

Musgrave Sustainability Strategy

August 2023

Musgrave

Ireland's largest private employer

More than 41,000 jobs



in 1,000 stores, offices and Distribution Centres

12

world-class brands across Ireland, Northern Ireland and Spain

SuperValu

Centra

DAYBREAK

MACE

DONNYBROOK·FAIR

Dialprix

MUSGRAVE
MarketPlace

Dialsur
TU CASH & CARRY

LA ROUSSE
FOODS

FRANK AND HONEST
GOURMET COFFEE COMPANY

DRINKS INC.



working with more than 1,000 independent retail partners



Feeding

1 in 3

people every day across the island of Ireland



Supporting Irish businesses and entrepreneurs:



1,800

local food producers



260

artisanal suppliers



680

SMEs



Musgrave in the community. We donate more than €5m annually to local charities and initiatives.



unlock
the potential

Musgrave

Our business growth strategy

REDEFINING
RETAIL



DISRUPTING
WHOLESALE



DRIVING
NEW GROWTH



TRUSTED &
SUSTAINABLE
BUSINESS



ONE
BUSINESS



Research

Four pillar approach



B2B CUSTOMER



CONSUMER



SUPPLIER



POLICY

Our Pillars



Our Priority Areas



Strategy structure and governance

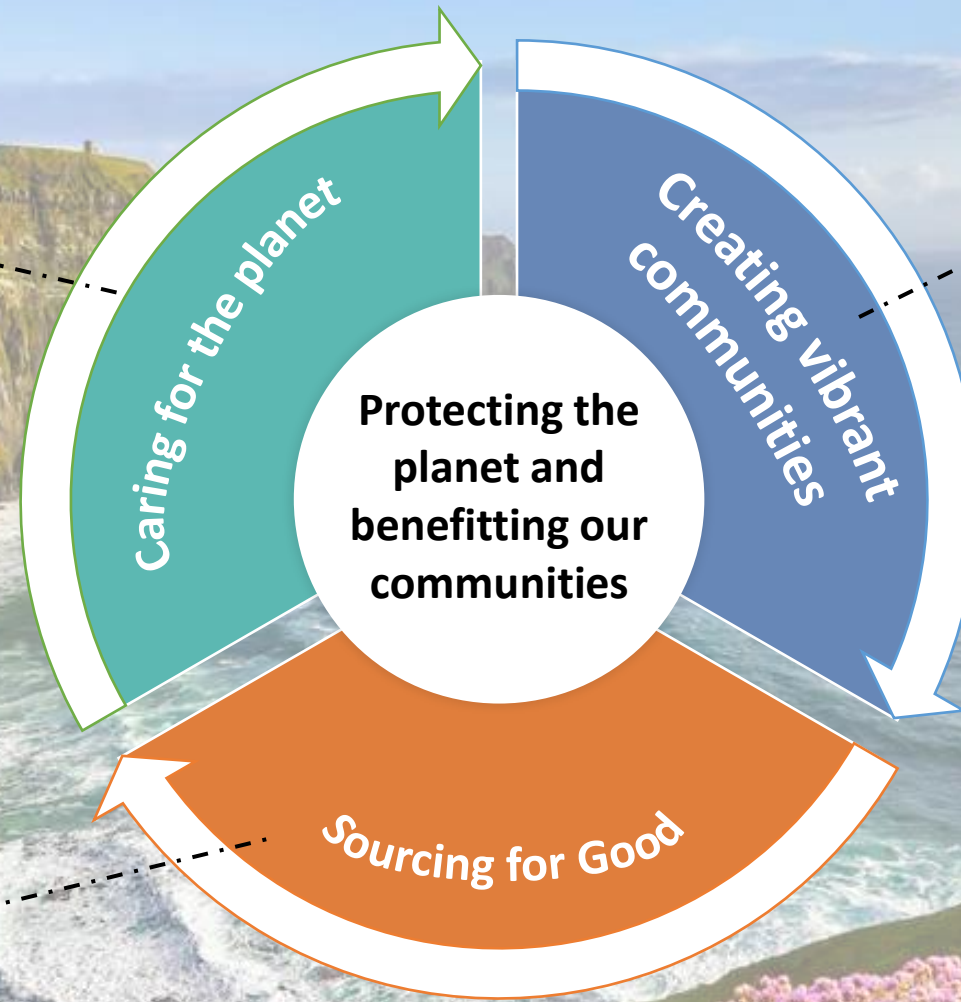
Our sustainability strategy delivers on the Trusted and Sustainable pillar of our **Growing Good Business** strategy.

We govern it through:

- Robust corporate governance
- Transparency through reporting and communication
- Collaboration and engagement (both internal and external)

With the impact of climate change being felt globally, we know we have a responsibility to act now to improve our own business but also the food system globally. We have a role in helping our customers, colleagues and suppliers in reducing their impact too. We're committed to becoming a **Net Zero** business **by 2040** and to eliminate non-recyclable packaging across our business.

We know the importance of working with our suppliers to enact change. Not least on our areas of concern such as climate change, plastic packaging and ethical trade. We are committed to leading the Irish food industry through the challenges we collectively face, alongside our suppliers and retailers.



As Ireland's largest private sector employer, and a business that feed one in three people every day we can apply scale, innovation and investment locally to inspire communities to respond to the climate emergency, and we can amplify the positive impact of grassroots action across the island of Ireland. Our retail partners are at the heart of the communities they serve, putting them in a unique position to support local projects and causes.

Our Commitments:

Caring for the Planet

Net Zero 2040

We will transform our business to become net-zero carbon by 2040 in line with science

Packaging

We will reduce packaging across our hallmarks, own brand and brands and design to increase recyclability, composability and reuse

Food Waste

We will reduce food waste by 50% by 2030 in line with SDG 12.3

Circular Economy

We will support the delivery of a circular economy

Biodiversity

We will have a positive impact on biodiversity by actively addressing our priority areas of impact



Sourcing for Good

Supplier Collaboration

Partnering with suppliers to drive meaningful change and positive impact in our supply chains

Agriculture & Farming

We will support our producers to drive positive change within the communities we source from and for the environment as a whole.

Human Rights

We are committed to ensuring that all stakeholders in our supply chain, regardless of where they live or work, are treated with respect and dignity

Creating Vibrant Communities

Sustainable Communities

Our brands will positively impact the communities in which we operate through a focus on social, economic and environmental prosperity and working with our stakeholders and partners.

Customer choice for sustainability

We'll make it easier for consumers and B2B customers to make the more sustainable choice

Supporting Local

We commit to growing the volume of locally sourced products across the business by 2025 & will support the development of local suppliers.

Healthy Products

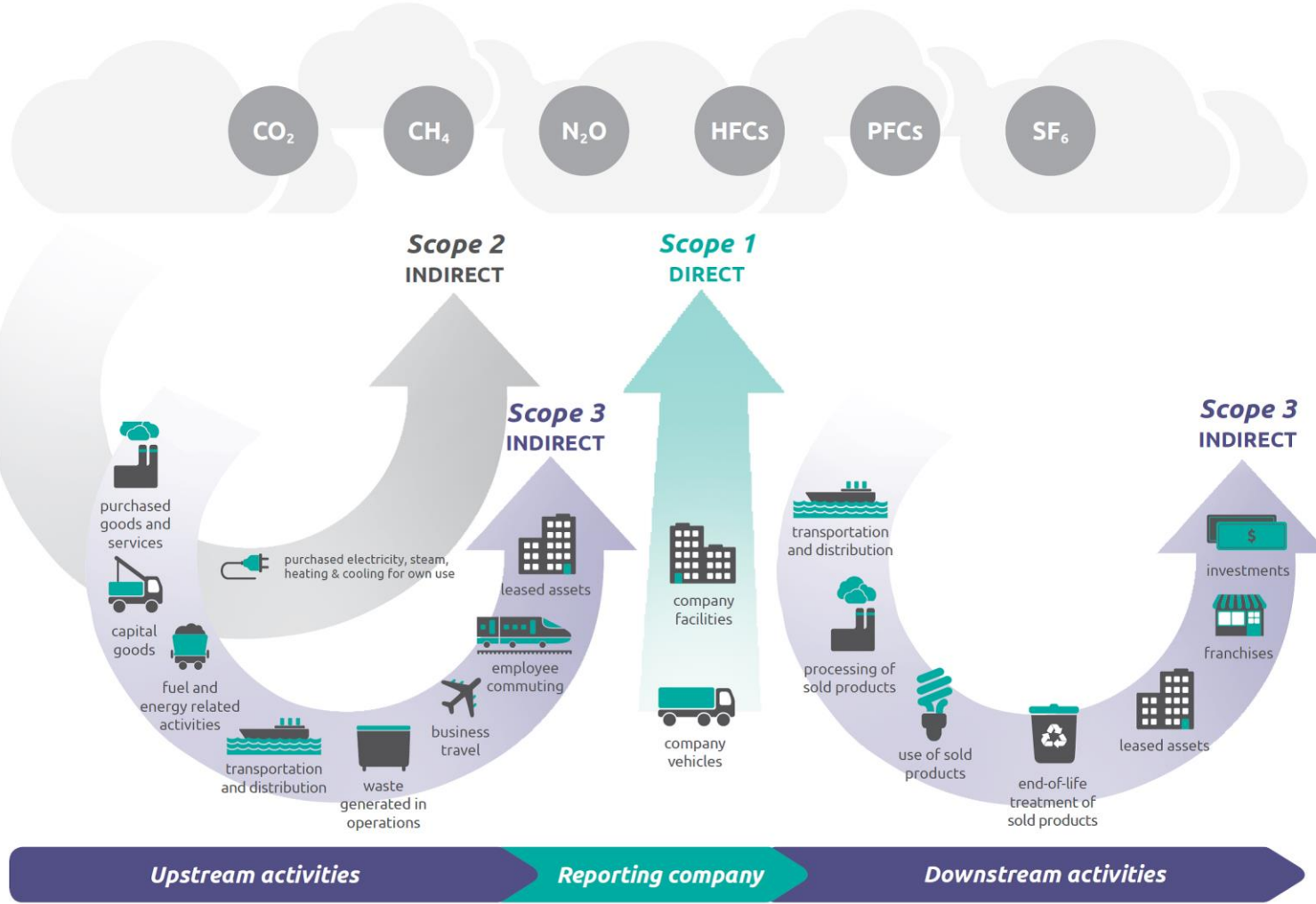
We will empower consumers to adopt healthier and more sustainable diets

Inclusion & Diversity

We are working in an inclusive way, realising the talents and potential of all our people, to grow good business

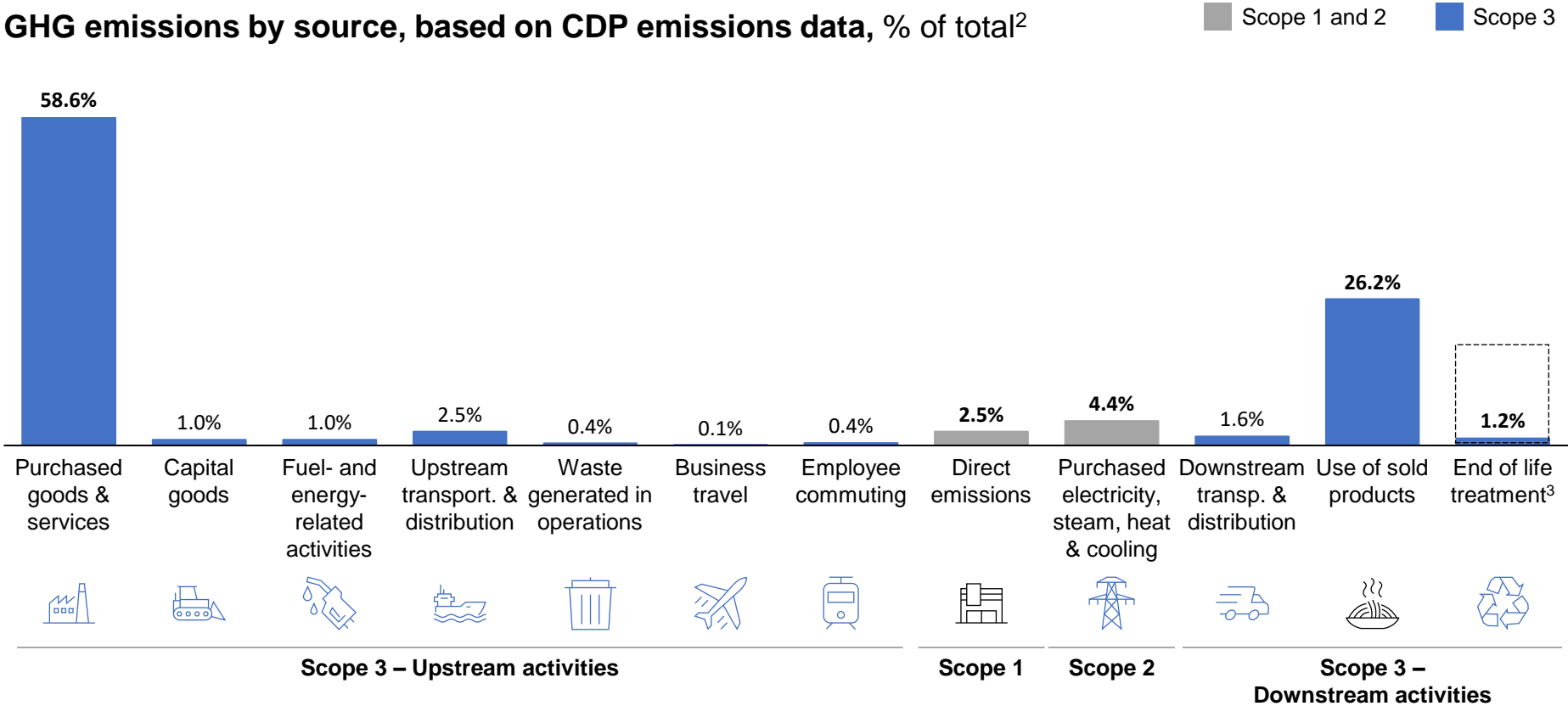
Progress and Targets





Majority of a retail footprint is in Scope 3

GHG emissions by source, based on CDP emissions data, % of total²



Direct operations emissions account for 5-10% of total emissions, which grocers can directly influence

Assortment emissions account for ~90% of total emissions

- **With ~60%, purchased goods & services are the main driver** of carbon emissions, mainly due to land use, agricultural production and food & drink processing. Grocers can reduce these emissions through collaboration with farmers, suppliers and peers.
- **>25% of emissions are connected to the use and end of life treatment of products.** Grocers can reduce these emissions through education of consumers

Source: McKinsey, GreenGauge, CDP emissions data



Working with suppliers to drive positive change

Working with thousands of suppliers, food producers and retailers across the island of Ireland gives us the unique opportunity to multiply our impact by enabling wider change within the industry and beyond

