

METRO Position on Conscious Proteins

*Within METRO's own operations
and its entire value chain*

1. Introduction

For METRO, the term `conscious proteins` refers to a diverse range of proteins that are sustainably sourced. Conscious proteins include for instance conventional proteins obtained from animals that were raised to high welfare standards and that were fed with feed from sustainable sources (e.g. deforestation-free). They also include plant proteins from sustainable sources, as well as alternatives to animal proteins.

Examples of conscious proteins used by METRO include the following (see also detailed explanation in section 3):

- *Animals fed with sustainable feed (not from recently deforested land)*
- *Animals raised to high welfare standards*
- *Animals that have a positive impact on biodiversity, e.g. heritage breeds*
- *Whole plant proteins (beans, grains, pulses, etc.) that are produced responsibly*
- *Alternatives to animal proteins produced using novel or new technologies and ingredients which include, for instance, insects, algae and plant-based extracts*

Our approach to conscious proteins is also based on the awareness that consumers have of the social and environmental impacts of their eating habits. Consumers can have a positive impact on the environment in the way they consume protein. If this is done right, conscious proteins can regenerate nature and have a positive effect on the environment and communities.

Consumers are ever more aware of the impact that their eating habits have on the environment and on communities. How we consume proteins now and the way we will do it in the future is frequently a subject of attention in the news and on social media. We will inform our customers and their consumers, about these choices and effects, and offer them the choice of various types of conscious proteins.

The topic of conscious proteins is also gaining attention within politics. For instance, the European Commission's Green Deal incorporates the Farm to Fork Strategy, which focuses on sustainable food systems that provide 'healthy and affordable diets from a healthy planet and enhanced livelihoods for all'. Further, within the framework of the European Green Deal, a new climate law has been proposed, to make the political commitments within the Farm to Fork Strategy a legal obligation. We will consider these and other political developments relating to conscious proteins in our approach to the topic.

As diets vary between countries and localities, there are numerous options for conscious proteins that can satisfy our customers (and their customers) who are conscious of what they eat, as part of a sustainable diet¹.

METRO is aware of this and is taking the initiative to offer more conscious proteins based on collaborations within our supply chains, with our customers and with other stakeholders

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¹ We understand a sustainable diet to be one that has low environmental impacts, and that contributes to food and nutrition security as well as to a healthy life for present and future generations. Further, a sustainable diet is protective and respectful of biodiversity and ecosystems, culturally acceptable, accessible, economically fair and affordable, nutritionally adequate as well as safe and healthy, while optimizing natural and human resources.

2. METRO's position on conscious proteins

Conscious proteins are one key focus area of METRO's sustainability strategy. As a wholesale food business, METRO views animal and plant proteins as a crucial offering that can support our customers in serving conscious consumers.

To obtain products that satisfy the demand for conscious proteins, we can also support producers of those foods by asking them to operate more sustainably and work with them to realise this. In doing so, we can have a positive effect on the overall food system.

In order to enable our customers to set themselves apart and help fulfil the protein needs of future generations, METRO will contribute to innovation and transformation in the use of conscious proteins.

We will partner with relevant stakeholders (e.g. suppliers, producers, customers, NGOs, and academic and political experts) to gain and share knowledge and expertise on what a diverse and balanced range of proteins consists of, from production to plate.

METRO is aware of the social and environmental impacts that agriculture, wild-caught and farmed fish, and the production of animal feed, for instance, can have on supply chains. We constantly work on making our product range and our supply chains more sustainable. For this, we have several relevant sourcing policies in place for categories such as meat, fish and seafood, animal welfare, soy and palm oil.

At METRO, we want to support the consumption of conscious proteins that are sourced and offered in a responsible way. This also means respecting regional, demographic and cultural differences and individual dietary needs. We will track developments in conscious protein production and regenerative agriculture and will include such products in our offering and actively promote them wherever feasible.

METRO will take a leading role in informing and supporting its supply chain partners (e.g. own-brand and branded suppliers, producers and customers) on conscious proteins. There will be a special focus on our customers because, when our customers choose a conscious proteins approach, they will have established a key element of their sustainable menu and will create a positive impact on the health of their customers and our planet.

3. Several types of conscious proteins

When referring to conscious proteins, METRO distinguishes between the following types:

A. Conventional animal proteins (meat, milk, fish, eggs and their derivatives) raised responsibly which means:

- High animal welfare standards, e.g. cage-free eggs, free-range hens
- Responsible use of water and management of wastewater
- Responsible use of animal treatments, e.g. antibiotics
- Positive impact on biodiversity, e.g. heritage breeds
- Sustainable feed (not from recently deforested land)
- Ruminants are grazed outdoors, e.g. on pasture
- Fulfilling METRO's responsible sourcing policies and practices concerning animal welfare, meat sustainability, workers' rights and traceability as well as other topics

B. Conventional whole plant proteins, which include beans, grains, pulses, nuts, chickpeas, ancient grains such as quinoa and teff, and conventional, minimally processed plant proteins such as tofu, tempeh, seitan and

mycoprotein. Plant-based proteins should also be produced responsibly.

C. Alternatives to animal proteins (meat, milk, fish, eggs and their derivatives) produced using novel or new technologies and ingredients, which include:

- Insects (considered novel in Europe)
- Algae or seaweed (generally considered novel in Europe)
- Plant-based extracts e.g. pea proteins
- Cell-cultured (synthetic) proteins e.g. meat grown in a lab

4. METRO's approach to conscious proteins

METRO follows a 3-stream approach to conscious proteins:

1. **Sustainable sourcing**: conscious proteins must be sourced responsibly, which includes following established practices determined by our existing policies and commitments concerning sustainable sourcing, as can be found [here](#). Examples include METRO's Approach for Sourcing of Agricultural Raw Materials and our procurement policies for fish, meat and soy.

2. **Marketing and creating customer awareness**: we will promote conscious proteins in a responsible way:

- We will engage with our employees to help them promote conscious proteins, for example through training
 - We will engage with our customers to help them purchase conscious proteins (e.g. via our sales force, printed and digital material, promotions, physical demonstrations)
 - We will establish targets for sales of the products
 - We will actively promote solutions to prevent food waste at our customers' premises (conscious consumption is inextricably linked with waste reduction)
- Replacement of meat with meat alternatives from time to time (for instance tofu, plant-based meat and vegetarian food)

3. Increasing customer awareness about consumption (plate and menu): we will help our customers understand what they can do to create plates containing conscious proteins in the context of their locality and culture. We understand that our offering is one part of an individual's diet.

A plate containing conscious proteins in a restaurant could include one or more of the following:

- Responsibly sourced animal products
- Full variety of all the parts of the animal (nose to tail)
- More whole plant foods, especially vegetables, pulses and legumes
- Limited ultra-processed foods that are high in fat,

sugar or salt, including processed meats

5. Next Steps

This METRO Position on Conscious Proteins is one step in our actions towards offering increasingly sustainable proteins. We work closely with our suppliers, as well as our customers, to keep improving our offering. We constantly monitor developments on the European and broader international level to promote the topic of conscious proteins.

We will update this position regularly with our actions and results, as well as new findings.