpretations Committee (SIC).

The main accounting principles can be found in the PDF Migros Group Financial Report. The financial reports of the Migros Group and the Federation of Migros Cooperatives are available in English, German and French. The German version is authoritative.

Cooperative Governance

The information that we provide about corporate governance describes the overall organisational and contextual structuring of the management and supervision of a cooperative.

The Federation of Migros Cooperatives is committed to responsible, purposeful and integrated governance. It therefore voluntarily adheres to the provisions of economiesuisse's "Swiss Code of Best Practice for Corporate Governance", to the Corporate Governance Directive of the SIX Swiss Exchange (DCG) and, where appropriate, to the Federal ordinance against excessive pay (VegÜV). Any deviations from these provisions are referred to in the report.

Sustainability Reporting

Sustainability reporting is an integral part of the Annual Report. In this reporting, Migros discloses its main economic, ecological and social contributions in accordance with the Global Reporting Initiative (GRI) standard and the ten principles of the Global Compact of the United Nations. This applies to the chapters Environment, Production & Consumption, Employees, Society & Culture.

Standard Global Reporting Initiative (GRI)

The reporting profile "G4 comprehensive" is applied as part of the reporting under the GRI standard. Migros also uses the additional protocol for the food processing industry.

The reporting level G4 ensures that all relevant issues of sustainability management are reported on in detail. For each relevant issue, the company's internal structures and processes, along with the implementation indicators (Disclosure on Management Approach, DMA), must be reported on.

The GRI Index with details about all relevant issues can be found here [<http://m14-author.migros-report.namics.com/verzeichnisse-glossar/gri-index/>].

The Global Reporting Initiative has performed a Materiality Matters assessment for this report. On the basis of the GRI G4 requirements for sustainability reporting, the assessment confirms that key elements, such as the definition of relevant issues, the reporting limits and the inclusion of stakeholders, have been checked by the GRI and disclosed correctly in the report and in the GRI Index.

Global Compact Progress Report

This Annual Report serves as a progress report (Communication on Progress (COP)) within the meaning of the UN Global Compact (UNGC). The GRI Content Index provides information on the fulfilment of the ten principles of the UNGC.

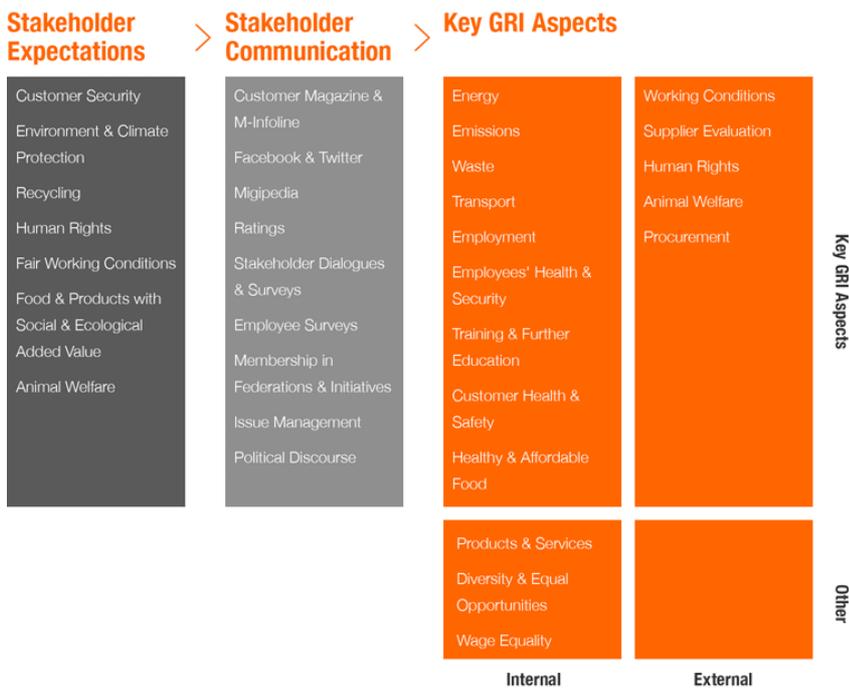
Determination of the Relevant Issues

Migros determines the relevant sustainability issues in different ways: The company maintains regular dialogue with important social stakeholder groups such as customers, employees, suppliers, NGOs, associations and political parties.

The dialogue takes many different forms, ranging from the M-Infoline for customers, to staff surveys, through to association memberships and political discourse. This active communication with stakeholders [<http://m14-author.migros-report.namics.com/en/integrated-report/migros-in-context/in-dialogue-with-migros/>] helps Migros understand trends and expectations at an early stage and identify social risks.

In addition, Migros conducted a survey among external stakeholder groups in autumn 2014. The aim was to find out their expectations for Migros' sustainability reporting, determine the potential for improvement and identify the relevant issues for the 2014 sustainability reporting. A total of 62 representatives from national NGOs, associations, authorities, scientific institutions and supplier companies participated in the survey. In the first part, the main sustainability aspects for Migros in the areas of consumption, environment, employees and society were categorised according to their relevance. In the second part, the respondents were asked to name issues that Migros has not previously addressed.

On the basis of the GRI G4, the Issue Management & Sustainability Department then prioritised the results according to their relevance to Migros. The issues were compared with the main expectations of Migros' most important stakeholders and then categorised into whether an issue is relevant within or outside of the company.



Internal Review and External Assurance

Mitrevä Interne Revision AG has reviewed the statements and key indicators in the Annual Report, as well as the degree to which the objectives of the Generation M sustainability programme were met.

The CO2 burden and energy efficiency environmental key indicators are assessed annually

by the independent Energy Agency for the Economy (EnAW).

The editorial deadline for the key indicators was 24 March 2014. As some environmental key indicators will not have been finalised at this moment in time, there may be an update after the online publication of the Annual Report. Updated key indicators will be highlighted accordingly.

Reporting Limits

The details in this report generally relate to the entire Migros Group, except where otherwise stated. The sustainability reporting focuses on the strategic business units Cooperative Retailing (core business) and Industry & Wholesaling.

Cooperative Retailing includes the branches and operating centres of the ten regional Migros Cooperatives, the Federation of Migros Cooperatives, and the national distribution centres of Neuendorf and Suhr (the Migros leisure facilities and tegut... are not included); the Industry & Wholesaling Department comprises a total of 25 companies (19 in Switzerland and six abroad). With these two strategic business units, Migros generates around 75% of its sales and employs almost 75% of its staff.

The strategic business units Commerce, Financial Services and Travel are only partially covered in the sustainability reporting. Since 2011, basic social and ecological requirements have applied for suppliers and product range in Commerce and Industry & Wholesaling. Selected figures for individual retailers are considered in this report. In addition, an increasing number of Migros Group retailers are being incorporated into the energy and environmental management. Relevant figures on energy consumption and greenhouse gas emissions therefore also include companies from the strategic business units Commerce, Financial Services and Travel. The Migros Group's Engagement Migros development fund also incorporates the strategic business units Commerce, Financial Services and Travel.

The sustainability reporting covers the following issues and business units:

Strategic Business Units					
Chapter	Cooperative Retailing	Commerce	Industry & Wholesaling	Financial Services	Travel
Consumption		1	1	2	3
Environment		4		4	4
Society		5		5	5
Employees					
Share of Sales	59%	19%	16%	3%	3%

vollständige Berichterstattung
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1. Basic social and ecological requirements [<http://m14-author.migros-report.namics.com/en/integrated-report/migros-in-context/nachhaltigkeitsmanagement/>] that apply for all companies of the Migros Group
2. See Migros Bank [<https://www.migrosbank.ch/de/ueber-uns/unsere-werte.html>] website
3. See Hotelplan Switzerland [<http://www.hotelplan-suisse.ch/nachhaltigkeit/>] website
4. Inclusion in Migros' energy and environmental management [<http://m14-author.migros-report.namics.com/en/integrated-report/migros-in-context/nachhaltigkeitsmanagement/>]
5. Inclusion in the Engagement Migros [<http://m14-author.migros-report.namics.com/en/integrated-report/migros-in-context/nachhaltigkeitsmanagement/>] development fund
6. Net revenue from sales of goods and services before elimination of group-internal net revenue. Migros Bank: Income from financial services business.