



Joos Sutter and Philipp Wyss

## Foreword

# Coop 2022: strong revenue growth and stable profits

The Coop Group can look back on a successful business year in 2022. Gross revenues rose by a total of CHF 2.3 billion to CHF 34.2 billion, the strongest growth recorded in the last ten years. This is also the outcome of the proven, focused two-pillar strategy with our successful presence in retail as well as wholesale and production. The retail and wholesale/production divisions both experienced significant growth in sales revenues. Cost increases amounting to around CHF 250 million were absorbed out of profits and were not passed on to customers. The profit of CHF 562 million was slightly higher than the previous year, and will be reinvested in the company in full. Equity accounted for 52.1% of total assets, meaning that Coop remains on a sound financial footing.

With the densest sales outlet network in Switzerland and a varied product range, net sales in retail rose by CHF 304 million to CHF 19.9 billion.

The Coop supermarkets, including Coop.ch, generated net sales of CHF 11.6 billion. This equates to an 8.8% increase compared with the pre-pandemic figures from reference year 2019, yet remains below the record levels achieved in previous years during the pandemic. It was particularly important for us that, despite cost pressure, Coop should continue to invest in lower prices, expanding its Prix Garantie range to ease the burden on customers in this difficult year.

The specialist formats generated net sales of CHF 8.4 billion, up 11.2% from the previous year. For example, Coop City, Jumbo, Import Parfumerie, Christ Watches & Jewellery, Coop Vitality and Coop restaurants reported pleasing levels of sales growth. With innovative store concepts, interesting new products and services and new digital tools, Coop is also positioning itself here as a pioneer in the market.

Online business took a major leap forwards this year. With sales of around CHF 5 billion, Coop's online business increased by CHF 1.2 billion. With over 18 000 products, online supermarket Coop.ch grew by 8.5%. In the wholesale business area, online sales grew by 55.2%.

We are also extremely satisfied with the wholesale/production group division, which generated record sales in the reporting year. Net sales rose by 14.9% overall and amounted to CHF 15.7 billion. This represents an increase of CHF 2.0 billion.

Transgourmet generated net sales of CHF 11.1 billion, an increase of 21.4%. This positive result is due to the acquisition of Transgourmet Ibérica, the Spanish wholesale market leader, as well as to the lifting of pandemic-related lockdowns in the various countries. In all national companies, Transgourmet was able to exceed the previous year's results by a clear margin, enabling the company to further consolidate its strong position in the European cash & carry and wholesale supplies market.

The Coop Group's manufacturing companies also posted sustained growth. Net sales for the manufacturing companies grew by CHF 177 million to CHF 5.2 billion. Additional investments such as in Reismühle Nutrex, Swissmill or Steinfels confirm our firm commitment to Switzerland as a production location.

We are particularly proud that Coop was able to build further on its leadership position on sustainability issues. In the reporting year, the Coop Group launched its new sustainability strategy, which comprises around 70 measurable targets in three sustainability pillars, "sustainable products", "environment and climate protection" and "staff and social commitment". With around 20 900 products, Coop carries the widest range of sustainable products. With 1360 Fairtrade products, Coop offers the widest fairtrade range in the world. As part of our commitment for the environment and climate protection, we aim to achieve net-zero emissions by 2050. For example, as part of this process Coop will reduce direct CO<sub>2</sub> emissions by more than 20% by 2026. Coop's commitment to social issues continues to be strong. For instance, Coop has expanded the "day of good deeds" and is offering 3400 apprentices each year in 33 different professions.

Overall, sales of sustainable products increased by around CHF 382 million to CHF 6.2 billion, representing growth of 6.5%.

A huge thank-you for the successful business year goes once again to the Coop Group's workforce, almost 95 000 in number, who have again achieved outstanding results with considerable commitment and dedication. They produced a sterling performance not only in the sales outlets but also in production, logistics and all other areas.

Overall, the Coop Group can look ahead confidently to the future, despite the challenging environment. The company is very well placed for the future with its successful business models in retail and wholesale/production. We look forward to instilling enthusiasm for Coop in our customers again in 2023 and to surprising them with new ideas and offerings.



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