

Implementation Plan | REWE GROUP Climate Target

01 Formulation of the target



Strategic Objectives

The REWE Group aims to achieve **net-zero greenhouse gas emissions by 2050 at the latest**. To this end, the REWE Group has aligned its **climate strategy with the 1.5-degree path** set out in the **Paris Agreement** and had its **group-wide net-zero targets by the Science Based Targets initiative (SBTi)** in March 2026.

The focus is on **reducing greenhouse gas emissions from its own operations (Scope 1 and 2)** and in particular along the **supply chains (Scope 3)**, which account for around 98 per cent of group-wide emissions.

Information:

REWE GROUP's reduction targets are based on the base year 2024. In addition, REWE and PENNY in Germany have sub-targets based on the base year 2021. The REWE GROUP pursues a group-wide climate target for the scope defined therein. Individual retail divisions may also pursue their own, more specific climate targets. The climate target of REWE and PENNY Germany is communicated as a separate sub-target alongside the group target; it is not identical to the group target and does not replace it.

Explanatory notes:

Scope 1 comprises direct greenhouse gas emissions from own or controlled sources. Scope 2 comprises indirect greenhouse gas emissions from purchased energy such as electricity or heat. Scope 3 comprises further indirect greenhouse gas emissions along the value chain, for example from suppliers, in agriculture, during transport or

from products. FLAG () refers to emissions from agriculture, forestry and land use. Non-FLAG refers to all other Scope 3 emissions outside these areas.

02 Interim targets and roadmap

Note on the current situation: The following progress figures apply only to the scope explicitly stated in each case. Information relating to REWE and PENNY Germany or Retail Germany is not presented as a Group-wide statement for the REWE GROUP.

Scope 1 and 2 emissions

Achieving the Scope 1 and Scope 2 targets requires significant investment in energy efficiency, renewable energy and climate-friendly infrastructure. At the same time, implementation depends on external factors such as regulatory developments, energy efficiency standards and the availability of alternative energy sources. Individual measures, particularly in the area of low-emission logistics, are not expected to be widely available and scalable until toward the end of the decade.

Current situation (2025)

REWE and PENNY in Germany have already reduced their Scope 1 and Scope 2 emissions by 16 per cent compared with 2021.

Interim targets

By 2030

- Reduction in absolute Scope 1 and Scope 2 emissions by a total of 42 per cent compared with 2024

Scope 3 emissions

Status quo (2025)

REWE and PENNY Germany have reduced their Scope 3 non-FLAG emissions by 5 per cent compared with the base year 2021. Key drivers were the ongoing decarbonisation of the German electricity mix, as well as more subdued consumer demand due to the continuing challenging economic environment.

In addition, REWE and PENNY Germany have reduced their Scope 3 FLAG emissions by 4 per cent compared with the base year 2021. This development was influenced by varying consumer trends and was partly supported by measures implemented as part of the protein strategy.

Interim targets

By 2030

- Reduction in Scope 3 non-FLAG emissions by 25 per cent
- Reduction in Scope 3 FLAG emissions by 30.3 per cent

Long-term targets for all scopes

2030–2050

The REWE GROUP will gradually develop and publish measurable interim targets for the period after 2030, based on future progress, technological developments and regulatory requirements.

Residual emissions will only be neutralised from 2050 onwards in accordance with the SBTi, following maximum reduction through CO₂ removal solutions¹.

03 Action Plan

To achieve our targets, we have formulated the following measures.

Notes on the measures:

The **measures support the Group target across various units** of the REWE GROUP. Each measure must therefore be classified according to its verified scope. Measures taken by REWE and PENNY Germany may contribute to the Group target, but do not automatically apply across the entire Group.

Scope designation: 'Group-wide' = REWE GROUP in accordance with the Group target; 'Retail Germany' = relevant units of the German retail business; 'REWE/PENNY Germany' = independent sub-target; other specifications refer to the respective sales division, region or unit.

¹ CO₂ removal solutions are processes used to remove carbon dioxide from the atmosphere and store it as permanently as possible.

A. Own business activities (Scope 1 and 2)

Energy efficiency in stores, logistics and buildings

Measure	Contribution
Continuous reduction in electricity consumption per unit of retail sales area across the Group	Reduction in electricity demand and indirect emissions
Focus on energy efficiency measures in lighting and refrigeration technology at REWE and PENNY in Germany, as well as in the full-range retail division in Austria, and to some extent also in individual international retail organisations	Reduction in electricity demand and indirect emissions
Establishment of energy management systems in accordance with ISO 50001 and efficiency programmes, predominantly across the Group	Systematic identification and implementation of energy savings
Expansion of the use of heat pumps in stores and buildings at REWE and PENNY in Germany and at Billa in Austria	Reducing reliance on fossil fuels and lowering Scope 1 emissions
Since 2008, 523 stores at REWE and PENNY in Germany have been built in accordance with the criteria of the German Sustainable Building Council (DGNB); by 2024, this figure stood at 448 stores	Reducing energy consumption and emissions, and using more sustainable materials
At toom DIY stores, there are 22 sustainably designed stores (19 according to DGNB and 3 according to BREEAM criteria)	Reducing energy consumption and emissions, and using more sustainable materials
Tourism: Empowering pilot properties and rolling out climate management in our own hotels, transferring the lessons learnt to partner properties	Reducing energy consumption and emissions, raising awareness and providing support for active climate management
Switch to refrigerants with a lower global warming potential in predominantly group-wide stores and logistics, for example the use of CO ₂ as a refrigerant	Reduction of Scope 1 emissions; reduction of direct greenhouse gas emissions

Renewable energy

Measure	Contribution
Expansion of photovoltaic systems and other renewable energy sources	Decarbonisation of the energy supply
Long-term electricity supply contracts with REWE and PENNY in Germany (Power Purchase Agreements), e.g. Borkum Riffgrund 3 wind farm (designed to supply 1,500 stores in future)	Long-term securing of renewable energy and reduction of Scope 2 emissions (contract term: 10 years)
Reduction in the consumption of fossil fuels, including district heating	Reduction of Scope 1 emissions
Purchasing certified green electricity for our grocery stores, DIY stores, warehouses, and travel agencies in Germany; from 2030 at PENNY International and all business units in Austria; for all sites where we can manage our own electricity procurement	Reduction of Scope 2 emissions

Lower-emission mobility and logistics

Measure	Contribution
Expansion of electric vehicles within the lorry fleet, e.g. at the REWE delivery service in Germany, which operates 126 electric delivery vehicles	Reduction in transport-related emissions
Electrification of the passenger car fleet at Handel Deutschland	Decarbonisation of corporate mobility
Electrification of transport operations	Reduction of Scope 1 emissions from logistics

Management of investments

Measure	Contribution
Incorporation of a CO ₂ shadow price into selected investment decisions (BILLA Austria)	Incorporation of climate costs into investment decisions

B. Scope 3 Non-FLAG: Emissions along the value chain outside agriculture

Climate protection in the supply chain

Measure	Contribution
REWE and PENNY Germany's involvement in the international GSTA (Global Sustainable Transition Alliance) initiative to establish an internationally harmonised standard for calculating product emissions	Development of industry-wide standards for emissions calculation
Supplier engagement as an active means of promoting and supporting climate protection in the supply chain, tailored to each business unit (further details below)	Climate protection in the supply chain, support for suppliers, knowledge transfer, harmonisation of standards
Support for REWE and PENNY Germany's private label suppliers with SBTi commitments and SBTi validations as part of the 'Together for Greater Climate Protection' initiative. By the end of 2025, 226 suppliers (accounting for 52.3% of product-related private label emissions) from Retail Germany had already made an SBTi commitment or achieved SBTi validation	Reduction of upstream emissions
Dialogues with suppliers at REWE and PENNY Germany, as well as the DERTOUR Group, regarding climate protection measures	Exchange, as well as the development and implementation of sector-specific reduction pathways
Promotion of renewable energy and energy efficiency amongst suppliers (e.g. through the "Zukunftsbauer" initiative by PENNY Germany and Molkerei Berchtesgadener Land, which supports farmers, amongst other things, in converting their farms to renewable energy.)	Reduction of product-related emissions
Involvement in industry initiatives (e.g. Make-it-zero in the DIY sector, Futouris in the tourism sector)	Support for international alliances, sharing of knowledge and methods
Tourism: offering sustainable aviation fuels to customers	Reducing emissions in the tourism supply chain

Low-emission logistics and transport

Measure	Contribution
Use of alternative propulsion technologies in logistics	Decarbonisation of supply chain logistics
More regional and seasonal sourcing	Reduction of transport- and production-related emissions

Resource-efficient packaging

Measure	Contribution
Use of recyclate and bio-based plastics, predominantly across the Group	Reduction in emissions associated with raw materials
Reduction in material use for private label packaging, predominantly across the Group	Reduction in resource consumption and emissions
Reduction in the use of plastics in private label packaging at REWE and PENNY Germany	Reduction in material-related emissions
Increasing the proportion of recyclate content in single-use PET beverage bottles for REWE and PENNY's private label products in Germany	Reduction in the use of emission-intensive primary raw materials
Increasing the proportion of recyclate content in private label packaging at REWE and PENNY in Germany	Promoting the circular economy and reducing emissions

Circular economy and prevention of food waste

Measure	Contribution
Expansion of reusable and zero-waste options at REWE and PENNY Germany	Reducing packaging materials and emissions
Measures to tackle food waste, for example through forecasting systems, automated ordering, and partnerships with food banks and food-sharing initiatives at REWE and PENNY Germany, as well as in the international food retail sector	Reducing avoidable emissions along the value chain

C. Scope 3 FLAG: emissions from agriculture, forestry and land use

Climate protection in agricultural supply chains

Measure	Contribution
REWE and PENNY Germany's involvement in the international GSTA (Global Sustainable Transition Alliance) initiative to establish an internationally harmonised standard for calculating product emissions	Development of industry-wide standards for emissions calculation
Support for REWE and PENNY Germany's private label suppliers with SBTi commitments and SBTi validations as part of the 'Together for More Climate Protection' initiative. By the end of 2025, 226 suppliers (accounting for 52.3% of product-related private label emissions) from the German retail sector had already made an SBTi commitment or achieved SBTi validation	Reduction of upstream emissions Development and implementation of sectoral reduction pathways
Supporting our private label suppliers for REWE and PENNY Germany with various knowledge resources (webinars, roundtables, one-pagers) on topics such as carbon footprints, climate targets, SBTi, implementation measures and best practices	

Dialogues with private label suppliers on climate protection measures	
More regional and seasonal sourcing (→ see Regionality Implementation Plan)	Reducing transport- and production-related emissions
Since the end of 2025, we have been making our supply chains at REWE and PENNY Germany deforestation- and land-conversion-free. Our targets to source primary high-risk raw materials ² from certified sources or low-risk origins have been met or are almost met (see progress report). We aim to further expand the proportion of our physical supply chains in future	Avoiding land-use-related emissions
Switching product ranges to peat-free products at toom DIY stores from early 2025, and at REWE and PENNY in Germany (from 2024)	Reduction of greenhouse gas emissions; conservation and restoration of peatlands as valuable ecosystems

Lower-emission agriculture

Measure	Contribution
As part of the "Förderprogramm Klimaschutz" (Climate protection funding programme), we offer our suppliers to REWE and PENNY Germany co-financing for projects aimed at reducing greenhouse gas emissions, e.g. funding a project in wheat cultivation involving regenerative farming practices	carbon sequestration and reduction of FLAG emissions
Targeted support for innovations and start-ups in the climate tech sector	Support for the development of lower-emission solutions for agricultural value chains
Support for European soya production for REWE and PENNY Germany	Reduction of FLAG emissions

² Cocoa, coffee, palm oil, soya for animal feed, wood and paper, as well as fresh beef, with a cut-off date of 1 January 2020.

'Conversion' refers to all valuable ecosystems. Applies to REWE and PENNY's private label products in Germany.

Food and the protein transition

Measure	Contribution
Implementation of a protein strategy (optimising the product range, promoting innovation, strengthening conscious nutrition, supporting the policy framework)	Structural reduction of product-related emissions
Expansion of plant-based products at REWE and PENNY Germany and at BILLA and BILLA PLUS in Austria	Shift towards lower-emission products
Promotion of plant-based innovations and food tech at REWE and PENNY in Germany	Promotion of lower-emission alternatives

Voluntary climate protection measures

Measure	Contribution
Rewetting of peatlands via the NABU Climate Fund (4,515 ha secured until the end of 2025) – on behalf of REWE Germany on land in Europe	Protection of natural carbon sinks and additional CO ₂ sequestration
The 'Blühendes Österreich' initiative: restoration or protection of valuable habitats (including peatlands)	Protection of natural carbon sinks and additional CO ₂ sequestration

04 Allocated resources

Human, financial, technical, organisational and external resources are utilised for implementation.



Governance

- Overall responsibility lies with the HR & Sustainability division of the Executive Board, headed by Dr Daniela Büchel
- The strategic pillar of Energy, Climate and Environment falls within the Finance division of the Executive Board, headed by Telerik Schischmanow
- The strategic pillar of Products falls within the Goods and Procurement division of the Executive Board, headed by Hans-Jürgen Moog
- Cross-sales-line sustainability working groups coordinate implementation

- The Sustainability Advisory Board provides critical oversight of strategy and measures



Financial resources

- NABU Climate Fund with at least 5 million euros annually from 2023 to 2027. A total of around 18.91 million euros by the end of 2025
- Investments in energy efficiency measures, renewable energy, refrigeration technology, heat pumps and climate-friendly logistics
- A sustainability-linked bond worth €900 million, with the achievement of REWE and PENNY Deutschland's climate targets as a performance criterion³
- Climate protection funding programme for suppliers to REWE and PENNY Germany to co-finance projects aimed at reducing GHG emissions in the agricultural supply chain



Organisational resources

- Group-wide energy management systems (ISO 50001)
- Agricultural Competence Centre ⁴
- Supplier programmes and training courses, tailored to individual business units
- SBTi-compliant emissions accounting
- Departments involved: Finance and Controlling, Category Management and Procurement, and Sustainability

05 Independent audit

Progress towards targets is reviewed at least annually on the basis of the greenhouse gas inventory. In doing so, progress, key assumptions, dependencies and deviations are documented. Any necessary corrective measures are analysed and discussed by the relevant committee.

It is intended to subject the implementation plan to an initial independent external audit and validation in the near future. The audit is to be carried out by an expert who is independent of the REWE GROUP, professionally qualified and free from conflicts of interest. Progress is to continue to be independently reviewed on a regular basis in future. The results will be made publicly available to consumers.

Publication of the implementation plan: September 2026

³ A sustainability-linked bond is a bond whose financial terms are linked to the achievement of pre-defined sustainability metrics.

⁴ In further developing our climate strategy, we draw on the expertise of our Competence Centre for Agriculture. There, experts from the agricultural sector, academia, industry and other partners along the value chains work together.