



**myclimate
and Migros**

**Climate protection
along the value chain**

M-climate fund

Become part of the M-climate fund with a roject idea or as a company.



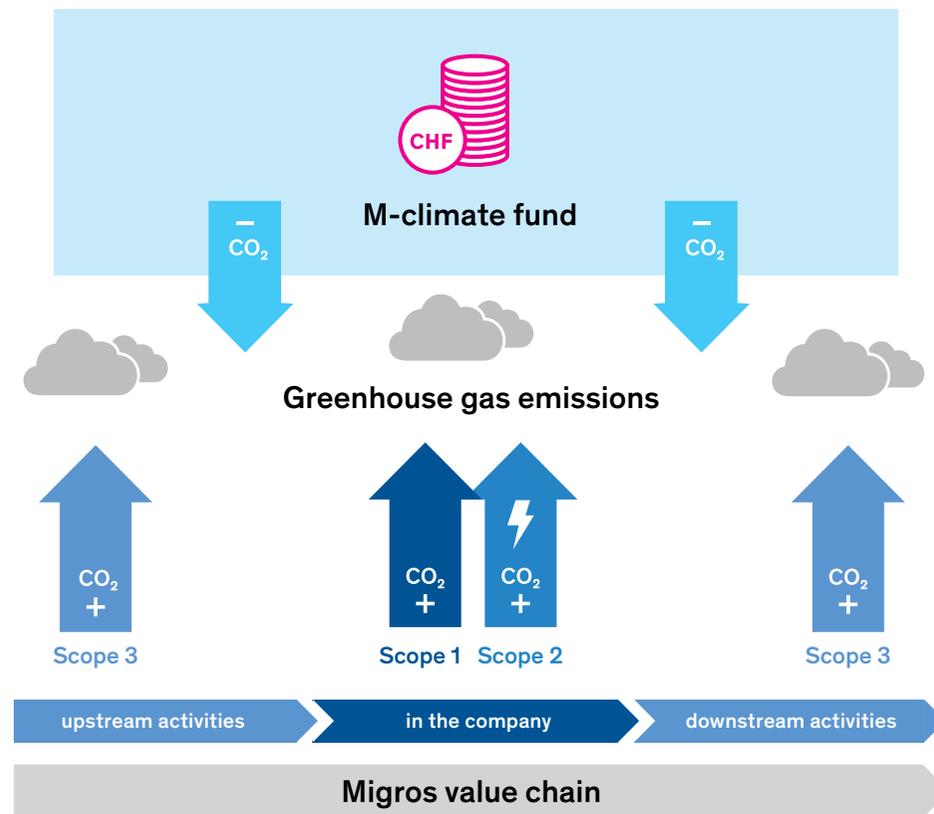
Put a price on CO₂ emissions and support effective climate protection.

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 supports the ambitious and science-based climate goals of the Migros Group, with money from the fund going to finance measures for the reduction of CO₂ emissions along the value 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 for the reduction of greenhouse gas emissions along the Migros value chain (scopes as defined in the Greenhouse Gas Protocol).

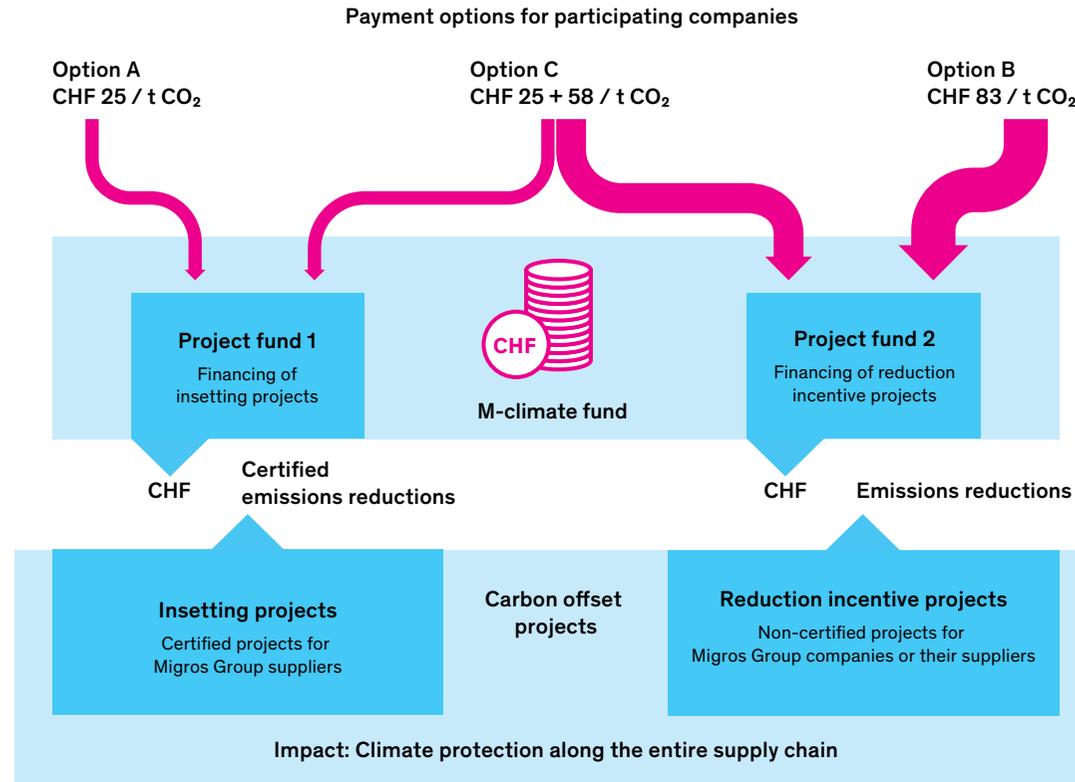
How does the M-climate fund work?

The M-climate fund will be financed through the pricing of CO₂ emissions in Migros Group companies and through customer offsetting. These financial resources will be used to support climate protection projects developed specifically for the fund, which effectively reduce CO₂ emissions along the company's own value chain, both in Switzerland and internationally. If these projects are realised in accordance with international standards, they can also be used for the offsetting of greenhouse gas emissions. The financing mechanism of the M-climate fund further contributes to the reduction of CO₂ emissions, because the Migros Group sets itself a financial incentive for the reduction of these emissions by putting a price on them and thereby making use of the tangible incentivising effect of internal carbon pricing.

The M-climate fund supports two types of projects:

1. Insetting projects

Project fund 1 finances projects at Migros Group suppliers that are implemented based on recognised international project standards. The company can use these projects for offsetting (insetting) of emissions subject to a carbon price. These projects are usually implemented outside Switzerland.



2. Reduction incentive projects

Project fund 2 finances projects developed by Migros Group companies or suppliers, both in Switzerland and abroad. Reduction incentive projects are distinguished by their simpler implementation without external certification. The projects all fully support the achievement of the SBTi targets, and cannot be used for offsetting.

Participation as a company

All Migros Group companies are eligible to participate in the M-climate fund. This gives companies the opportunity to finance effective climate protection along the value chain using their own funds by pricing CO₂ emissions. Three participation options are available. Participants deposit the amounts in the M-climate fund once a year or every six months.

Three participation options:

Option A – The participating company prices its emissions at 25 francs per tonne of CO₂. This amount is used to implement certified projects by suppliers abroad. These may be used by the company for offsetting (*insetting*) priced greenhouse gas 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 83 francs per tonne of CO₂ and combines the benefits of options A and B. Of this amount, 25 francs is put towards certified carbon offset projects, which the company can use to offset emissions (*insetting*). The remaining 58 francs are used to implement emissions reduction projects within the company or by suppliers. At the same time, the selected CO₂ price also acts as an *incentive* to reduce emissions.

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 value chain
- Contribution made towards sustainable development
- Evidence that the project idea would have no chance of implementation without the funding

Additional requirements apply for insetting projects that are implemented and certified based on a recognised project standard.

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

There are numerous potential approaches to projects along the Migros value chains. For instance, more sustainable organisation of rice, coffee and tea cultivation offers a good deal of potential for effective climate protection with significant socio-economic benefits.

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

Insetting 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 incentive project for 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 incentive project by 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