



**myclimate
and Migros**

**Climate protection
along the supply chain**

M Climate Fund

Become part of the M Climate Fund with a project idea or as a company.



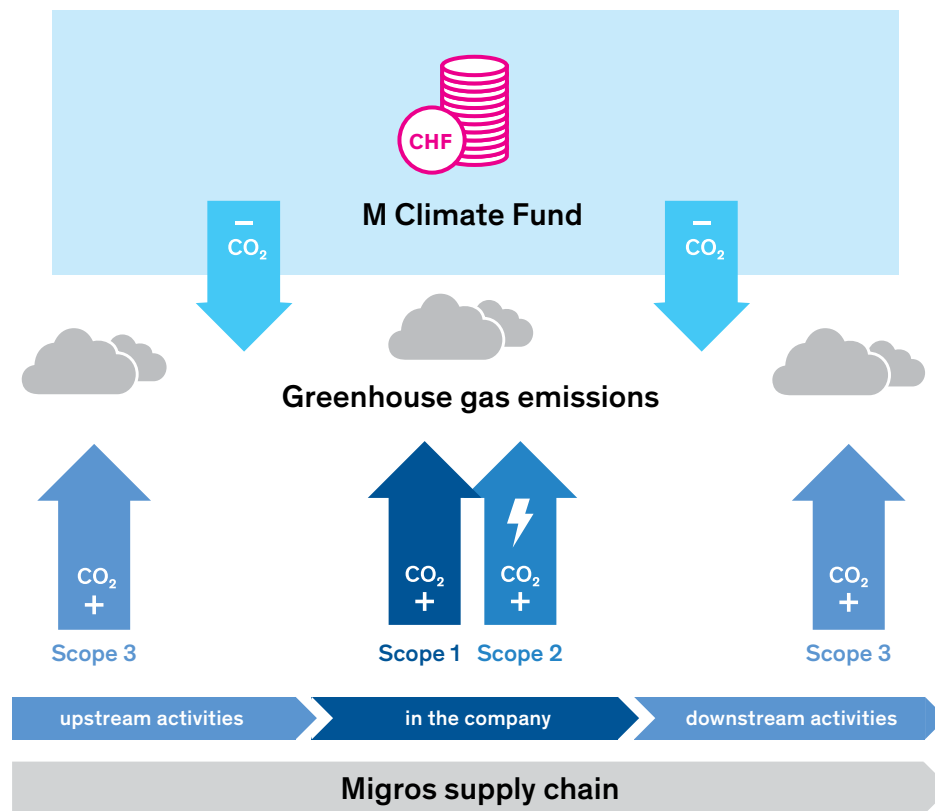
Put a price on CO₂ emissions and support effective climate protection.

M Climate Fund

Since as far back as 2019, the Migros Group has been committed to the Science Based Targets Initiative (SBTi) and set itself ambitious CO₂* reduction targets for 2030 in line with the Paris climate protection agreement. By 2050 at the latest, the Group is set to have net zero emissions. By targeting this goal, the Migros Group aims to continue setting a good example in the area of climate protection.

The M Climate Fund is intended to support the Migros Group's ambitious and science-based climate targets and is used to finance measures aimed at reducing CO₂ emissions along the supply chain. Companies throughout the Migros Group and their suppliers will thus be offered a financing instrument for the promotion of effective climate protection domestically and abroad.

* Refers to all greenhouse gases (CO₂-equivalents).



The M Climate Fund finances measures to reduce CO₂ emissions along the Migros supply chain.

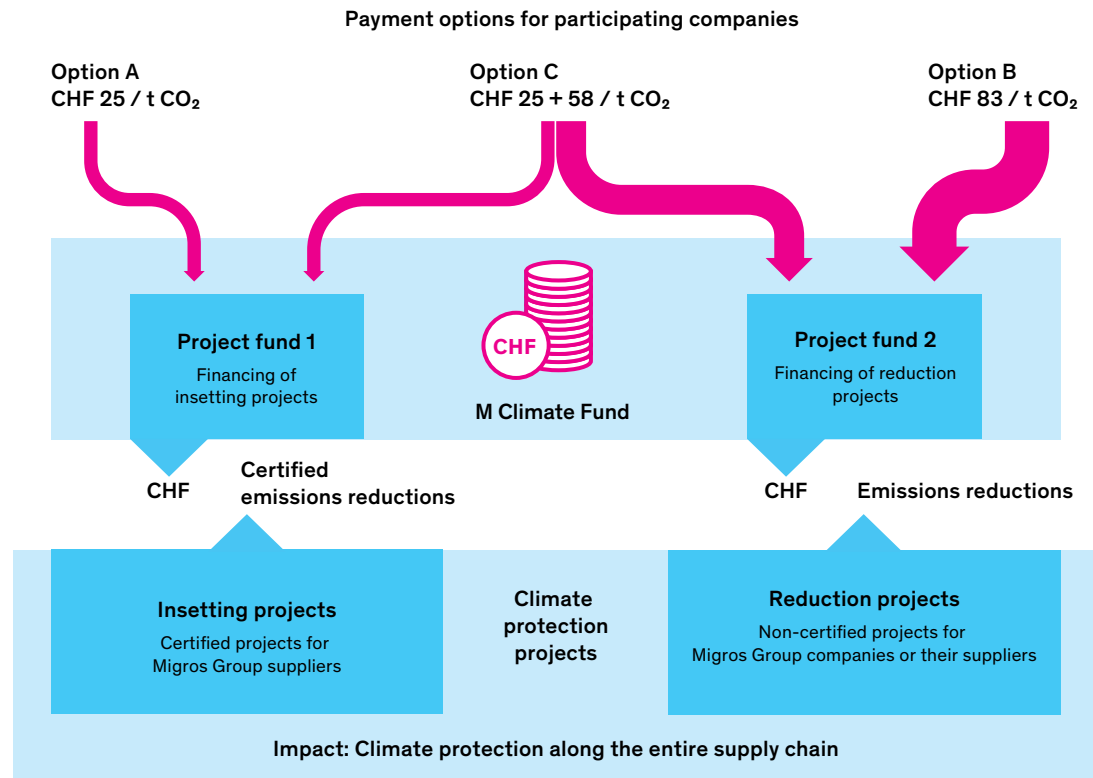
How does the M Climate Fund work?

The M Climate Fund is financed through carbon pricing at companies within the Migros Group and via climate contributions by customers. These financial resources are used for the implementation of climate protection projects that are developed specially for the Fund and that bring about an effective reduction in CO₂ emissions along the Group's own supply chain – in Switzerland and internationally. If projects along the value chain are implemented according to international standards, they can also be used for insetting greenhouse gas emissions. The financing mechanism of the M Climate Fund itself also contributes to reducing CO₂ emissions. This is because, by pricing greenhouse gas emissions, the Migros Group creates a financial incentive for reducing these emissions and therefore takes advantage of the measurable steering effect of an internal carbon price.

Two types of projects are supported by the M Climate Fund:

1. Insetting projects

Funding Pot 1 is used to fund climate protection projects along the Migros Group's supply chain, which are certified according to international project standards. These projects are implemented abroad and can be used by companies for insetting.



2. Reduction projects

Funding Pot 2 is used to finance climate protection projects at companies in the Migros Group or their suppliers – in Switzerland and abroad. Reduction projects contribute entirely to achieving the climate targets of suppliers and the Migros Group. They are characterised by simpler implementation without compulsory external certification.

Taking part as a company

All companies in the Migros Group are freely able to take part in the M Climate Fund. This gives companies the opportunity to finance effective climate protection along the supply chain with their own resources thanks to carbon pricing. Three participation options are available, and participants pay the contributions into the M Climate Fund on an annual or semi-annual basis.

Three participation options:

Option A – The participating company prices its emissions at CHF 25 per tonne of CO₂. This amount is used for the implementation of certified climate protection projects along the Migros supply chain abroad. These may be used by the company for insetting emissions in the amount of the priced emissions.

Option B – The participating company prices its emissions at 83 francs per tonne of CO₂. This amount is used to implement emissions reductions within the company or by suppliers both domestically and abroad. The company thus contributes to the achievement of the Migros Group's SBTi targets and also makes use of the *incentive* to reduce emissions provided by higher carbon pricing.

Option C – The participating company prices its emissions at CHF 83 per tonne of CO₂ and combines the benefits of options A and B. Of this amount, CHF 25 goes to certified climate protection projects, allowing the company to inset emissions. CHF 58 goes towards emissions reductions during operations or at suppliers. At the same time, the selected carbon price has a steering effect.

Submitting projects

Conditions for support from the M Climate Fund

Project ideas can be submitted by Migros Group companies as well as by their suppliers. All projects that are supported by the M Climate Fund must meet at least the following requirements.

- Effective and measurable reduction of CO₂ emissions along the Migros supply chain
- Contribution to sustainable development

Protection projects that are implemented and certified according to an international project standard are subject to additional requirements.

How does it work?

The M Climate Fund relies on your project ideas! Get in touch if you would like to submit a potential project for further investigation. myclimate will help you assess your project idea and check whether it meets the necessary requirements.

You can find more information on the submission of project ideas and the requirements in the support application at myclimate.org/migros or contact us directly: m-klimafonds@mgb.ch

Examples of M Climate Fund projects

Numerous project approaches are pursued along the Migros Group's supply chain. For example, more sustainable design in the cultivation of raw materials such as rice, coffee or cacao offers considerable potential for effective climate protection with a high level of socioeconomic benefit.

In Switzerland as well, the integrated structure of the Migros Group supports the potential for greater climate protection within the cooperatives, industry and logistics.



Climate friendly rice cultivation in Thailand

Insetting project. Switching to climate friendly rice production in Thailand allows huge quantities of methane emissions (greenhouse gas) to be avoided. The bigger harvests improve the living conditions of the farmers.

Agroforestry in cacao farming in Côte d'Ivoire

Reduction project. The planting of shade trees on the cacao plantations allows carbon to be stored, making farming more resilient to climatic changes and giving cacao farmers an additional income.



Climate friendly heating and cooling system for the Surseepark

Reduction project at a cooperative. The use of heat pump technology enables the implementation of a climate friendly heating and cooling system for the Migros Lucerne Cooperative.

Climate friendly fruit and vegetable production in Swiss greenhouse operations

Reduction project at a Migros supplier. A switch from fossil to renewable heating systems generates high emissions savings.

M Climate Fund and myclimate

The M Climate Fund is operated as a close collaboration between myclimate and the Migros Group.

myclimate is responsible for project assessment, calculation and monitoring the respective CO₂ savings, and for fund management.

In addition, myclimate supports participating businesses with emissions calculations or reviews of existing calculations upon request.

Our website provides more information on the M-climate fund as well as the services provided by myclimate: myclimate.org/migros



Join the
M Climate Fund!

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MIGROS

myclimate
shape our future