



S Group Sustainability

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Wide service range is a huge resource

Supermarket trade



Department stores & specialty stores



S-Bank



Service station store & fuel sales



Travel industry & hospitality business



Hardware trade





Retail market leader in Finland



€11.6 billion
Tax-free retail sales

2.4 km
Avg. distance to the closest grocery store

38,500
Employees

Monetary benefit to members / year

€415 million

46%
Grocery stores' market share

2.5 million
co-op members

99%
Waste utilisation

1,849
Outlets

78%
of all households are co-op members

S GROUP STRATEGY 2020

MISSION: TOGETHER WE BUILD A BETTER PLACE TO LIVE

VISION: SUPERIOR BENEFITS AND CONVENIENCE FROM YOUR OWN STORE





Sustainability at S Group 2030

SUSTAINABILITY LEADERSHIP

TOGETHER WE BUILD A BETTER PLACE TO LIVE

**Towards sustainable consumption's
new normal:
together one step at a time**

Promoting:

- Sustainability, health & wellbeing
- Planetary diet: 65% plant based
- Local: 80% domestic food
- Carbon neutral transport

**Towards sustainable growth:
respecting nature**

- Carbon negative 2025
- Towards circular economy
- Strengthening biodiversity

**Towards equal world:
removing inequalities**

- Respecting Human Rights
- Main food raw materials:
100% audited
- Increasing transparency: origin &
sustainability information
available
- Common, non-discriminative,
diverse S Group
- Strengthening inclusive society

- ✓ We exist for the customer
- ✓ We take responsibility for people & the environment

- ✓ We constantly renew our operations
- ✓ We operate profitably



Carbon negative S Group by 2025

We help our customers towards climate smart life

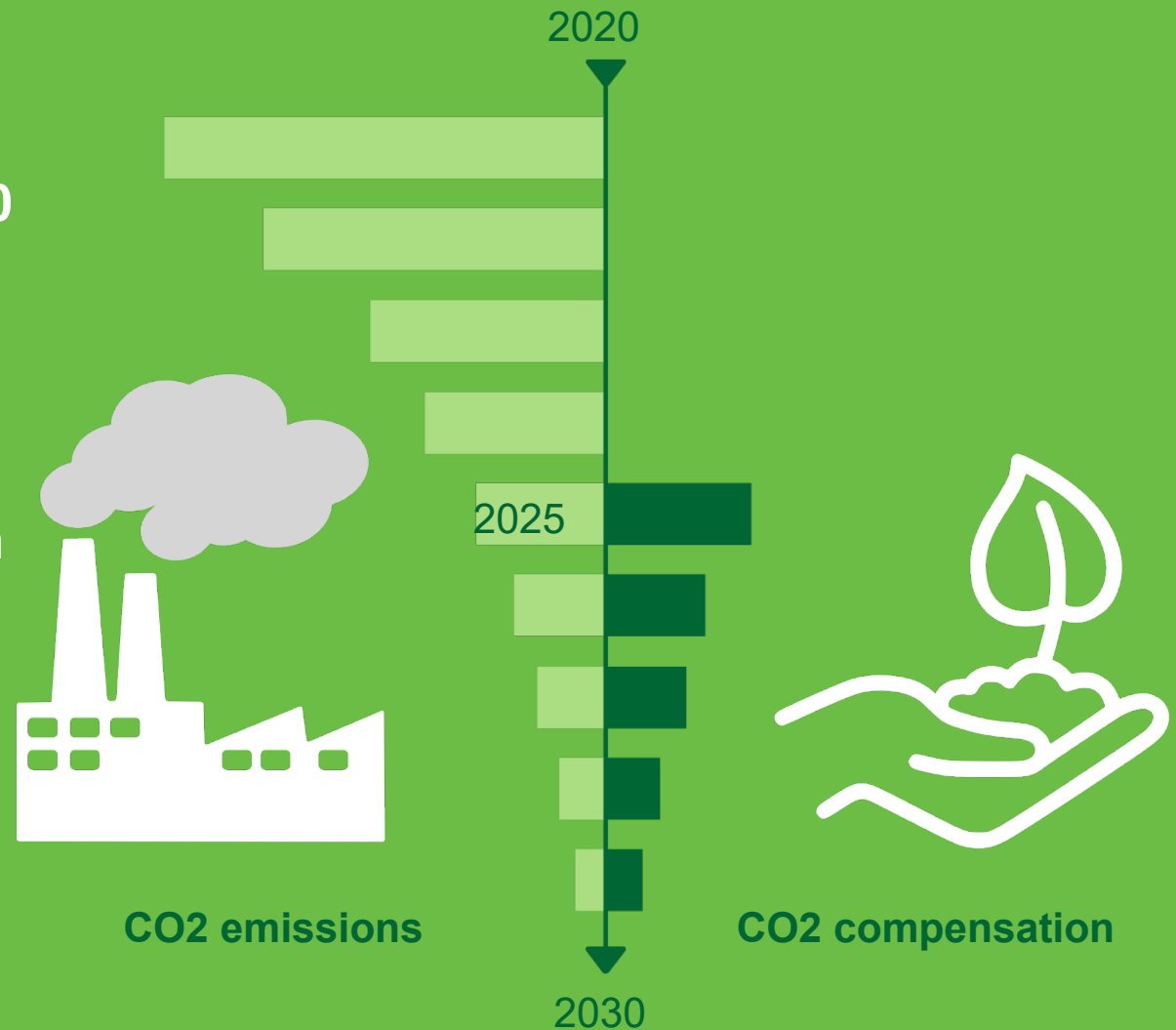
We encourage our suppliers & partners setting in their climate targets





How to reach the target?

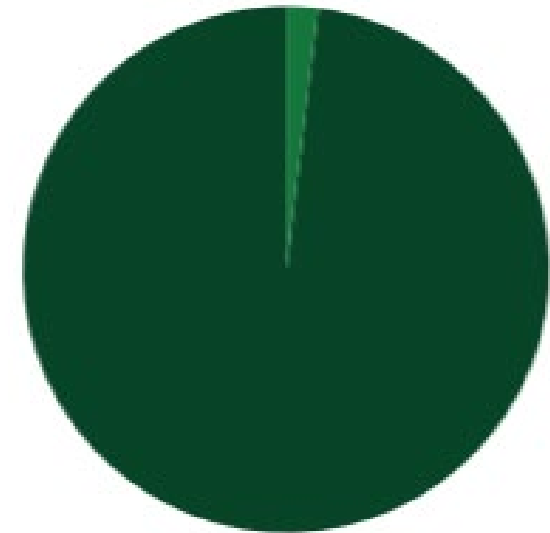
1. S Group will reduce climate emissions from its own operations by 90% by 2030
2. 100% renewable electricity 2030
3. Energy efficiency investments
4. Compensation & carbon sequestration







**S Group's
climate impact
8 milj.tn CO₂**

S Group's emissions 2020



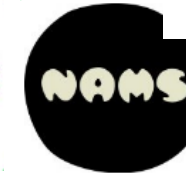
-  Emissions from our own operations (Scope 1 & 2) 2%
-  Emissions from the value chain (Scope 3) 98%



S Group climate action & supplier engagement

- We have an absolute value chain emissions reduction target of **one million tonnes CO2** by 2030 via Big Deal Campaign
- We encourage our significant **suppliers** (2/3 of spend) to set their (science-based) emissions reduction **targets** by 2023
- In order to track the climate performance of our significant suppliers, in 2019 we joined the international **CDP Supply Chain program** and asked a share of our suppliers to **report** their **climate performance** for the first time
- We want to **help** and **support** suppliers in setting the targets and will be offering information and insights regarding target setting and CDP reporting





Other climate activities

- **Investments** on the own renewable electricity production: wind and solar power. S Group is the **biggest producer** of the solar power in Finland
- Piloting different compensation methods and marketplaces
- Supporting **climate research** for creating a carbon sequestration verification system that will enable emission compensation in the farmland
- Supporting **e-learning** for carbon farming
- Sustainable **consumption** and circular economy actions strongly related to the climate impact of the value chain





What can we as a retailer do to support customers' sustainable choices?

- **Respect** the customer decisions
- Nudge towards more **sustainable consumption**
- Support the shift towards constant increasing the amount of **vegetables**: in 2020 over 5% increase in fruit & vegetable category group
- **Campaigns**
- Supporting **seasonality**
- Promoting **organic**
- Providing **information**





Domestic fish

- One of our greatest successes in the grocery trade in 2019 was a significant **increase** in the sales of fish, which reached an entirely new level.
- Our work to further develop our **selection** and **quality** of Finnish fish began in May 2019.
- The results of this work were very well received among customers: the sales of fish increased by **20% year-on-year** and have remained at this level, which is an exceptional for a single group of products.





My Purchase Service

- Carbon footprint **calculator** to follow your grocery purchases carbon footprint
- Target is to **inform** customers on their footprint and encourage to increase the share of **vegetables** in their diets





Personal Trainer: Nutrition Calculator

Combine environment & health aspects of your diet

- The new nutrition calculator in the My Purchases (Omat Ostot) service of the S-mobiili mobile app helps you monitor the **health** aspects of your groceries and make **wiser shopping decisions**.
- The calculator has been developed in cooperation with leading nutritionists in Finland. It helps you monitor the quality of your groceries and reveals the sources of **saturated fatty acids, fibre, salt and sugar**.





Thank You!