

THE CASINO CARBON FOOTPRINT, THE 1ST COMPLETE ENVIRONMENTAL LABELLING SCHEME IN FRANCE



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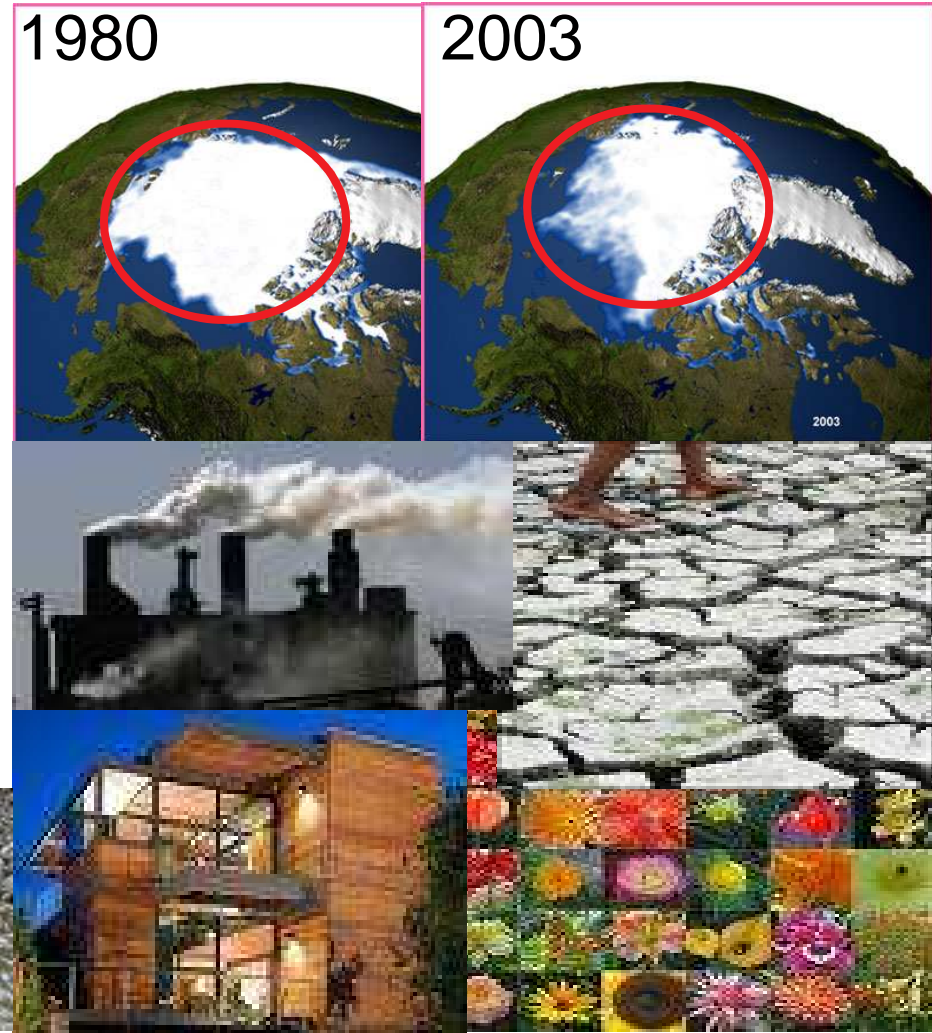
Why worry about environmental matters?



■ The following issues must be faced :

- Climate change
- End of petrol
- Management of water
- Decreasing biodiversity
- World population growth

To achieve sustainable development, it will be necessary to focus on “environmental excellence” in coming years.




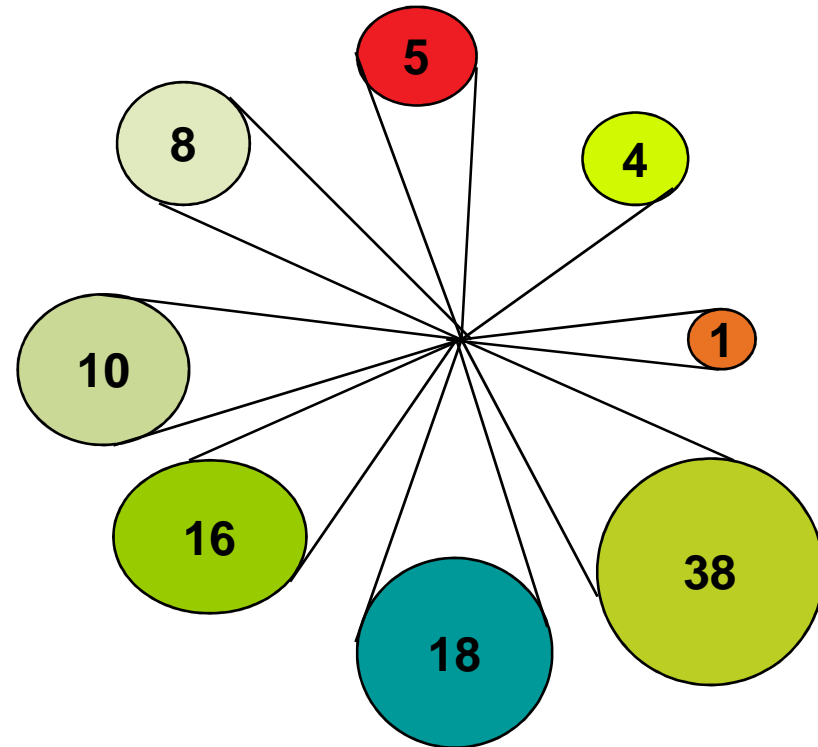


Greenhouse gases emitted as a result of our French activities, analysed using the Bilan Carbone® methodology (percentage values):

France: 553 million metric tons of CO₂

Casino France: 1.3 million metric tons of CO₂

-  Customer travel
-  Refrigerant emissions
-  Goods transport
-  Energy consumption
-  Other
-  End-of-life of direct waste
-  Equipment, building and vehicle depreciation
-  Employee travel





✓ Goods transport (16% of our greenhouse gas emissions): Continuously optimised as a result of deploying GPS tracking and renewing the tractor unit fleet with new-generation units (the effect of “Euro 5” engines)



✓ Refrigeration equipment (18% of our greenhouse gas emissions): the mandatory replacement of old-generation refrigerants before 2010 provides a real opportunity for us demanding that our refrigerationists improve the sealing of our cooling circuits and reduce our emissions.



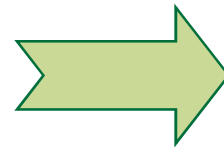


We have gained expertise enabling us to optimise our packaging

Chocolate mousse

Action: Eliminating the cardboard sheath

Saving: 16g of cardboard per multi-pack



SOME DATA:

➤ 312 metric tons saved in 2006 and 2007.

Target at the end of 2008 : 700 metric tons.

➤ More than 1000 products have been or are being studied.

- To promote products from reasoned farming, organic farming
- To develop and promote eco-friendly products
- **IT'S NECESSARY TO SET UP ENVIRONMENTAL INFORMATION USEFUL TO SUSTAINABLE CONSUMPTION'S EMERGENCE**





I Two major objectives:

- Informing consumers of the environmental impact of the products they consume daily and helping them to act ecologically
 - through clear, relevant information enabling them to become players in their consumption

- Improving the environmental quality of Casino products
 - through a global project actively involving all areas of the company: Purchasing, Quality Assurance and stores
 - in partnership with suppliers, major corporations and small- and medium-sized businesses

Listening to consumer expectations

■ Two primary objectives

- Optimising understanding of environmental information
- Building consumer support for the approach

■ Several consumer surveys

- Nearly 1,000 people questioned in the first 6 months:
 - Group sessions to improve our understanding of perceived ideas and preferences
 - Large-scale assessment of several potential ways of presenting the information

■ Key lessons to be considered

- Considerable demand for learning through daily consumption products
- Demand for information that is simple to understand at first sight...
...while also offering consumers more complete information if they require later
- A need for a benchmark for the environmental information...
...while avoiding the introduction of potential finger-pointing



- I The Casino Carbon Footprint is calculated from the greenhouse gases emitted as a result of EACH Casino brand product during the 5 key stages of its life cycle
 - **Production stages** (agricultural in the case of food products)
 - **Manufacture** of the product
 - **Transport**, from the field to the Casino warehouses
 - **Packaging**, from raw material extraction to recycling
 - **Distribution**, from the Casino warehouses to the consumer's home.

- I The calculation method has been developed scientifically by the independent Bio Intelligence Service agency and approved by ADEME

- I The carbon footprint is expressed as the equivalent number of grams of CO₂ generated per 100g of product

Calculation method: Agricultural Stages Footprint



- | What are we trying to calculate?
 - The greenhouse gases emitted as a result of the methods of growing and rearing the ingredients used in food products, or extracting the raw materials in the case of other ingredients.

- | Which data are used?
 - Data from life cycle analysis standard literature.
 - Calculated from each ingredient in the recipe, so that the emissions are proportional to the quantity of the ingredient used in the recipe.

Calculation method: Production Footprint



- | What are we trying to calculate?
 - The quantity of greenhouse gases emitted during the product's production by the manufacturer.

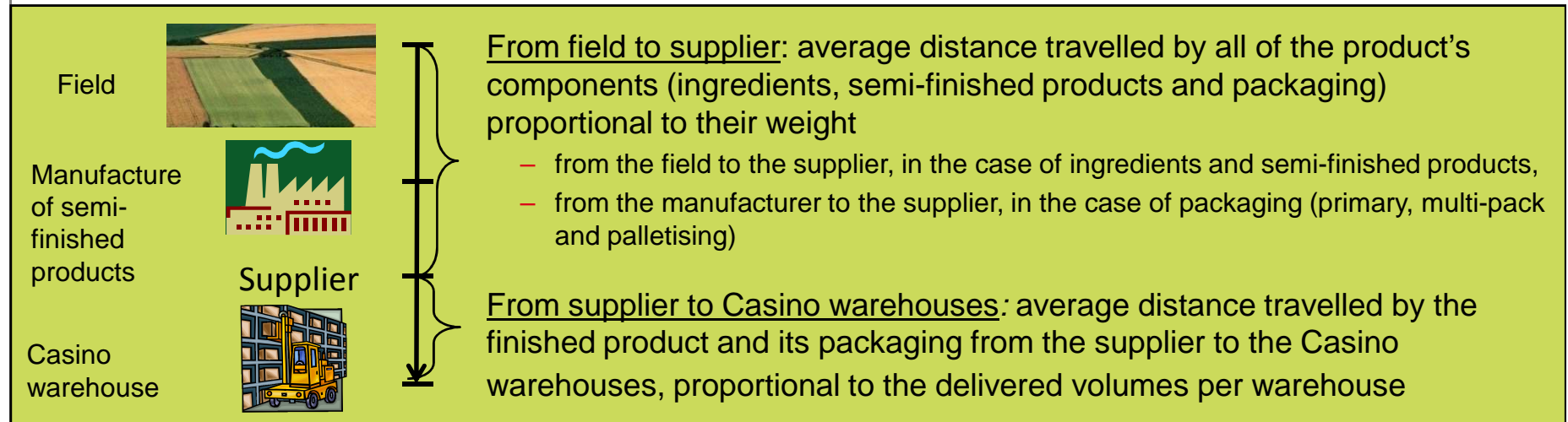
- | Which data is used?
 - Energy consumption of production plants that manufacture the Casino products.or
 - Data provided by Bio Intelligence Service, from life cycle analysis standard literature.

Calculation method: Transport Footprint



What are we trying to calculate?

- Greenhouse gases emitted as a result of transporting the product from the field to Casino warehouses.



Which data is used?

- Emission factors produced using the Bilan Carbone™ (carbon footprint) method for each means of transport used for each element of the product's composition.

Calculation method: Packaging Footprint



- | What are we trying to calculate?
 - The greenhouse gases emitted as a result of raw material extraction, production and end-of-life processing of all of the product's packaging: primary, multi-pack and palletising.

- | Which data are used?
 - Emission factors mainly produced using the Bilan Carbone™ (carbon footprint) method according to the weight and material used in each part of the product's packaging.

What are we trying to calculate?

- The greenhouse gas emissions generated at each stage of the product's distribution
 - Warehouse operations
 - Transport between warehouses and stores
 - Store operations
 - Transport between stores and customers



Which data is used?

- The product's greenhouse gases emissions listed by Casino Group in producing its Bilan Carbone™ (carbon footprint), making a distinction between fresh/frozen products and those stored at room temperature.
 - Emissions due to refrigerant leaks have been allotted only to fresh products.
 - Electricity consumption has mainly been allotted to fresh products.
 - Other emissions have been allotted to all products in stores
- Emissions are calculated for 100g of the product according to its net weight.



I On the front of packaging

The Casino Carbon Footprint is represented by a **green leaf** with a number showing the quantity of greenhouse gases emitted per 100g of the product, together with a message inviting the consumer to see the reverse for more information.



Displaying complete information



" Casino commits to the environment by working with its suppliers to reduce its greenhouse gases emissions "

THE CARBON INDEX*
 is an estimate of the quantity of greenhouse gases (CO2...) released during the main stages of the product's life cycle (growing + manufacturing + packaging + transporting and retailing).
 This method of assessment has been developed through collaboration with an independent organisation. The quantity is given as the equivalent in g of CO2 for 100 g of product.
 * Valid in Metropolitan France

THE CARBON INDEX of this product
 450g of CO2
 Low environmental impact High environmental impact
 Further information : www.produits-casino.fr or CUSTOMER SERVICE DEPARTMENT

RECYCLING*
 You too can play your part!
 37% → 89%
 of the packaging shall be recycled given current household sorting of the packaging could be recycled if we all sort !

Casino's undertaking

Casino Carbon Footprint's position

Casino Carbon Footprint definition

Recyclability indicator

Displaying the Casino Carbon Footprint

☒ On the reverse of the packaging

The Casino Carbon Footprint is shown as a **green ruler** enabling consumers to rate the product's environmental impact on a graduated scale defined in collaboration with the ADEME environment and energy management agency.



I On the reverse of packaging

A two-part diagram encouraging consumers to sort the packaging correctly and maximise its recyclability:

- The light-green side shows what percentage of the packaging will be recycled (as households currently sort their waste),
- The dark-green side shows what percentage could be recycled if all consumers sorted their waste properly.





I First wave of Casino products from June 2008 onwards

- Yogurt, natural x 4 glass pots
 - Yogurt, vanilla x 4 glass pots
 - Yogurt, lemon x 4 glass pots
 - Ondilège soda, raspberry & cranberry flav
 - Ondilège soda, apple & lychee flavour
 - Pizza base mix
 - Pancake mix
 - Sponge cake mix, plain
- > annual sales of 1.5 million units



I More than one hundred products by the end of 2008

I Eventually all Casino brand products



Creating a special mini-website for the Casino Carbon Footprint

- Two objectives
 - Completing the packaging's information if there is insufficient space
 - Providing more detailed information

- Very rich content
 - Global approach
 - Calculation method
 - Criteria details
 - Product list
 - Ecological advice
 - Links to partners

Consumer Department involvement





I Use of innovative technology with Mobile Tag

- Modern new tools
 - Intelligent barcode printed on the packaging
 - Mobile phone with camera (over 500 compatible models)
 - WAP mobile Internet site offering more product information

- POS access to various information
 - Global approach
 - Calculation method
 - Criteria details
 - Product list





Visibility aids on shelves and in stores

- On-shelf callouts for identifying the products concerned
- Casino Carbon Footprint display posters
- Information brochures available to consumers



Awareness-building messages in our communications media

- Inserts in sales flyers
- Display in loyalty programme documents (mail-shots, magazines, etc.)
- Use of all available media



A progressive approach



- A new way of envisaging the distribution business
 - Buy differently
 - Sell differently

- Casino undertakes to:
 - Reduce its products' environmental impact
 - Adapting its packaging's life cycle to use of environmentally-friendly production and printing techniques.



- Optimising the carbon footprint through a packaging change

Casino salmon lardon

- The carbon footprint has changed from 940g to 880g of CO₂
(Packaging and transport change)
= 14.5 metric tons/year

- Differences in impact depending on the supplier's location:

For a can of an identical product

- 225g of CO₂, transported only by truck from France
- 235g of CO₂, transported by boat and truck from India
- 305g of CO₂, transported only by truck from Europe (Ukraine)

A progressive approach

- | Organising a supplier forum in June 2008 that will shortly bring together the 500 suppliers of Casino brand products
 - Objective: to present the labelling approach that Casino has introduced

- | Providing Casino's manufacturers with an IT tool enabling them to calculate their products' packaging, transport and distribution footprints themselves automatically
 - Objective: to enable companies to become involved in a continuous improvement process and be competitive at the environmental level, regardless of their size

- | Setting up a carbon footprint research centre to enable the Group to work in detail on improving each item, in collaboration with our suppliers
 - Objective: to provide the manufacturers with active follow-up in the new field of mass-consumption product eco-design



- The 1st environmental labelling scheme for all products to be deployed at a national scale
- The 1st labelling to incorporate 5 key stages of the product's life cycle and its recyclability aspects
- Consistent with Grenelle Environment Round Table conclusions
- Enables consumers to act daily to protect the environment
- Encourages the Casino Group to progress



MANY THANKS FOR YOUR ATTENTION