

Edingensesteenweg 196 1500 Halle, Belgium

European Union's Code of Conduct on Responsible Food Business and Marketing Practices

Colruyt Group's individual company commitment October 2023

Why we commit ourselves to this Code of Conduct

Colruyt Group is constantly looking at improving its sustainable practices. Across all of our operations, we have set KPIs and are ensuring progress in terms of our integral product supply chain, our company infrastructure, our business partners, consumers, and society at large.

We advocate the European Union's Code of Conduct on Responsible Food Business and Marketing Practices as we believe it is a very relevant leaver in inspiring stakeholders across the food chain to take leadership and make progress.

New commitment

This Code of Conduct includes an aspirational objective to halve per capita food waste at the retail and consumer level by 2030 and reduce food losses along the food production and supply chains, in line with the UN Sustainable Development Goals. We want to add a commitment specific for our company to support this objective.

Targets:

- Every year, we want to sell at least 97,4% of our fresh products.
- By 2025 at least 40% of our consumable non-sold food is made available for human or animal consumption.

We have envisaged imposing very precise targets onto ourselves, but have decided not to do that for the following reasons:

- Absolute numbers in reducing food waste can be impacted by having more or less stores and more or less sales
- Reduction of food waste (tonnes per million EUR sales) can be impacted by business cycles with price increases and -decreases

Continuation of prior commitment: Eco-Score

One of the Group's initiatives is part of a long story about working on the environmental impact of food products.

After having witnessed EU-funded work on developing PEF category rules many years ago, and having learnt that that work is highly complex, Colruyt Group was on the outlook for a consumer-oriented accessible and scalable solution for communicating the environmental impact of a consumers' food choices given the urgency of making tangible progress at store level.

Colruyt Group has rolled out eco-labelling on food on a large scale in 2021 and remains up to this day the only retailer having successfully marketed eco-labelling on food both online (on apps, websites) and offline (in store and Front-Of-Pack on private label products). The label and methodology used, Eco-Score, is a methodology developed by an independent French Consortium and supported by the French Agence de la Transition Ecologique, ADEME.

The Score informs consumers at a glance about the potential impact of a specific food product on the environment and thus, is the first step to guide consumers towards a more sustainable diet and consumption pattern. Eco-Score fits in Colruyt Group's strategic objective of making sustainable and conscious consumption possible and stimulate it by providing customers with trustworthy information so they can make more conscious and well-informed choices.

Since 2021, we have set up reporting so that we can effectively measure the impact on consumers' consumption patterns. We continue to

- increase consumers' awareness of the Eco-Score
- give consumers access to deeper information (what is behind the score)
- adapt to further developments of the score, in full transparency, taking into account evolutions from a scientific, data and legislative point of view as they develop
- activate/motivate consumers to favour better scores
- improve the Eco-Score of private label products

Our target:

- By 2026 we will generate 34.5% of our food revenue with products having Eco-Score A and B.

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