

2022
CLIMATE CHANGE CDP
SUBMISSION

Update
December 2022

metro

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

We might use, throughout this questionnaire, different statements that could, within the context of regulations issued by the Canadian Securities Administrators, be construed as being forward-looking information. In general, any statement contained herein that does not constitute a historical fact may be deemed a forward-looking statement. The use of the future tense as well as expressions such as "anticipate", "intend", "expect" and other similar expressions are generally indicative of forward-looking statements. The forward-looking statements contained herein are based upon certain assumptions regarding the Canadian food and pharmaceutical industries, the general economy, our annual budget, as well as our 2022 action plan and our 2022-2026 Corporate Responsibility Plan. These forward-looking statements do not provide any guarantees as to the future performance of the Corporation and are subject to potential risks, known and unknown, as well as uncertainties that could cause the outcome to differ significantly. We believe these statements to represent our current expectations and to be reasonable and pertinent as at the date of responding to this questionnaire. The Corporation does not intend to update any forward-looking statement contained herein, except as required by applicable law.

With a history going back to 1947, METRO is a leader in the food and pharmacy retailing industry with more than 1,600 retail outlets in Canada and annual sales of more than \$18 billion in 2021.

METRO is a food and pharmacy leader in Quebec and Ontario, and also operates a network of pharmacies in New Brunswick. As a retailer, franchisor, distributor, and manufacturer, the Corporation operates or services a network of 963 food stores under several banners including Metro, Metro Plus, Super C, Food Basics, Adonis and Première Moisson, as well as 649 drugstores primarily under the Jean Coutu, Brunet, Metro Pharmacy and Food Basics Pharmacy banners, providing employment directly or indirectly to more than 90,000 people.

As a leader in food and pharmacy in Eastern Canada, we provide services to the communities we serve and who rely on us for advice and support. METRO's purpose, nourishing the health and well-being of our communities, is a reflection of its increased presence in health, represents its current reality and aspirations, and is the work our employees undertake with excellence, day after day, to feed and serve the people of the communities where we operate. The foundation of our business strategy remains corporate responsibility (CR) and the continued integration of environmental, social and governance (ESG) factors into our business model.

Additional information about METRO can be found at <https://corpo.metro.ca/en/home.html> and in our 2021 Corporate Responsibility Report at <https://corpo.metro.ca/en/corporate-social-responsibility.html>

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	October 1 2020	September 30 2021	No	<Not Applicable>

C0.3

(C0.3) Select the countries/areas in which you operate.

Canada

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

CAD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	CA59162N1096

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Director on board	The Governance and Corporate Responsibility Committee of the Board of Directors is responsible for the oversight of the Corporation's activities and disclosure with regards to CR, including ESG matters. The Board of Directors approves CR plans and reports. The annual CR report presents data related to the Corporation's climate-related issues, including its carbon footprint.
Chief Executive Officer (CEO)	Our President and CEO provides strategic direction and ensure effective management of the organization. The topic of climate change and sustainability is tackled at the highest level of management including by our President and CEO. METRO believes that environment and especially climate change is an area where its actions can make a difference. This belief is embodied in the updated 2021 Environmental Policy stating METRO's commitments. This reflects the evolution of the approach with new issues that are now taken into account, such as climate change mitigation and the protection of biodiversity and ecosystems. The CEO reviews and approves governance and corporate responsibility topics, including climate-related strategy. He approves group-wide climate objectives and strategy. In 2021, the Board of Directors and the CEO have approved METRO's updated Environmental Policy and Corporate Responsibility Plan and 2021 Corporate Responsibility Report. The Corporate Responsibility Plan, in particular, sets out a GHG emissions reduction target of 37.5% by 2035 compared to 2020.
Board-level committee	At the Board-level, our Governance and Corporate Responsibility Committee (G&CR) is composed of five members, all of whom are independent directors. The committee's primary mandate is to assist the Board of Directors of METRO in fulfilling its oversight responsibilities by, among other things, overseeing the Corporation's activities and disclosure on corporate responsibility and ESG matters. The G&CR Committee has the responsibility for overseeing the Environmental Policy, the overarching Corporate Responsibility Plan and various environmental activities and disclosures. In 2021, the G&CR Committee and the CEO have approved METRO's new Environmental Policy.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Reviewing and guiding major plans of action Reviewing and guiding annual budgets Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures Monitoring and overseeing progress against goals and targets for addressing climate-related issues	<Not Applicable>	The Board of Directors ("Board") is responsible for the oversight of the Corporation's activities and disclosure with regards to corporate responsibility, including ESG matters, which climate-related issues are part of. The Board approves corporate responsibility plans and reports, which are presented by management and their approval is recommended to the Board of Directors by the G&CR Committee. The 2022–2026 Corporate Responsibility Plan was developed in 2021 and includes 8 priorities and 7 business fundamentals, 3 of which are dedicated to the environment. Our ambition on climate-related issues is to reduce our greenhouse gas (GHG) emissions to limit global warming by adopting a GHG reduction target of 37.5% by 2035 is clearly stated. At the board-level, the Governance and Corporate Responsibility Committee was involved throughout the development of the new plan as it received formal presentations from the executive officers responsible for the development of the new plan. The G&CR Committee provided comments and input to management on the guidelines and the development of the plan. The Board of Directors also reviewed the new plan and, upon the recommendation of the G&CR Committee, approved the 2022–2026 Corporate Responsibility Plan. The CR report provides information on the Corporation's carbon footprint, and the initiatives implemented to reduce GHG emissions. It also includes a progress report on the attainment of the Corporation's objectives. Some programs to reduce the Corporation's carbon footprint require financial investments. These capital expenditures are part of the annual budget that is submitted to the Board for approval. The chair of METRO's Environmental Committee reports on the Committee's activities to the G&CR Committee on an annual basis. The progress report covers the implementation of the Environmental Policy, including regulatory compliance, corporate carbon footprint and related GHG emissions reduction initiatives in the energy, refrigerants, solid waste and transport sectors. Senior management identifies the main risks to which the Corporation is exposed, as well as appropriate measures for proactively managing them, and presents the risks and mitigation measures to the Audit Committee and Board of Directors on an ongoing basis. Internal Audit is mandated to audit all business risks every three years. The process includes climate-related risks.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Not assessed	<Not Applicable>	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Chief Executive Officer (CEO)	<Not Applicable >	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Annually
Chief Financial Officer (CFO)	<Not Applicable >	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Annually
Other, please specify (VP, Real Estate and Engineering; Executive Vice President, Ontario Division Head and National Supply Chain; VP, Public Affairs and Communications; National VP, Logistics and Distribution; VP, Supply Chain)	<Not Applicable >	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Annually
Other committee, please specify (Environmental Committee)	<Not Applicable >	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Annually

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Climate Change Management

Climate change is managed at the higher level by METRO's Vice President of Real Estate and Engineering, which chairs the Environmental Committee and reports back to the G&CR Committee on the climate change action plan, objectives and on progress towards the set targets. Climate change is one of the three main priorities of the environmental team and Environmental Committee, as part of the Corporate Responsibility Plan.

Under the Environmental Policy, the role of the Environmental Committee is to monitor the application of the policy and to report annually to the G&CR Committee on compliance with the policy, recommended policy changes and the company's environmental performance. The committee members include officers of the Corporation, individuals directly responsible for managing GHG emissions (senior directors and directors) and an external environmental consultant.

Other members of management involved with GHG and climate change matters

- Executive Vice President, Ontario Division Head and National Supply Chain: oversees supply chain activities. Member of the Corporation's management team.
- VP, Public Affairs and Communications: Develops the strategic corporate responsibility directions and reports on progress to the executive committee and to the Governance Committee.
- National VP, Logistics and Distribution: Oversees transport and warehouse activities. Member of the Corporation's management team.
- VP Supply Chain, METRO: oversees supply chain activities. Member of the Corporation's management team.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Energy manager	Monetary reward	Energy reduction project Efficiency project	The Energy Director is responsible for energy efficiency programs and related reductions in GHG emissions. The director's performance assessment and bonus plan consider his role in the achievement of our energy consumption reduction activities and goals.
Environment/Sustainability manager	Monetary reward	Emissions reduction project Other (please specify) (Waste recovery project)	The Environmental Director is responsible for waste management programs and calculates the related reductions in GHG emissions. The director's performance assessment and bonus plan consider their role in the achievement of our GHG emissions reduction activities and goals.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	1	3	Timeline of 1–3 years as up to the start of the 3rd year
Medium-term	3	6	Timeline of 3–6 years as up to the start of the 6th year
Long-term	6	10	Timeline of 6–10 years as up to the start of the 10th year

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

METRO does not define specific and direct substantive financial impact on its business.

For strategic impact, METRO's management assesses risks and opportunities and their level of materiality on a company-wide basis. This includes climate-related risks and opportunities particularly those regarding reputation, weather and market conditions, such as energy prices, changing customer behaviours and distribution. This is then communicated to the Board of Directors and the Audit Committee by management

When a risk or an opportunity is considered material for the Corporation, the Audit Committee reviews and monitors the effectiveness of the respective mitigation and adaptation measures. At an asset level, we conduct specific climate change assessments through our Environmental Committee. These assessments include regulations, changing weather events and market trends as they relate to our operations. Our assessments are based on the information we gather from site-specific environmental compliance audits, regional energy and carbon-related regulatory reviews, and regionally based weather-related events. Based on these assessments, we review the potential risks and opportunities based on a consideration of the likelihood and severity of the impacts. Where risks and opportunities are identified as significant, we develop site-specific mitigation and adaptation programs.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

Annually

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

As part of its overall corporate responsibility approach, METRO is continuously monitoring issues and trends that could affect the Corporation, especially the substantive matters concerning its activities. As part of this process, the CR and environment teams are putting a specific focus on climate-related topics in order to anticipate, assess and manage the potential risks and opportunities in short, medium and long terms. By this multidisciplinary approach, CR team collaborates with cross-functional team leaders to develop a common vision on how to tackle climate-related risks and opportunities. More specifically, the scope of the climate-related issues assessment includes regulations, reputation, weather-related events, and market conditions. For strategic impact, METRO on a more specific basis, assesses high-level climate-related trends that could potentially impact the business, particularly those regarding reputation, weather, and market conditions, such as energy prices, changing customer behaviours and distribution. We then refine our analysis to better identify and understand the potential material risks and opportunities which are in turn communicated to the Audit Committee to assess the level of materiality. The Audit Committee reviews and monitors the effectiveness of the respective mitigation and adaptation measures with respect to material risks. At an asset level, we conduct specific climate change assessments through our Environmental Committee. These assessments include regulations, changing weather events and market trends as they relate to our operations. Our assessments are based on the information we gather from site-specific environmental compliance audits, regional energy and carbon-related regulatory reviews, and regionally based weather-related events. Based on these assessments, we review the potential risks and opportunities based on a consideration of the likelihood and severity of the impacts. Where risks and opportunities are identified as significant, we develop site-specific mitigation and adaptation programs. Case study: We have focused on one of the risks identified in question C2.3a. Risk 3: Increased severity and frequency of weather-related disasters. With global scientific evidence suggests that climate change will increase both the frequency and severity of weather-related disasters, these could seriously affect the continuity of our operations. METRO is focused on implementing adaptation measures in order to ensure the resiliency of our operations and the physical security of our team members in case of extreme weather events.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Ontario and Quebec have implemented GHG regulations that require companies (large emitters) in specific industries to audit and report their GHG emissions when specific emission thresholds are exceeded. METRO is currently not subject to these regulations since it does not qualify as a large emitter. However, we closely monitor regulatory changes and assess potential indirect impacts. On March 25, 2021, the Supreme Court of Canada (the "SCC") handed down its decision on the constitutionality of the federal government's carbon pricing regime and the SCC ruled that the federal government have the right to impose minimum carbon-pricing standards on the provinces. Consequently, METRO could be exposed to increasing operational costs from suppliers. In 2013, a cap-and-trade system was implemented in Quebec which remains in effect. However, METRO is not required to participate, and does not have the size to make it practical to participate in the voluntary cap and trade market. Should regulations become more stringent in the future, we may incur administrative costs related to our GHG data systems and reporting processes. New regulations in Quebec regarding refrigerants have already impacted our organization, leading to capital investment for refrigeration retrofits.
Emerging regulation	Relevant, always included	New mandates and regulations, such as the Canadian Clean Fuel Standard for which final regulations are expected to be published in 2022, are expected to require us to continuously review our fleet and invest in new technologies. The move towards renewable fuels or alternative energy sources may require operational or capital expenditures. We attend conferences, webinars and government presentations through trade associations to stay abreast of new regulations. Our Legal Department carries out a constant watch on upcoming legislative changes regarding energy and environment to make METRO aware of the impact such changes could have on our business. This allows the Corporation to plan to be compliant with applicable new legislation.
Technology	Relevant, sometimes included	Technological advancements in the energy sector, such as renewable energy technologies and credits, can represent interesting operational and financial levers for our carbon footprint management, from the financial and GHG emissions reductions perspectives. For example, METRO took advantage of the expanding LED technology to replace current lighting in warehouses, renovated stores as well as in newly constructed stores. METRO experienced success of the LED projects during a pilot phase. As a result, the LED technology became in 2017 the new standard for all of METRO's new constructions due to its energy efficiency, while maintaining visual effectiveness. In addition, advancements in refrigeration technologies brought METRO to now install carbon dioxide (CO2) refrigeration systems in new store constructions. These advancements are energy efficient and considerably reduce GHG emissions in case of leaks as compared to commonly used Hydrofluorocarbon (HFCs) refrigerants. METRO is also keeping abreast of technological advancements in the transportation sphere. METRO's business is heavily reliant on our transportation and distribution networks to get our products to customers. METRO is currently tracking industry developments in the spheres of electric and hydrogen-based vehicles as alternative energy sources to fossil fuels. As a result of this up-and-coming market, METRO is collaborating with value chain partners and service providers to pilot these technologies (i.e., electric trucks) within our transportation fleet.
Legal	Relevant, always included	All litigation—including any that may be climate-related—are monitored, assessed and managed through a stringent corporate process.
Market	Relevant, always included	We monitor and analyze agri-food retail industry trends in regard to GHG management and keep abreast of new practices and tools that could enable us to more effectively manage, and reduce, our GHG emissions. For example, we attend conferences and webinars, conduct literature reviews, and we participate on the board of the Canadian Roundtable for Sustainable Beef (CSRB) and with the Retail Council of Canada (RCC).
Reputation	Relevant, always included	The Corporation benefits from well-recognized brands. Failure to act with integrity or to maintain ethical and socially responsible activities could damage our reputation and have a material impact on our financial position.
Acute physical	Relevant, always included	Changing weather conditions—such as extreme temperatures, and increase in temporal and spatial variability in temperature, precipitation and wind patterns could have an adverse effect on our operations in Quebec, Ontario and New Brunswick. The Corporation may be subject to events beyond its control including the risks of natural disasters, such as severe and more frequent weather events related to climate change that could seriously affect the continuity of our operations. Climate change-related disruptions could also affect a supplier and lead to service breakdowns and store delivery delays. Furthermore, winters with extreme conditions could result in increased snow removal and service delivery costs and damages to infrastructure. Severe weather events such as floods, ice storms and tornadoes, could increase our building insurance premiums and maintenance costs.
Chronic physical	Relevant, sometimes included	A rise in temperature could increase the cooling costs in our stores and warehouses and impact on our overall operational costs.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation	Carbon pricing mechanisms
---------------------	---------------------------

Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Carbon pricing mechanisms are being implemented in Canada, at federal and provincial levels. As the carbon tax increases in the next years, the cost of energy required for our operations is also expected to increase.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The potential financial impact figure is either unknown or not disclosed. METRO is exposed to various risks that could have an impact on its earnings, financial position and cash flows. These risks are described in the section Risk Management of the Corporation's Annual Report. Any existing financial impact is embedded in the Corporation's expenses and is not separately disclosed unless required as part of the preparation and presentation of the consolidated financial statements.

Cost of response to risk

Description of response and explanation of cost calculation

In order to manage the risk, we have a group that oversees the deployment of our environmental management data system. We have also implemented data management software to proactively prepare ourselves for potential future reporting obligations and rely on regulatory monitoring by our internal legal team. The Corporation continues to monitor changing regulations through a quarterly regulatory review and participates in Environmental Committees of industry associations. The legal department also carries out an ongoing regulatory watch. These activities provide valuable insights to foresee new and changing regulations that could potentially impact the retail industry in general, and METRO in particular. If and when appropriate, METRO interacts with government authorities on proposed regulations through industry associations.

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation	Mandates on and regulation of existing products and services
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Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

New mandates and regulations, such as the Canadian Clean Fuel Standard for which final regulations are expected to be published in 2022, are expected to require us to continuously review our fleet and invest in new technologies. The move towards renewable fuels or alternative energy sources requires operational or capital expenditure.

The current Canadian federal regulations on hydrofluorocarbons (HFCs) and on hydrochlorofluorocarbon (HCFCs) prohibit specific HCFCs by specific years depending on the sector and implement a gradual phase-down of HFCs and HCFCs from a baseline. This is relevant for METRO as we own and operate many heating, ventilation, and air conditioning (HVAC) units as well as cold rooms and refrigerated display equipments to maintain our operations.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The potential financial impact figure is either unknown or not disclosed. METRO is exposed to various risks that could have an impact on its earnings, financial position and cash flows. These risks are described in the section Risk Management of the Corporation's Annual Report. Any existing financial impact is embedded in the Corporation's expenses and is not separately disclosed unless required as part of the preparation and presentation of the consolidated financial statements.

Cost of response to risk

Description of response and explanation of cost calculation

New stores are equipped with carbon dioxide (CO2) refrigeration systems; where feasible, these new systems are also used in major store renovations. Our electromechanical department will also gradually convert current refrigerant gases, for more environmentally friendly refrigerant gases to ensure best possible available options in existing refrigeration systems.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Other, please specify (Increased severity and frequency of weather-related disasters)
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Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

With global scientific evidence suggests that climate change will increase both the frequency and severity of weather-related disasters, these negative events such as disruptions related to climate change could affect METRO or a supplier and lead to service breakdowns and store delivery delays. To remediate this situation, we deal with several suppliers. In the event of a supplier's service breakdown, we can turn to another supplier reasonably quickly.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The potential financial impact figure is either unknown or not disclosed. METRO is exposed to various risks that could have an impact on its earnings, financial position and cash flows. These risks are described in the section Risk Management of the Corporation's Annual Report. Any existing financial impact is embedded in the Corporation's expenses and is not separately disclosed unless required as part of the preparation and presentation of the consolidated financial statements.

Cost of response to risk

Description of response and explanation of cost calculation

In order to manage the risk, METRO has put in place business continuity and crisis preparedness plans. We are also effectively keeping track of any significant changes in our insurance premiums and maintenance costs. Our construction standards for the design of new stores and warehouses have been enhanced to take into consideration potential physical risks. We have also developed an alternative protocol in the event of a supply chain disruption from our first level suppliers which includes disruptions related to physical risks.

Comment

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical	Changing temperature (air, freshwater, marine water)
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Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

METRO owns and operates a network of more than 1,600 stores, from which a majority requires refrigerators and freezers to keep the food consumable. A rise in temperatures could increase the cooling need and costs in our stores and warehouses, which could impact our overall operating costs.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The potential financial impact figure is either unknown or not disclosed. METRO is exposed to various risks that could have an impact on its earnings, financial position and cash flows. These risks are described in the section Risk Management of the Corporation's Annual Report. Any existing financial impact is embedded in the Corporation's expenses and is not separately disclosed unless required as part of the preparation and presentation of the consolidated financial statements.

Cost of response to risk

Description of response and explanation of cost calculation

In order to manage the risk, we have put in place various energy reduction projects, including refrigeration optimization systems and building retrofit programs.

Comment

Identifier

Risk 5

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Reputation	Increased stakeholder concern or negative stakeholder feedback
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Primary potential financial impact

Other, please specify (Financial impacts could arise from negative stakeholder feedback, such as employees, customers or investors)

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

The Corporation benefits from well-recognized brands. Failure to act with integrity or to maintain ethical and socially responsible activities could damage our reputation and have a material impact on our financial position. To mitigate these risks, we have implemented internal policies, controls and governance processes including a code of conduct, a confidential whistle-blower program and a corporate responsibility approach.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The potential financial impact figure is either unknown or not disclosed. METRO is exposed to various risks that could have an impact on its earnings, financial position and cash flows. These risks are described in the section Risk Management of the Corporation's Annual Report. Any existing financial impact is embedded in the Corporation's expenses and is not separately disclosed unless required as part of the preparation and presentation of the consolidated financial statements.

Cost of response to risk**Description of response and explanation of cost calculation**

N/A

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.**Identifier**

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Move to more efficient buildings

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

Federal and provincial governmental and public utilities subsidies (Hydro-Quebec, Hydro-One) are available for the implementation of energy efficiency programs in both Quebec and Ontario. These subsidies help us to install energy efficient equipment in our stores, leading to savings through consumption reductions.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The potential financial impact figure is either unknown or not disclosed. METRO is exposed to various risks that could have an impact on its earnings, financial position and cash flows. These risks are described in the section Risk Management of the Corporation's Annual Report. Any existing financial impact is embedded in the Corporation's expenses and is not separately disclosed unless required as part of the preparation and presentation of the consolidated financial statements.

Cost to realize opportunity**Strategy to realize opportunity and explanation of cost calculation**

In order to realize this opportunity, we have initiated a number of applications for subsidies on environmental projects. We have already received subsidies for our environmental projects.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Markets

Primary climate-related opportunity driver

Access to new markets

Primary potential financial impact

Other, please specify (Reputation - wider social benefits)

Company-specific description

Stakeholders—including customers and investors—are increasingly turning to responsible companies that are managing their carbon footprint, among other things. We have proactively been identifying and managing our carbon risks and opportunities, and are now enhancing external communications on our carbon management strategies. For example, we have communicated our new GHG emissions reduction target in our 2022-2026 Corporate Responsibility Plan.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The potential financial impact figure is either unknown or not disclosed. METRO is exposed to various risks that could have an impact on its earnings, financial position and cash flows. These risks are described in the section Risk Management of the company's Annual Report. Any existing financial impact is embedded in the company's expenses and is not separately disclosed unless required as part of the preparation and presentation of the consolidated financial statements.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

We remain committed to continue enhancing our programs and communications.

Comment

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a transition plan that aligns with a 1.5°C world?

Row 1

Transition plan

No, our strategy has been influenced by climate-related risks and opportunities, but we do not plan to develop a transition plan within two years

Publicly available transition plan

<Not Applicable>

Mechanism by which feedback is collected from shareholders on your transition plan

<Not Applicable>

Description of feedback mechanism

<Not Applicable>

Frequency of feedback collection

<Not Applicable>

Attach any relevant documents which detail your transition plan (optional)

<Not Applicable>

Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future

The 37.5% target is the mathematical result of an average GHG emissions reduction of 2.5% per year over 15 years. We have established this target by referring to the two degrees (2oC) scenario defined by the Science-Based Target Initiative (SBTi), which points to a 2.5% reduction per year. Our approach has been to identify all realistic opportunities for emission reductions in the operations on which we have direct control within the established timeframe and to rely on a recognized scientific framework to guide our decision-making. While this target corresponds to the levers and resources we currently have, we closely follow the latest developments in the field and are aware of the light shed on the scenario to limit global temperature rise to 1.5 degrees. Such a target corresponds to an average GHG emissions reduction of 4.2% per year, an ambitious goal that is currently not within METRO's capacity to achieve. Our ambition is certainly to contribute to the collective effort to transition to a lower-carbon economy and we are confident that the execution of our plan should help us move in that direction.

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	No, and we do not anticipate doing so in the next two years	Important but not an immediate priority	This year METRO has set its first GHG emissions reduction target using recognized practice such as Science-Based Target Initiative 2 degrees Celsius scenario. This encourages us to develop a long-term strategy which will enable us to implement major system changes and take advantage of future innovative technologies, while also encouraging immediate actions. The reduction of GHG emissions cannot be achieved overnight. We have therefore chosen a well-thought approach which includes both short and longer-term initiatives.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Climate-related risks and opportunities have, among other reasons, contributed to influence METRO's strategy and led to the publication of our Supplier Code of Conduct. In this document, the protection of the environment, and the climate impact of the procurement, are both part of the principles and prioritization criteria that METRO strives to implement in its supply chain. In 2021, we expanded our offer of fair-trade cacao, coffee, tea and herbal tea products by just over 10% compared to 2020. Our overall offer of organic products was slightly reduced, but the number of private brand organic products rose by 20%. Also, our Sustainable Fisheries and Aquaculture Policy provides customers with products that are caught or farmed using responsible practices which do not endanger species health or the integrity of natural environments and that respect workers' rights. In 2021, we obtained the traceability of more than 99% of our purchases and traceability details are provided for over 95% of the fish counter products for which it is possible to include the information on the label.
Supply chain and/or value chain	Yes	Climate-related risks and opportunities regarding our supply chain and/or value chain is one of the factors that have motivated METRO to engage with suppliers regarding responsible packaging. Private Label suppliers are now required to follow METRO's online training on Responsible Packaging at least once per 2-year reference period. The goal being to help reduce emissions related to production and waste and promote more environmentally responsible packaging.
Investment in R&D	Yes	Climate-related risks and opportunities related to our strategy regarding our investment in R&D have motivated METRO to conduct a pilot project for the electrification of our fleet. Namely the newly acquired shunt truck. Also, we have our ongoing recommissioning program and the new construction standard that values environmental performance as an important investment factor.
Operations	Yes	Physical risks such as extreme weather events could also impact our supply chain network, resulting in increased food and energy prices, as well as supply chain disruptions. METRO has developed alternative protocols in the event of a supply chain disruption from our first level suppliers, which includes disruptions related to physical risks. Increased operational budgets for more extreme weather events. Extreme changes in temperatures, snow and ice, and precipitation patterns could have an adverse impact on our stores in Quebec, Ontario and New Brunswick. Severe weather events such as floods, ice storms and tornadoes could increase our building insurance premiums and maintenance costs. In order to manage the risk, METRO is keeping track of any significant changes in our insurance premiums and maintenance costs. The construction standards for the design of new stores and warehouses have been enhanced to take into consideration potential physical risks.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Indirect costs Capital expenditures Liabilities	Indirect Costs (Operating costs): Increased operational budgets due to more extreme weather events have been implemented for our maintenance department. Extreme changes in temperatures, snow and ice and precipitation patterns could have an adverse short-term impact on our stores in Quebec, Ontario and New Brunswick. Extreme winters could result in increased snow removal, service delivery costs and damages. METRO is effectively keeping track of any significant changes in our maintenance costs. In addition, fuel taxes related to the Federal carbon tax and cap and trade regulation could have an impact on our operating costs. Capital expenditures: We adopt a proactive approach and make strategic investments to continuously improve our environmental performance. We are on the lookout for new solutions and our teams monitor trends and assess available levers on all-time horizons. We also closely monitor weather events. A rise in temperature could increase the cooling costs in our stores and warehouses, which could have an impact on our overall capital expenditures to install/retrofit existing cooling equipment and to optimize refrigeration systems. In addition, new technologies and processes (e.g., electric vehicles, logistic optimization) available for transportation could have some impacts, such as fuel reduction and cost reduction. Liabilities: Changing physical conditions such as changes in temperature, snow and ice, and precipitation patterns could have an adverse impact on our stores in Quebec, Ontario and New Brunswick. Severe weather events such as floods, ice storms and tornadoes, could increase our building insurance premiums. METRO has started to effectively keep track of any significant changes in our insurance premiums.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2021

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 3

Scope 2 accounting method

Location-based

Scope 3 category(ies)

Category 4: Upstream transportation and distribution

Category 5: Waste generated in operations

Category 6: Business travel

Base year

2020

Base year Scope 1 emissions covered by target (metric tons CO2e)

270761

Base year Scope 2 emissions covered by target (metric tons CO2e)

17872

Base year Scope 3 emissions covered by target (metric tons CO2e)

114503

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

403136

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

100

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2035

Targeted reduction from base year (%)

37.5

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

251960

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

281198

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

14668

Scope 3 emissions in reporting year covered by target (metric tons CO2e)

116700

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

412566

% of target achieved relative to base year [auto-calculated]

-6.23776260782135

Target status in reporting year

New

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Target ambition

<Not Applicable>

Please explain target coverage and identify any exclusions

The target is to reduce GHG emissions by 37.5% by 2035 compared to 2020 for an average reduction of 2.5% per year. The main sources of GHG emissions that will be the target of our reduction programs are building energy consumption, refrigerants, waste and transport.

Plan for achieving target, and progress made to the end of the reporting year

METRO's reduction plan is centred around the sources of emissions identified above. Regarding building energy consumption and refrigerant systems, METRO is committed to incorporate more efficient standards to new constructions, including LED lighting and carbon dioxide (CO2) refrigeration systems. The efficiency measures integrated into our standards lead, on average, to a 25% reduction in our energy consumption compared to 2010. Every major renovation is assessed to improve site energy performance by modernizing outdated equipment when applicable. To reduce emissions associated with waste management, METRO plans to achieve zero waste in 25% of stores, 80 to 89% diversion rate in 25% of stores, at least 50% diversion rate in all stores and zero waste distribution and production centres. To reach the objectives, METRO deploys efforts to continuously improve in-store recovery systems and equipment. We will also continue to raise awareness among our team members and in our stores and optimize our current programs to divert more waste from landfills. Finally, transport emissions are expected to be reduced by adopting better operating practices in energy efficiency for the fleet. METRO continued to increase the volume of merchandise loaded onto the trucks delivering to stores and to reduce the number of truck trips and kilometres travelled. In addition, the timeframes for deliveries from our warehouses were extended to further decrease the number of trips by adding more clients to each delivery. Finally, 75 new hybrid reefer trailers were ordered in 2021 in Ontario. Their introduction on the road began in November. These trailers should help improve our fuel consumption.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Other climate-related target(s)

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2016

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Energy consumption or efficiency	Other, please specify (Number of sites recommissioned to improve energy efficiency by 5 to 10%)
----------------------------------	---

Target denominator (intensity targets only)

<Not Applicable>

Base year

2016

Figure or percentage in base year

0

Target year

2021

Figure or percentage in target year

60

Figure or percentage in reporting year

60

% of target achieved relative to base year [auto-calculated]

100

Target status in reporting year

Achieved

Is this target part of an emissions target?

Yes, it is part of our global GHG emission reduction target of 37.5% by 2035 compared to 2020. The optimization of our buildings' energy consumption plays a role in our strategy to achieve its global emission reduction target.

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain target coverage and identify any exclusions

The target coverage is company-wide. METRO selected, audited, and recommissioned 10 existing sites per year, for 6 years, to improve their energy efficiency performance by 5 to 10% compared to their original performance. For this target, METRO only considers natural gas and electricity consumption for the energy efficiency improvement calculation.

Plan for achieving target, and progress made to the end of the reporting year

<Not Applicable>

List the actions which contributed most to achieving this target

Achieving this target was challenging, especially considering the disruption and the challenges brought about by the pandemic. Despite slowdowns, METRO has stayed on course and pursued the recommissioning program and completed the 60 sites at the end of 2021. The most notable actions that contributed to this success were varied but can be summarized as follows. METRO took advantage of opportunities where sites need renovations to go beyond and strive to improve energy efficiency with new procedures. These procedures aim first to identify what can be easily corrected by improving practices, such as adjusting temperature set points. In-store audits also allow us to determine which equipment needs to be replaced. Our experience indicates that optimizing existing systems generates significant energy savings. In more detail, the investment component of the program specifically for the refrigeration systems has proven to be much more effective in reducing energy consumption. Finally, during the pandemic despite our limited interventions in the field, we were able to continue the work thanks to, among other things, remote access to the control devices. The optimization of the systems in place helped generate savings in energy consumption.

Target reference number

Oth 2

Year target was set

2019

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Waste management	Other, please specify (Metric tons of food loss and waste)
------------------	--

Target denominator (intensity targets only)

<Not Applicable>

Base year

2016

Figure or percentage in base year

100

Target year

2025

Figure or percentage in target year

50

Figure or percentage in reporting year

% of target achieved relative to base year [auto-calculated]

<Calculated field>

Target status in reporting year

Underway

Is this target part of an emissions target?

No, it's not part of an emission target.

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain target coverage and identify any exclusions

The target is to reduce food waste in our activities by 50% by 2025 compared to 2016 and this target covers all food residue generated by our activities.

Plan for achieving target, and progress made to the end of the reporting year

Through various programs, we sell fresh and edible products nearing their expiry date at a discount. The METRO banner in Quebec offers customers 30% discount for products nearing their expiry date that have not lost any of their quality. The anti-waste mobile app FoodHero, which is available in 103 stores across the province, provides discounts of 30 to 50% on a range of unsold products. METRO makes every effort to ensure unsold items are redistributed and provided to people in need through our One More Bite program—the leading initiative of our actions in the fight against food waste. From a pilot project in 2014, the initiative is now implemented in more than 73% of our stores in Quebec and Ontario. We also work to recover the products that cannot be donated by shipping them to processors (animal feed and industrial uses) or producing compost and biogas (methanization) to give the products a second life.

List the actions which contributed most to achieving this target

<Not Applicable>

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	1	407
Implementation commenced*	0	0
Implemented*	6	150
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Transportation	Company fleet vehicle replacement
----------------	-----------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

108

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

486410

Payback period

No payback

Estimated lifetime of the initiative

6-10 years

Comment

The acquisition of an electric shunt truck for one of our warehouses and the required equipment and infrastructure for the charging station.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting
--------------------------------	----------

Estimated annual CO2e savings (metric tonnes CO2e)

26.98

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

230000

Investment required (unit currency – as specified in C0.4)

422000

Payback period

1-3 years

Estimated lifetime of the initiative

6-10 years

Comment

Installation of LED lighting in stores as part of our retrofit initiatives.

Initiative category & Initiative type

Fugitive emissions reductions	Refrigerant leakage reduction
-------------------------------	-------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

15.29

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

39957

Payback period

No payback

Estimated lifetime of the initiative

16-20 years

Comment

Refrigerant retrofit to switch to a gas with a lesser GWP. This helps reduce the impact of leaks from our refrigerant systems.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for energy efficiency	Dedicated budget for energy efficiency: In coordination with our financial team, we have established a dedicated budget for our energy efficiency programs for the 2016-2020 period. METRO's goal was to incorporate more efficient standards to new constructions, including LED lighting and carbon dioxide (CO2), refrigeration systems with virtual zero global warming potential compared to Hydrofluorocarbon (HFC)-type synthetic refrigerants. The efficiency measures integrated into our standards lead, on average, to a 25% reduction in our energy consumption compared to 2010.
Internal incentives/recognition programs	Investments in reduction activities are concentrated on our major impact activities (energy, refrigeration, waste management and transport). Certain members of management receive bonuses associated with meeting environmental objectives, including emission reduction activities. In Quebec, store managers receive a bonus related to their store waste diversion from landfill which directly correlates to emissions reductions.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

No

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

Name of organization(s) acquired, divested from, or merged with

<Not Applicable>

Details of structural change(s), including completion dates

<Not Applicable>

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	Yes, a change in methodology Yes, a change in boundary	METRO has established a GHG emissions reduction target during our fiscal year 2021, and has established a new baseline which reflects our 2020 fiscal year. As per best practices, METRO has set a baseline that is within the past 5 years to be most representative of our current operations. In setting our revised baseline, we took into consideration the structural changes that occurred in 2017 and 2018 with the completed acquisition of Group Adonis Inc. and The Jean Coutu Group (PJC) Inc. respectively. This method allows METRO to expand its operational boundary and to now report on its global operations. By having the baseline reflective of its fiscal 2020 operations, METRO is confident that its baseline year is more representative of current operations. In addition, METRO has modernized the methodology by working with a consultant. Notable changes include expanding our scope to incorporate all emission activity from more recently acquired companies (i.e., PJC acquired in 2018), applying the most recently available global warming potentials from the 5th Annual Report from the Intergovernmental Panel on Climate Change (IPCC), using the most recent and localized emission factors wherever applicable, and reallocating emissions from activities to correct past misallocations.

C5.1c

(C5.1c) Have your organization's base year emissions been recalculated as result of the changes or errors reported in C5.1a and C5.1b?

	Base year recalculation	Base year emissions recalculation policy, including significance threshold
Row 1	Yes	METRO uses fiscal year 2020 as the base year for its emissions calculations and target setting. We intend to recalculate our baseline emissions if one or multiple events result in a significant change to GHG emissions. Significant events that may trigger a recalculation include structural changes, methodological changes, or errors. A structural change involves the transfer of ownership or control of emissions-generating activities or operations from one company to another. While a single structural change might not have a significant impact on the base year emissions, the cumulative effect of multiple minor structural changes can result in a significant impact. Structural changes include: • Mergers, acquisitions, and divestments • Outsourcing and insourcing of emitting activities In addition to structural changes, the Greenhouse Gas (GHG) Protocol requires that significant methodological changes or error identification shall also trigger the recalculation of base year emissions, such as • Changes in calculation methodology or improvements in the accuracy of emission factors or activity data that result in a significant impact on the base year emissions data. • Discovery of significant errors, or multiple cumulative errors, that are collectively significant. METRO expects to assess its emissions relative to its base year at the end of each fiscal year. METRO intends to adjust its base year if structural changes, methodological changes, or errors result in a significant change in emissions, classified as changes equal or greater than 10%. Nevertheless, METRO may choose to adjust its base year because of any changes deemed material, even if those changes do not result in a +/- 10% change in emissions from its base year. The above statement can be found in our GHG Methodology via the link here : https://corpo.metro.ca/userfiles/file/PDF/methodology-GHG-emissions.pdf

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

October 1 2019

Base year end

September 30 2020

Base year emissions (metric tons CO2e)

270761

Comment

Scope 2 (location-based)

Base year start

October 1 2019

Base year end

September 30 2020

Base year emissions (metric tons CO2e)

17872

Comment

Scope 2 (market-based)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 1: Purchased goods and services

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 2: Capital goods

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start

October 1 2019

Base year end

September 30 2020

Base year emissions (metric tons CO2e)

59549

Comment

METRO's Upstream Transportation and Distribution emissions focus on 3rd party service provider emissions paid by METRO to bring goods between METRO locations. As per our exclusions section, these emissions do not currently include tier 1 supplier emissions in transporting our purchased goods to METRO locations. As METRO works to continuously improve its data acquisition, following a feasibility analysis we may account for the full breadth of emissions in our Upstream Transportation and Distribution category.

Scope 3 category 5: Waste generated in operations

Base year start

October 1 2019

Base year end

September 30 2020

Base year emissions (metric tons CO2e)

53924

Comment

Scope 3 category 6: Business travel

Base year start

October 1 2019

Base year end

September 30 2020

Base year emissions (metric tons CO2e)

1031

Comment

We expect our Category 6 emissions to be lower than normal as a result of COVID-19 and the reduction of travel that occurred globally as a result.

Scope 3 category 7: Employee commuting

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 11: Use of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 14: Franchises

Base year start

October 1 2019

Base year end

September 30 2020

Base year emissions (metric tons CO2e)

56266

Comment

METRO has worked diligently to better understand the emission of its independently-owned stores (referring to independently-owned grocery and pharmacy stores). As we have access to more accurate data that is more representative of our network, we have been able to establish, with the use of estimates where applicable, our Category 14 emissions. As explained in our exclusions, our Category 14 emissions do not include our neighbourhood grocery stores.

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
281198

Start date
<Not Applicable>

End date
<Not Applicable>

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based
We are reporting a Scope 2, location-based figure

Scope 2, market-based
We have no operations where we are able to access electricity supplier emission factors or residual emissions factors and are unable to report a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based
14668

Scope 2, market-based (if applicable)
<Not Applicable>

Start date
<Not Applicable>

End date
<Not Applicable>

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source
HVAC refrigerant emissions

Relevance of Scope 1 emissions from this source
Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source
No emissions from this source

Relevance of market-based Scope 2 emissions from this source (if applicable)
Please select

Explain why this source is excluded
HVAC refrigerant emissions at stores and warehouses/offices are not deemed material to our organization, as they account for less than 5% of our total Scope 1 and 2 emissions.

Estimated percentage of total Scope 1+2 emissions this excluded source represents
2

Explain how you estimated the percentage of emissions this excluded source represents

HVAC refrigerant data was analyzed for all Ontario corporate stores. The emissions from the HVAC units were found to equal 3% of the total refrigerant emissions for the Ontario corporate stores. Based on this rationale, the emissions associated with HVAC refrigeration are less than the allowed 5% scopes 1 and 2 emissions exclusion expressed in the Science-Based Target Initiative (SBTi) best practices.

Source

Propane from forklifts and floor scrubbing machines in warehouses

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

No emissions from this source

Relevance of market-based Scope 2 emissions from this source (if applicable)

Please select

Explain why this source is excluded

A handful of forklifts and floor scrubbing machines powered by propane are used in our warehouses, as the majority are battery-powered. We note that these emissions, therefore, are immaterial at 0.12%.

Estimated percentage of total Scope 1+2 emissions this excluded source represents

0

Explain how you estimated the percentage of emissions this excluded source represents

Based on an internal study, our average propane consumption at stores for the floor scrubbing equipment equates to 20L of consumption per year — we took a conservative approach and assumed floor scrubbers at warehouses had this consumption per scrubber. Forklifts, we assume 30L/8 hours, with 24-hour operation 365 days to be conservative. Note that the emissions resulting from these uses are negligible.

Source

Stationary combustion (notably natural gas for heating) in offices not located in a warehouse, and any common spaces in owned shopping centres or owned office buildings.

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

No emissions from this source

Relevance of market-based Scope 2 emissions from this source (if applicable)

Please select

Explain why this source is excluded

METRO has very few offices that are not located within warehouses and has very few owned shopping malls. The expected stationary combustion (i.e., natural gas) consumption for these spaces is negligible, at 0.296%, relative to the included stores, offices, and warehouses.

Estimated percentage of total Scope 1+2 emissions this excluded source represents

0

Explain how you estimated the percentage of emissions this excluded source represents

By identifying the natural gas consumption intensity (m3/sqfoot) of stores and warehouses, it is evident that the approximate square footage associated to the few common spaces in shopping malls and the few office spaces not attached to warehouses would generate a negligible amount of emissions.

Source

Electricity in offices not located in a warehouse, and any common spaces in owned shopping centres or owned office buildings.

Relevance of Scope 1 emissions from this source

No emissions from this source

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Please select

Explain why this source is excluded

METRO has very few offices that are not located within warehouses, and has very few owned shopping malls. The expected electricity consumption for these spaces is negligible relative to the included stores, offices, and warehouses. The percentage of total Scope 1 + 2 emissions this excluded source represents is 0.093%.

Estimated percentage of total Scope 1+2 emissions this excluded source represents

0

Explain how you estimated the percentage of emissions this excluded source represents

By identifying electricity consumption intensity (kWh/sqfoot) of stores and warehouses, it is evident that the approximate square footage associated to the few common spaces in shopping malls and the few office spaces not attached to warehouses would generate a negligible amount of emissions.

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

METRO aims to better understand its Scope 3 emissions and how to calculate Category 1 Purchased Goods and Services. With the help of consultant, METRO plans to better understand how to access data and determine its emissions in this category.

Capital goods

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

METRO aims to better understand its Scope 3 emissions and how to calculate this category. With the help of a consultant, METRO plans to better understand how to access data and determine its emissions in this category.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

METRO aims to better understand its Scope 3 emissions and how to calculate this category. With the help of a consultant, METRO plans to better understand how to access data and determine its emissions in this category.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

62871

Emissions calculation methodology

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Excludes tier 1 supplier transportation of purchased goods to our METRO locations due to lack of data. As METRO works towards continuous improvement, we aim to explore supplier-specific information and application of appropriate emission factors to calculate this data. The captured data is based on the distance-based method, in which METRO has knowledge of the 3rd party transportation routing taken for METRO loads and has applied the expected fuel efficiency (as outlined in our contract) to determine the litres consumed.

Waste generated in operations

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

53348

Emissions calculation methodology

Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Residual materials from our operations at stores, warehouses, and offices (specifically offices attached to warehouses). Excludes residual materials that occur in common spaces in METRO-owned shopping centres or offices that are not attached to warehouses. We apply the waste-type-specific method where we gather data from service providers which dictate quantities of material by type. We then use emission factors as established by the US EPA Emission Factors for Greenhouse Gas Inventories, Table 9 April 2022.

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

481

Emissions calculation methodology

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

2

Please explain

Our business travel includes air, rail, employee vehicle and taxi/Uber. It excludes any short-term rental vehicles due to lack of data regarding fuel (or electricity) consumption. We apply the distance-based method for air, rail, employee car travel, and taxi/Uber business travel. Relevant distance data for air and rail travel are attained by our value chain partner Direct Travel. Employee car travel is collected from employees using our Concur Expense reporting software. Taxi/Uber travel is also entered in the Concur Expense reporting software, for which we calculate the costs of the travel and determine the kilometres travelled based on the local regulation on cost allocation for taxi use. We apply the same cost breakdown to Ubers from the same geographical area to create an estimated distance travelled. Once all travel is provided in distance, we use the US EPA Emission Factors for Greenhouse Gas Inventories, Table 10, April 2022 to calculate emissions.

Employee commuting

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

METRO aims to better understand its Scope 3 emissions and how to calculate this category. With the help of a consultant, METRO plans to better understand how to access data and determine its emissions in this category.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

METRO only leases a warehouse that has shared space with other companies to store products. We do not deem this as material.

Downstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

METRO aims to better understand its Scope 3 emissions and how to calculate this category. With the help of a consultant, METRO plans to better understand how to access data and determine its emissions in this category.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

METRO and its products are directly used by consumers and are not industrially processed beforehand. Although rare, METRO may sell food products to an industrial processor if the food product is not deemed to meet METRO's quality for consumer products. As this occurrence is rare, we deem emissions resulting from the processing of sold products immaterial.

Use of sold products

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

METRO aims to better understand its Scope 3 emissions and how to calculate this category. With the help of a consultant, METRO plans to better understand how to access data and determine its emissions in this category.

End of life treatment of sold products

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

METRO aims to better understand its Scope 3 emissions and how to calculate this category. With the help of a consultant, METRO plans to better understand how to access data and determine its emissions in this category.

Downstream leased assets

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

METRO aims to better understand its Scope 3 emissions and how to calculate this category. With the help of a consultant, METRO plans to better understand how to access data and determine its emissions in this category.

Franchises

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

58262

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

METRO has worked diligently to better understand the emission of its independently-owned stores (referring to independently-owned grocery and pharmacy stores). As we attain more accurate data that is more representative of our network, we have been able to establish, with the use of estimates of emissions by floor space where applicable, our Category 14 emissions. As explained in our exclusions, our Category 14 emissions do not include our neighbourhood grocery stores. METRO groups its franchises based on operation type and province: grocery stores (per province) and pharmacy stores (per province). METRO developed activity-specific intensity values (based on square footage) by using samples to derive these average intensities. We then extrapolated emissions for the groups based on these intensities.

Investments

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

This category is not applicable to METRO.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

This category is not applicable to METRO.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

This category is not applicable to METRO.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.00001618

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

295866

Metric denominator

unit total revenue

Metric denominator: Unit total

1828300000

Scope 2 figure used

Location-based

% change from previous year

0.89

Direction of change

Increased

Reason for change

The previous year's numerator was 288,633 TCO2e and denominator was \$17,997,500,000 which gives an intensity value of 0.000016037. The difference between last year and this year is negligible, and the increase of emissions this year nearly aligns with the increase in total revenue.

Intensity figure

0.01183

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

295866

Metric denominator

square foot

Metric denominator: Unit total

25015760

Scope 2 figure used

Location-based

% change from previous year

0.08

Direction of change

Increased

Reason for change

The previous year's numerator was 288,633 TCO2e and denominator was 24,424,864.86 which gives an intensity value of 0.01182. The difference between last year and this year is negligible, and the increase of emissions this year nearly aligns with the increase in square footage. Note that our square footage is based on METRO-owned warehouses (and attached offices) and stores only — we have excluded independently-owned square footage since only Scope 1 and 2 emissions are reflected here.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	113430	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	96	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	640	IPCC Fifth Assessment Report (AR5 – 100 year)
HFCs	167028	IPCC Fifth Assessment Report (AR5 – 100 year)
Other, please specify (VOCs)	4	Other, please specify (IPCC/TEAP Special Report: Safeguarding the Ozone Layer and the Global Climate System)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Canada	281198

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By activity

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Building - Heating (Natural Gas)	77252
Building - Emergency Generators (Diesel)	78
Company Owned Vehicles	36821
Refrigerant Losses	167028
Building - Equipment (Propane)	15
Building - Equipment (VOC)	4

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Canada	14668	

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By activity

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Buildings - Electricity	14668	

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	3204	Decreased	1.08	Total of electricity tCO2e in the current reporting year minus electricity tCO2e in past reporting year (as per changes in methodology and the resulting values disclosed in C5). Then divide that value by the total Scope 1 and 2 emissions for this reporting year. Electricity consumption decreased, particularly in Ontario stores and warehouses. Because Ontario's electricity grid is composed of renewable and non-renewable sources, and overall reduction in consumption results in a change in both renewable and non-renewable energy consumption.
Other emissions reduction activities	3135	Decreased	1.06	Total of refrigerants tCO2e in the current reporting year minus refrigerants tCO2e in past reporting year (as per changes in methodology and the resulting values disclosed in C5). Then divide that value by the total Scope 1 and 2 emissions for this reporting year. Refrigerant gas conversions to lower-emitting global warming potential (GWP) gases across the grocery store network resulted in a reduction to our refrigerant emissions.
Divestment		<Not Applicable >		
Acquisitions		<Not Applicable >		
Mergers		<Not Applicable >		
Change in output	1149	Increased	0.39	Total of ecommerce van fleet tCO2e in the current reporting year minus ecommerce van fleet tCO2e in past reporting year (as per changes in methodology and the resulting values disclosed in C5). Then divide that value by the total Scope 1 and 2 emissions for this reporting year. Our ecommerce portion of mobile combustion has increased by over 40% due to an increase in fleet operations.
Change in methodology	15718	Increased	5.31	Total of passenger car fleet tCO2e in the current reporting year minus passenger car fleet tCO2e in past reporting year (as per changes in methodology and the resulting values disclosed in C5). Then divide that value by the total Scopes 1 and 2 emissions for this reporting year.
Change in boundary		<Not Applicable >		
Change in physical operating conditions	3333	Decreased	1.13	Total of natural gas tCO2e in the current reporting year minus natural gas tCO2e in the past reporting year (as per changes in methodology and the resulting values disclosed in C5). Then divide that value by the total Scopes 1 and 2 emissions for this reporting year. Natural gas consumption has reduced, likely because of a change in heating degree days.
Unidentified		<Not Applicable >		
Other		<Not Applicable >		

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 5% but less than or equal to 10%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	0	557448	557448
Consumption of purchased or acquired electricity	<Not Applicable>	749686	358659	1108345
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>	749686	916107	1665793

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

Please select

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other biomass

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Coal

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Oil

Heating value

LHV

Total fuel MWh consumed by the organization

141489

MWh fuel consumed for self-generation of electricity

285

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

285 MWh of diesel used by stationary combustion units (electric generators), 52,254 MWh of diesel used by the truck fleet and 88,950 MWh of gasoline for the car fleet.

Gas

Heating value

LHV

Total fuel MWh consumed by the organization

415959

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

415891

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

415,891 MWh of natural gas used for self-generation of heat stores and 68 MWh of energy used for stationary combustion units (equipment).

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

Please select

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Total fuel

Heating value

LHV

Total fuel MWh consumed by the organization

557448

MWh fuel consumed for self-generation of electricity

285

MWh fuel consumed for self-generation of heat

415891

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

C8.2g

(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.

Country/area

Canada

Consumption of electricity (MWh)

1108345

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

1108345

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, we do not verify any other climate-related information reported in our CDP disclosure

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Other, please specify (Provide training, support, and best practices on responsible packaging)

% of suppliers by number

86

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

We are actively engaging with our Private brands suppliers, which represent 86% of all our private label suppliers, by requiring they follow METRO's online training on Responsible Packaging at least once per 2-year reference period. Also, the Private brands product's packaging will have to comply with the METRO Packaging Guide available online that promotes environmentally friendly and responsible practices.

Impact of engagement, including measures of success

This engagement is a new mandatory practice between METRO and its Private brands suppliers. We are continuing to measure progress and impact of this process by communicating with suppliers and systematically referring to our new standard to specify the type of packaging we require when we start a bidding process. METRO reached 86% of its Private brands suppliers with this new initiative, and we are actively working to reach the remaining 14%.

Comment

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

METRO is a member of the Canadian Roundtable for Sustainable Beef (CRSB), which is an association that works on the sustainability of beef, an important grocery product that has a significant carbon footprint. Our Manager Responsible Procurement is METRO's voting representative on the CRSB. The organization's main goal is to build a stronger and more united Canadian beef sustainability community. With an increasing focus on how global food systems impact our environment, coupled with the need to grow food sustainably for future generations, measuring our impact now and ensuring we work together to improve sustainability are more important than ever. In Canada, 2.4% of overall greenhouse gas emissions come from cattle production, less than half the global average.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

No, and we do not plan to introduce climate-related requirements within the next two years

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate

Yes, we engage indirectly through trade associations

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

No, and we do not plan to have one in the next two years

Attach commitment or position statement(s)

<Not Applicable>

Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy

METRO's process that ensures consistent alignment with its environmental commitment is stated in the Environmental Policy. METRO conducts regular compliance audits of its operations in alignment with its environmental management system and maintains an Environmental Committee. This committee shall oversee the application of this Policy and shall report annually to the Governance and Corporate Responsibility Committee of the Board of Directors of the Corporation on the observance of the Policy, any changes recommended to the Policy and the environmental performance of the Corporation.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

C12.3b

(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Other, please specify (Retail Council of Canada)

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

For the Retail Council of Canada (RCC), retailers are embedding sustainability best practices throughout their operations. Tackling everything from responsible global supply chain sourcing, efficient recycling, elimination of problematic plastics and significant energy consumption reduction, retailers are committed to acting proactively and collaboratively. The RCC works with retailers and sustainability experts to provide information concerning emerging issues and opportunities. METRO is actively engaged with the RCC and participates in the development of the position.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization's funding

<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

No, we have not evaluated

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary sustainability report

Status

Complete

Attach the document

2021-cr-report.pdf

Page/Section reference

Pages 8 to 10

Content elements

Governance

Strategy

Emissions figures

Comment

Publication

In voluntary sustainability report

Status

Complete

Attach the document

2022-2026-cr-plan.pdf

Page/Section reference

Page 14

Content elements

Governance

Strategy

Emission targets

Comment

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Yes, board-level oversight	At the Board-level, the Governance and Corporate Responsibility Committee is comprised of 5 members, all independent directors. The Committee's mandate is to assist the Board of Directors of METRO in fulfilling its oversight responsibilities by, among other things, ESG issues that include biodiversity issues. Our objectives relating to biodiversity are the following: —Biodiversity is part of our Supplier Code of Conduct under the Environmental protection principle. Suppliers are expected to adhere to that code, we encourage the adoption of practices to maintain soil, biodiversity and ecosystem quality. —Offer fish and seafood products from responsible sources to preserve natural resources and encourage sustainable operating methods —Reduce deforestation across our food supply chain • Beef products: avoid products from areas in which the risk of deforestation is known to be high • Palm oil: avoid the use of palm oil or use recognized certified sustainable palm oil —Facilitate customers' access to organic products by providing them with more visibility and by better promoting them	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity	Other, please specify (Sustainable fisheries and aquaculture policy)	SDG

C15.3

(C15.3) Does your organization assess the impact of its value chain on biodiversity?

	Does your organization assess the impact of its value chain on biodiversity?	Portfolio
Row 1	No, and we do not plan to assess biodiversity-related impacts within the next two years	<Not Applicable>

C15.4

(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity-related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water management Species management

C15.5

(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No	Please select

C15.6

(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Governance Impacts on biodiversity Biodiversity strategy	Governance statement p. 6, Impacts on biodiversity & biodiversity strategy p. 11. 2022-2026-cr-plan.pdf

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Vice President, Real Estate and Engineering and Chair of METRO's Environmental Committee reporting to the Governance and Corporate Responsibility Committee of the Board of Directors.	Other, please specify (VP Level and Member of Executive Committee)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms