

# POSITION ON BIODIVERSITY

## Within METRO own operations and its entire value chain

### 1. Introduction

***Biodiversity denotes the variety of plant and animal species and their habitats.***

Climate change and human interference with ecosystems through deforestation, extensive farming, consumption of water reserves or increasing littering of the seas with plastic, for example, can lead to a permanent loss of biological diversity. As stated by the International Union for Conservation of Nature (IUCN), overfishing is the cause for the decline in some commercial fish stocks by more than 90%.

According to the World Wide Fund for Nature (WWF), experts project that the rate at which species become extinct today is already 1,000 to 10,000 times higher than the natural extinction rate we would see if there were no humans on earth.

The growing world population which is predicted to soar above the 9.1 billion mark by 2050 is putting additional pressure on biodiversity. And there is also the fact that evermore land is needed for housing and farming. The United Nations (UN) estimate that more than 100 million people worldwide are homeless and that 840 million people suffer from hunger already today.

In the sense of natural capital, both, diversity of species and intact habitats form the basis for vital processes as they provide so-called ecosystem services. According to the IUCN, the pollination service by insects, bats and birds is worth around €171bn. That is because production of one third of the food produced on earth, including 87 of the leading 113 food crops, depends on pollination.

Consequently, measures that contribute to protecting biodiversity secure the basis for life on our planet.

## 2. METRO's position

For METRO, increasing environmental destruction and the associated loss of biodiversity have a negative impact on the company's business, because we trade resources. That is our core business. Especially when considering that all raw materials for our own brand products and for the products that we sell originate from nature. Approaches that contribute to protecting the environment and its biodiversity are thus important elements of responsible economic activities to secure the basis of our business.

We are therefore fully committed to the goals laid down in the Convention on Biological Diversity (CBD):

- conserve the diversity of species and habitats and their functional capability,
- contribute to the sustainable use of its components,
- promote the fair and equitable sharing of the benefits arising out of biodiversity and the ecosystem services provided.

As an international wholesale and food specialist, measures to conserve biodiversity start with the design of our own brand products or with the collaboration with our suppliers.

In addition we are also addressing this topic in our interactions with business customers – especially those operating in the food and

hospitality sector thereby heightening their awareness for this issue.

The following activities contribute to protecting biological diversity and also enable us to make a contribution to the UN Sustainable Development Goals (number 2, 3, 6, 7, 12, 13, 14 and 15).

### A. Biodiversity and climate

One element for the protection of biodiversity is our commitment to the protection of the climate and of the environment. Our Environmental Policy forms the basis for the reduction or even avoidance of damage through responsible consumption, considerate use of resources and timely identification of potential hazards for the environment and the climate.

- In the field of climate protection, METRO committed itself to reducing its specific greenhouse gas emissions per square meter of sales floor by 50 percent until 2030 compared to the base year 2011.

### B. Biodiversity in sustainable sourcing and assortment

Another element is our commitment to the protection of natural resources used as a basis for our products. Our procurement policy for sustainable sourcing outlines the framework to ensure that we purchase products sustainably in ecological, social and economic terms. We have specific procurement policies for critical raw materials and products that might have a significant impact on society or the environment, like for example fish and seafood, palm oil as well as

paper and wood. Associated with products is the use of materials for packaging – a topic for which we have issued a procurement guideline for product packaging.

Concrete targets that result from the procurement guidelines and contribute to the protection of biodiversity are:

- By 2020, 80 per cent of the twelve best-selling types of fish and seafood at METRO must have a sustainability certification accepted by the company. As part of the Global Sustainable Seafood Initiative (GSSI), METRO endorses a harmonisation of the certificates for sustainable fisheries worldwide.
- METRO committed itself with a focus on its own brand products to only use palm oil from sustainable sources certified with regard to “Identity Preserved” or “Segregation” criteria by 2020. To this effect, the company uses the criteria of the Roundtable on Sustainable Palm Oil (RSPO) as a guideline.
- By 2020, the wood and paper used for our own brand products shall be sourced at 100% from sustainable forestry provided that the weight of the wood or paper accounts for at least 50% of the total product weight.
- METRO in addition also set itself the target to optimise the use of packaging materials as well as their impact on the environment either by abandonment, reduction, re-use, recovery or

recycling. The company is developing innovative solutions that allow reducing the packaging weight and the product arrangement on pallets at the same time reducing the costs for the customers as well.

- METRO also aims at reducing food waste in its own operations by 50 per cent by 2025 and to this effect committed itself to the Resolution on Food Waste of the Consumer Goods Forum.

### Country-specific approaches

Below please find two examples of how to protect rare species by trading characteristic products:

METRO Turkey has been supporting a project of the Turkish Ministry of Food, Agriculture and Livestock at the University of Istanbul that focuses on protecting a special breed of sheep since 2015. This breed can be found in Thrace, a region on the eastern Balkan Peninsula that is now split between Bulgaria, Greece and Turkey. The meat from these animals is characterised by its excellent quality and special taste and is therefore high in demand. With their joint project, the cooperation partners want to create incentives for the sheep farmers and meat producers to preserve the purity of breeding and increase the number of animals in husbandry.

Within the framework of the Local Seed project, METRO Turkey in addition also supports the protection of untreated and original seed stock. To this end, the company cooperates closely with Anatolian farmers

guaranteeing them to purchase 100 per cent of their products that are grown from local seed stock and characteristic for their region. Some 25 products from the region marked with a special logo are already exclusively available in the Turkish cash & carry stores.

### Bee conservation

Another key issue in the field of biodiversity is bee conservation. This is a field where the interaction between ecological, social and economic effects is particularly evident. There is a correlation between crop yields and the growing number of hive deaths because flowering and seed plants rely on pollination for reproduction. The German Beekeepers Association values the bees' pollination service at around €2bn per year in Germany and at a value corresponding to around €56bn worldwide. Having said this, any activities to protect the bees will therefore bear fruit in multiple respects because they also ensure good yields for the production of food such as fruit and vegetables.

METRO endorses the reduced use of pesticides and demands that a maximum of 70% of the authorized plant protection products may be used for the fruits and vegetables sourced by the company.

Contributions to bee conservation:

- Compared to conventional farming more strict requirements regarding the use of pesticides apply for organic farming which also benefit pollinator animals such as bees.

- At METRO Germany, the initiative "Süßes Gold, die METRO Imkerei" (sweet gold, METRO's apiary) wants to promote the keeping and development of honey bees to sustainably secure their continued existence. To this effect, the company is setting up a so-called bee colony park with a total of eight bee hives next to its Krefeld store.

### 3. Background information about the topic at the political level

Based on the Convention on Biological Diversity, countries have committed themselves to the protection of biodiversity at the international, European and national level and formulated targets to this effect. An overview on the different targets is provided in the following.

#### A. International level

Biodiversity or biological diversity means "the variability among living organisms from all sources including, inter alia, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part; this includes diversity within species [genetic diversity] and between species [diversity of species] and diversity of ecosystems". (Article 2 of the Convention on Biological Diversity)

The Convention on Biological Diversity (CBD) is regarded as a basic framework for the protection of biodiversity. As an international treaty it has been ratified by 194 nations and the EU, including Germany. It has therefore become binding and must be complied with in the respective countries.

The objectives were laid down in Article 1 of the Convention on Biological Diversity:

- conservation of biological diversity
- sustainable use of the components of biological diversity
- fair and equitable sharing of the benefits arising out of the

utilisation of biological diversity and its genetic resources

With the Strategic Plan for Biodiversity 2011-2020, which covers 20 so-called Aichi Biodiversity Targets, the objective of protecting biological diversity was further concretised.

<https://www.cbd.int/>

<https://www.cbd.int/sp/elements/default.shtml>

<https://www.cbd.int/sp/targets/>

<http://www.sib.admin.ch/de/biodiversitaetskonvention/die-konvention/der-strategische-plan/die-aichi-biodiversitaetsziele/index.html>

#### B. European level

At the European level, the following six targets for the protection of biological diversity were defined in the framework of the Convention on Biological Diversity 2010:

1. Fully implement the Birds and Habitats Directives
2. Maintain and restore ecosystems and their services
3. Increase the contribution of agriculture and forestry to preserve and promote biodiversity
4. Ensure the sustainable use of fisheries resources
5. Combat invasive alien species
6. Step up actions to tackle the global biodiversity crisis

[http://ec.europa.eu/environment/nature/info/pubs/docs/brochures/2020%20Biod%20brochure\\_de.pdf](http://ec.europa.eu/environment/nature/info/pubs/docs/brochures/2020%20Biod%20brochure_de.pdf)

[http://ec.europa.eu/environment/nature/biodiversity/strategy/index\\_en.htm](http://ec.europa.eu/environment/nature/biodiversity/strategy/index_en.htm)

### C. National level

To implement the targets of the Convention on Biological Diversity, Germany adopted the National Strategy on Biological Diversity in the year 2007. This strategy covers the following areas

- Protection of biological diversity
- Sustainable use of the biological diversity
- Environmental impact on biological diversity
- Genetic resources
- Social awareness

and highlights the fields of action in which concrete measures to implement the strategy are already being taken:

- Biotope network and networks of protected areas
- Species conservation and genetic diversity
- Biological safety and prevention of the adulteration of fauna and flora
- Water protection and flood prevention
- Access to genetic resources and benefit sharing
- Agriculture and forestry
- Hunting and fishing
- Mining and power generation
- Settlement and transport
- Acidification and eutrophication
- Biodiversity and climate change
- Rural areas and regional development

- Tourism and nature-friendly recreation
- Education and information
- Research and technology transfer
- Fight against poverty and development cooperation

[https://www.bfn.de/fileadmin/BfN/biologischevielfalt/Dokumente/broschure\\_biolg\\_vielfalt\\_strategie\\_bf.pdf](https://www.bfn.de/fileadmin/BfN/biologischevielfalt/Dokumente/broschure_biolg_vielfalt_strategie_bf.pdf)