



Joos Sutter and Philipp Wyss

Foreword

Continued success for Coop in 2021

2021 will go down in history as another challenging, but successful year for the Coop Group. Despite the temporary closure of the non-food formats and the catering and restaurant business due to the Covid pandemic, Coop generated total sales of CHF 31.9 billion in 2021. Profit came to CHF 559 million, an increase of CHF 21 million. This is another solid result for Coop. With equity amounting to 51.3% of total assets, Coop remains on a very stable financial footing.

In the core retail business, total net sales rose by CHF 506 million, to CHF 19.6 billion.

Net sales for the Coop supermarkets including Coop.ch amounted to CHF 12.1 billion and are thus slightly lower than the previous year's record figure. Factoring in the fall in prices, the supermarkets' sales were on a par with the previous year. Our modern store concepts, the dense network of sales outlets and our diverse range remain very popular with customers. Coop is consistently innovative, particularly when it comes to developing and launching new products, and already stocks 1 600 vegetarian & vegan products, for instance. Furthermore, Coop remains committed to low prices and, in addition to around 1 400 Prix Garantie products in its range, has lowered the prices of over 1 500 products. By cutting prices, it has passed on around CHF 130 million to customers.

The specialist formats were able to offset the temporary revenue losses caused by the second lockdown and recorded net sales of CHF 7.5 billion. They achieved a year-on-year increase of 8.6%. Most notably, Coop City, Livique/Lumimart, Christ Watches & Jewellery and Coop Vitality posted significant sales growth last year. By acquiring Jumbo, Coop has become the clear Number 1 on the Swiss DIY market.

Coop's online business also performed well, achieving sales of around CHF 3 billion. With over 18 000 products, online supermarket Coop.ch grew by 14.6%.

Net sales in Wholesale/Production increased by 8.5% to CHF 13.7 billion, which equates to growth of CHF 1.1 billion.

After a difficult previous year, Transgourmet generated net sales of CHF 9.1 billion, an increase of 12.2%. Despite recent pandemic-induced closures in the European catering sector, the wholesaler staged a good recovery and, by expanding to Spain, further consolidated its strong position in Europe. With new plant-based products, Transgourmet is meeting growing demand for meat-free alternatives in professional kitchens in contract catering and the catering & restaurant sector.

The Covid pandemic meant another very challenging year for the manufacturing companies. Their net sales grew by CHF 99 million, reaching around CHF 5 billion. A strong retail business enabled companies such as the Bell Food Group, which is one of the leading companies in meat processing and the production of convenience products in Europe, to build on the previous year's good foundation and report a successful financial year.

The issue of sustainability is deeply embedded in the Coop Group's DNA. Sustainability sales grew by around CHF 409 million in all in 2021, to CHF 5.9 billion, which equates to growth of 7.5%. This means Coop remains the clear Number 1 in Switzerland for sustainability. Sales of organic products rose by a further CHF 110 million from an already high level, reaching CHF 2.1 billion. Coop already has the widest range of sustainable products, 3 700 of which are certified with the Bio Suisse bud label. Even after more than 400 "actions, not words", Coop continues building on its pioneering, industry-leading commitment to sustainability. For example, in the year under review the new sustainability strategy was adopted to ensure that, going forward, Coop can continue to consistently take responsibility across the whole Group within the three pillars "Sustainable product ranges", "Environmental and climate protection" and "Employees and social commitment".

Talking of employees: at the end of 2021, Coop had a total of 95 420 employees, and we would like to take this opportunity to thank them once again for their extraordinary dedication during these challenging times. They have always been there for the benefit of our customers and worked incredibly hard day in, day out, not just in the sales outlets but also in areas including logistics, production and purchasing. The Coop Group has 4 601 more employees than last year. Each year, we also provide over 3 000 training places in more than 30 different professions.

In summary, despite challenging conditions, Coop's Retail, Wholesale and Production business areas are performing well. We thus continue to enjoy a very solid financial foundation with strong cash flow and a healthy balance sheet and are very well positioned for the Coop Group's future. We are delighted that our customers have remained loyal and that, together and with strong inner drive, we are forging ahead towards an even more sustainable future.



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