



A retailers perspective on water practices in supply chain management

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Presenting ICA Gruppen

- ICA Gruppen is a leading retail company with a focus on food and health.
- 1,724 own and retailer-owned grocery stores and 390 pharmacies in Sweden
- Operations in Sweden and the Baltic countries. Net sales SEK 101 billion
- Approx. 30,000 employees
- Listed on NASDAQ OMX



Sustainability is part of the Group strategy

ICA Gruppen aims to be a leader in Corporate Responsibility...

.. by creating customer engagement and responsible, climate-neutral operations.



In general - water in ICA's supply chain

- Step 1: Increasing our knowledge of water issues related to private label products
- Step 2: Improving the water footprint in our supply chain
- Collaboration is key!

ecoloop

PM- Hur ser vattenanvändningen ut för ICA:s v

Datum
Uppdragsnummer
Utgåva/Status
Organisation
Uppdragsledare/handläggare
Granskare
Beställare

How is the water usage for ICA's private label?

Analysis of blue/green water footprint for beef in ICA's assortment

Analys av blått och grönt vattenfotavtryck för nötkött från ICA:s sortiment

Simon Magnusson



An example – water might be complex to handle in relation to other important sustainability matters

	Water footprint [litre/kg]	Climate footprint [gram/kg]
Swedish minced beef	Ca 14 500 (whereof 2% outside of Sweden)	Ca 18 500
Irish beef minced beef	Ca 16 600 (whereof 21% outside of Ireland)	Ca 41 200

Water and food are inextricably linked



Agriculture is the largest water consumer globally, claiming 70 % of freshwater supplies. Food production also contributes to water pollution, eutrophication and soil erosion.

By 2050 the world population will reach 9 billion, which means we will have 2 billion more mouths to feed compared to today. At the same time, diets worldwide are becoming more water and energy intense, food was once-fertile land battle with climate-induced floods or droughts. There is great need to address water issues in the agricultural and food industry.

Swedish actors have identified water issues as imperative to work with and Swedish Water House group to address these challenges, increase knowledge and find tools for more sustainable water use.

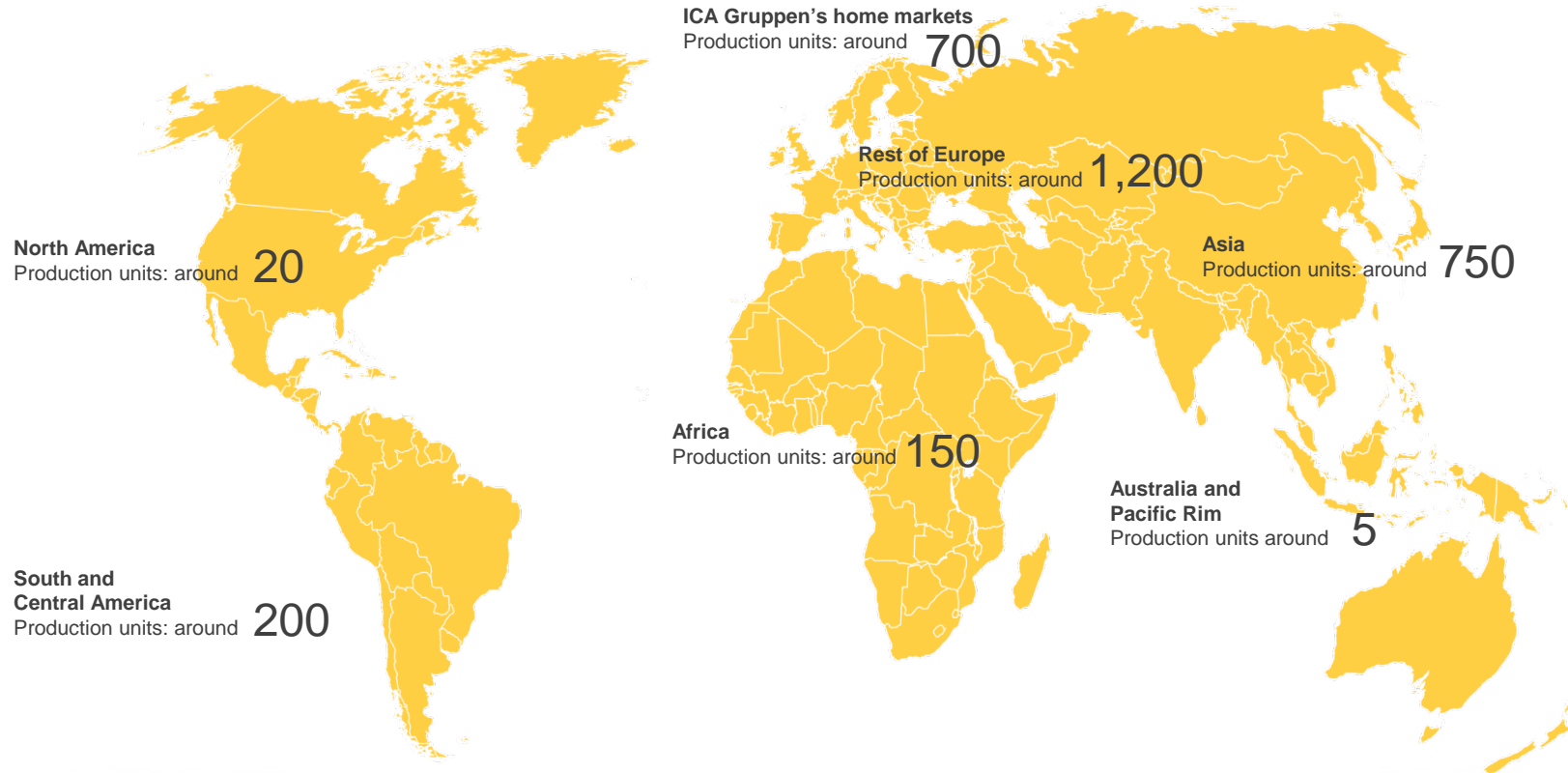
We are proud to work with



Coca-Cola Enterprises Sverige AB



ICA's world of Private label suppliers



Water in Swedish media



"Korna orsakar vattenbristen på Gotland"



Foto: TT

MILJÖ • "Gotlands mejeriindustri kräver runt 40 gånger mer vatten jämfört med dricksvattenåtgången från dess människor", skriver Axel Lilliestråle.



Requirements that suppliers and producers use established management systems and be certified in accordance with a third party standard. ...
E.g. Primary production (Fruit & Vegetables) should be certified against GLOBALGAP or other equal standard. Producers in high-risk countries must ensure acceptable working conditions and management of environmental issues, followed-up through social/environmental audits.

Requirements that suppliers/producers measure, record, set targets and efforts in order to reduce the environmental impact from the use of water in operations.

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Almonds



Prunes



Raisins
(grapes)



The different ways of irrigation

>70% of almond orchards
use micro-irrigation systems

> 80% of growers report
using **demand-based
irrigation:**

- review weather, soil moisture,
the trees' needs to determine
irrigation strategies



Summary

- The grocery retail sector (and of course agriculture/food production) is already today affected by the global water situation
- Efforts need by retailers, producers and regulators/policy – as a consumer it is difficult to make a conscious choice today
- Collaboration is key!



Tack