



2020 ANNUAL REPORT OF THE COOP GROUP

Publishing information

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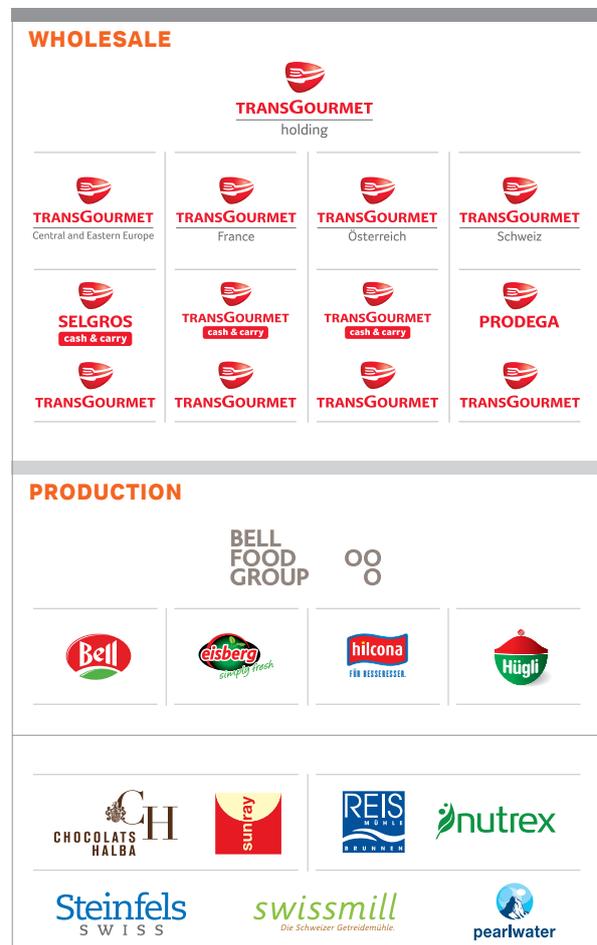
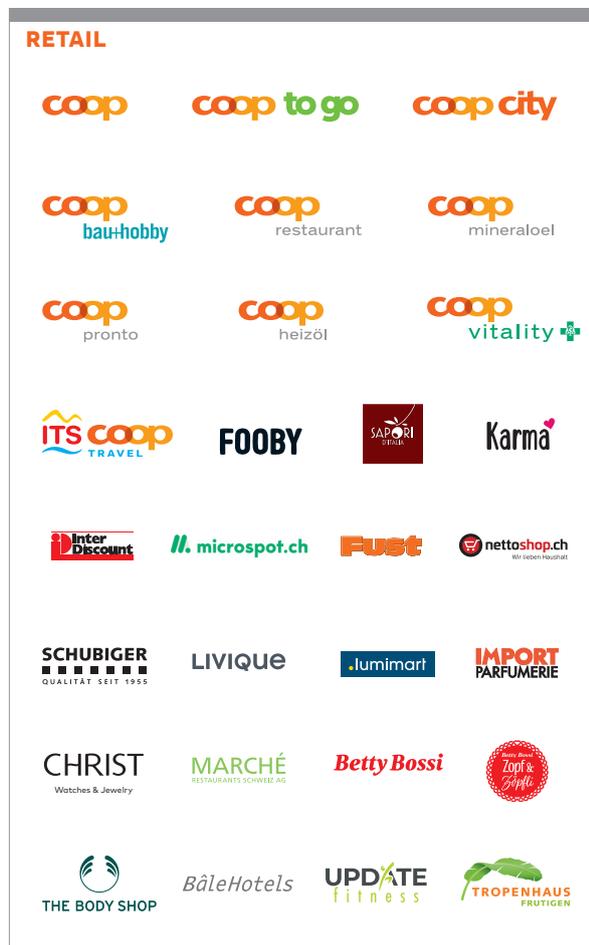
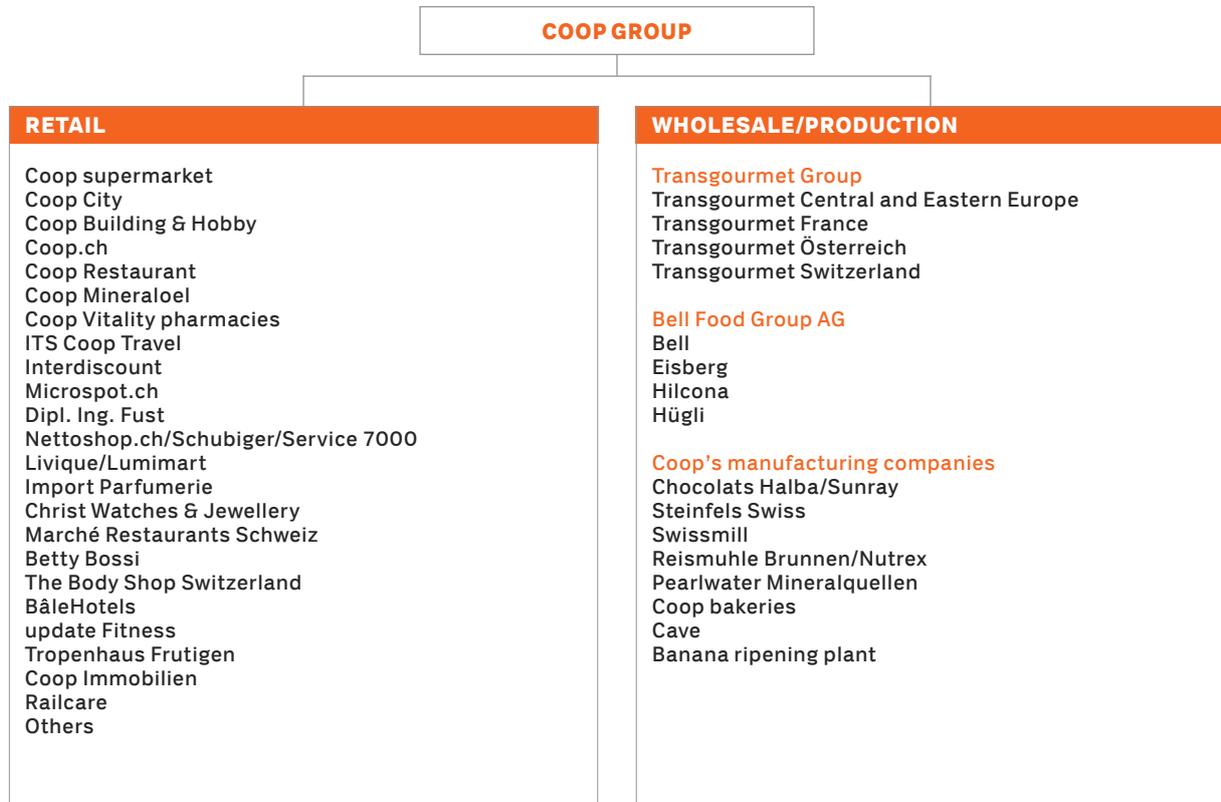
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Coop Group business areas



Key figures at a glance

Total sales

30 173 CHF million

Net sales Group

29 153 CHF million

of which

21 110 CHF million Switzerland

8 043 CHF million abroad

Net sales segments

19 113 CHF million Retail

12 632 CHF million Wholesale/Production

Net sales online trading

2 601 CHF million

Employees at 31.12

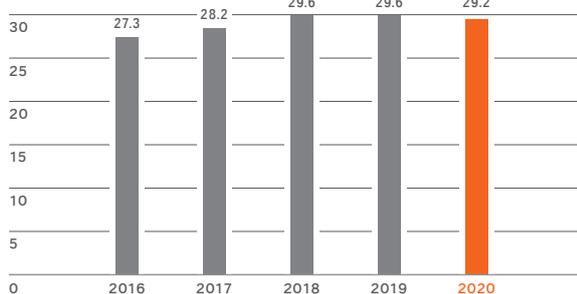
90 825

Trainees at 31.12

3 365

Net sales

in CHF billion



Earnings

2 227 CHF million EBITDA
7.6% of net sales

838 CHF million EBIT
2.9% of net sales

Profit

539 CHF million
1.8% of net sales

Equity

10 579 CHF million
51.2% Equity ratio

Cash flow from operating activities

2 426 CHF million

Investments in tangible fixed assets

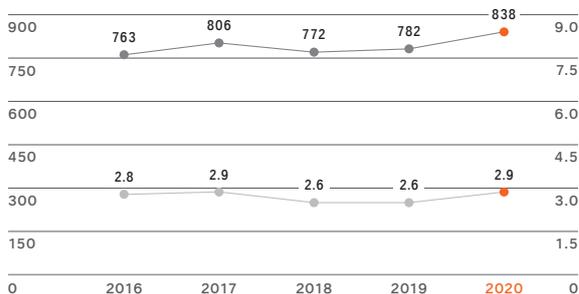
1 181 CHF million

Sales outlets/markets

2 498

Operating result (EBIT)

— in CHF million — as a % of net sales





Hansueli Loosli and Joos Sutter

Foreword

Coop posts solid results

The coronavirus pandemic had a significant impact on the 2020 financial year for Coop and challenged the company in all areas. During this difficult period, our main priority was to protect our employees and customers, to safeguard the security of supply of foods and essential goods for the population and to ensure the stability of the entire Coop Group.

Despite the numerous challenges such as the closure of all non-food and retail catering formats as well as the slump in demand for cash & carry and wholesale supplies at the Transgourmet Group, Coop achieved a stable profit of CHF 539 million on sales of CHF 30.2 billion. This showed once again that our diversification strategy with the two sectors Retail and Wholesale/Production has paid off.

In Retail, net sales grew by CHF 1.1 billion to CHF 19.1 billion, an increase of 6.3%.

Net sales for Coop Supermarkets of CHF 12.0 billion exceeded the previous year's figure by 14.3%. They thus generated strong growth and gained substantial market share. This success is primarily due to our impressive range of sustainable products and our dense sales outlet network with 944 stores throughout Switzerland. We are therefore very close to our customers. The results also show that our investment in implementing the new, attractive store concept is continuing to pay off. Our appealing, complete range of low-price products also impressed our customers. In 2020 we reduced the prices of a further 1 000 articles. Other reasons for the positive result were the temporary elimination of cross-border shopping and increased demand for foodstuffs owing to restaurants being closed.

For the specialist formats the lockdown meant that at times over 1 000 non-food outlets had to close and over 13 000 employees were suddenly unable to carry out their usual work. It is worth noting that the specialist formats recovered quickly after the lockdown and were largely able to offset any losses in sales. They achieved net sales of CHF 7.2 billion. The consumer electronics business lifted sales by CHF 41 million to CHF 2.1 billion, thus consolidating its leadership position. Coop Building & Hobby, Livique/Lumimart and Betty Bossi performed especially well, each generating sales growth of over 10%.

Online retail sales were also on a growth trajectory in 2020, and not only during the lockdown. One such highlight is the recently restructured omni channel platform coop.ch, which increased sales by 45.5% to CHF 232 million and gained market share. Online sales in the whole Coop Group amounted to CHF 2.6 billion.

Net sales of the Wholesale/Production business area totalled CHF 12.6 billion, which equates to an index of 92.1% after adjusting for exchange rates.

Wholesale – the Transgourmet Group – was particularly hard hit by the pandemic. The closure of hotels, restaurants and staff restaurants and the cancellation of events meant that some national subsidiaries, especially in cash & carry and wholesale supplies, had to contend with significant slumps in sales. On the other hand, cash & carry proved to be a stable basis. Transgourmet's strategy of combining cash & carry and wholesale supplies thus stood its ground even during the coronavirus crisis. The Transgourmet Group generated net sales of CHF 8.1 billion.

The manufacturing companies also made an extraordinary effort during the lockdown: a number of companies greatly expanded their production capacities and worked many extra shifts. They thus contributed to ensuring that food supplies in Switzerland were guaranteed at all times. Net sales of the manufacturing companies grew by CHF 44 million in local currency, totalling CHF 4.9 billion.

The whole Coop Group generated record sales of CHF 5.4 billion with sustainable products in 2020, an increase of around CHF 738 million. Coop therefore retains its number one position in the field of sustainability in Switzerland. Sales of organic products again saw strong growth of CHF 210 million and amounted to over CHF 2 billion.

We were especially pleased with the trust and loyalty of our customers and the huge commitment of our employees. Our workforce of 90 825 – more than 1 300 more than in the previous year – demonstrated great solidarity throughout the company even in hectic times. At this point we wish to express our sincere thanks.

Looking back, we can say that Coop mastered the difficult coronavirus year well and, thanks to a strong cash flow and solid equity base, is well placed for continued successful development.



Hansueli Loosli
Chairman of the Board of Directors



Joos Sutter
Chairman of the Executive Committee

Milestones in 2020



January

Vocational training: introduction of one-year basic apprenticeship

Coop is overhauling its vocational training with its new, practice-oriented retail training programme: in 2020 training at Coop supermarkets will be divided between a one-year basic apprenticeship and a one or two-year consolidation phase.

March

Covid lockdown, closure of sales outlets and product range restrictions

On 17 March, the Federal Council orders all non-food formats and restaurants to close, and restricts ranges in supermarkets. Over 1 000 sales outlets have to close. Coop quickly triggers its pandemic plan and deploys a task force to develop appropriate protection concepts which ensure the safest possible environment for staff and customers. We are able to guarantee an uninterrupted supply to the population.

April

Free home delivery service for people aged 65 and older during lockdown

Together with the Swiss Red Cross (SRC), Coop sets up a home delivery service for customers aged 65 and over. They are able to order food and hygiene products by phone or e-mail from Coop City department stores and Coop supermarkets in a number of towns and cities. Volunteer SRC helpers deliver the orders to their homes the next working day, free of charge.



May

Coop Vitality now delivers prescription-only medicines

Medicines available only on prescription can now be easily and quickly ordered online from Coop Vitality. To use this free service, customers must first leave the original prescription at a Coop Vitality pharmacy, or use the prescription upload facility online. They can then order their medicines on the Vitality website.



June

New omnichannel platform Coop.ch

Coop launches the omnichannel platform Coop.ch. The new website merges the existing websites of Coop@home, Coop.ch and Mondovino. At the heart of Coop.ch is the holistic shopping experience, from planning to purchase. The new platform was named best online shop 2020 in the Digital Commerce Awards.



July

More than 1 200 vegetarian and vegan products in the range for the first time

Coop is continually expanding its range of vegetarian and vegan products and, since July, has carried more than 1 200 products certified with the SwissVeg V-Label on its shelves. This includes around 1 000 vegan products. The popular own-label brand Karma, which now comprises more than 300 products, is a key component of the varied range of vegetarian items. Following on from Zug, another Karma shop was opened in Bern in 2020.



August

Over 1 000 Prix Garantie products in the range
For the first time, there are over 1 000 products in Coop's Prix Garantie range of good quality, low-price products. By expanding this range, Coop is taking even greater account of the needs of all customer groups, in particular families.

Coop comes to the rescue of Alp Kohlschlag

This year, all of the proceeds from Coop's "1 August rolls" campaign are going towards the remodelling and expansion of Alp Kohlschlag in Mels, St. Gallen. The Coop Mountain Areas Sponsorship Programme is supporting the rehabilitation of the Alp with a donation of CHF 304 657.

September

"Coopzeitung Weekend" launches

The new "Coopzeitung Weekend" member press is published every Friday, in the Bund-mitte section of "20 Minuten", and covers exciting lifestyle and trend topics for the young and young at heart.

Transgourmet introduces new organic own-label brand Natura

Transgourmet launches Natura, a new organic own-label brand and introduces it at four national companies. With Natura, Transgourmet is reacting in a targeted and comprehensive manner to the organic trend and successfully setting itself apart in the market.

New "Inner Drive" sustainability campaign

The new "Inner Drive" campaign expresses Coop's dynamic approach to sustainability, placing the focus on Coop's 390-plus sustainable actions which lie at the heart of sustainability communication.



October

Face masks mandatory in all Swiss sales outlets

From 19 October 2020, face masks must be worn in all sales outlets throughout Switzerland, including all Coop Group stores.

Coop adds hydrogen trucks to its fleet

Coop is committed to innovative drive technologies in its fleet of trucks, and, as a pioneer, is adding 3 trucks with cutting-edge hydrogen technology and 2 gas-powered trucks to its fleet.

Innovative parcel packaging machine for Interdiscount and Microspot.ch

Coop commissions an innovative, fully-automated packaging facility, thus enabling more efficient and sustainable parcel dispatch from the logistics centre in Jegenstorff, for Interdiscount and Microspot.ch. The new system, which is able to prepare a customized shipping parcel for any product, will remove the need for fillers in future.

December

Coop exceeds CHF 5 billion with sustainable products

Coop generates record sales with sustainable products, breaking the 5 billion franc mark for the first time. Coop thus remains the undisputed number 1 in the field of sustainability in Switzerland.

Strategy and operating environment

With innovative ranges, the expansion of modern store concepts and new formats, Coop is making a statement which strengthens its position on the Swiss retail market. Coop is driving forward digitalization in all areas, is automating processes and is adapting its supply chain to new demands. In wholesale, Coop is working with Transgourmet to broaden its expertise and is expanding in its existing markets. Coop is committed to sustainability and verticalization in the production of strategically important goods and benefits from an efficient organization.

Profile of the Coop Group

Active in retail as well as wholesale and production

The Coop Group operates in the retail as well as wholesale and production sectors. In the retail sector, Coop operates supermarkets and various specialist formats in Switzerland.

The Coop Group is the market leader in many of these formats. In wholesale, the Coop Group operates in Germany, Poland, Romania, Russia, France, Austria and Switzerland through Transgourmet. The Transgourmet Group is Europe's second-largest cash & carry and food service company. In the production sector, the internationally active Bell Food Group is the biggest company in the Coop Group. In addition to the Bell Food Group, the Coop Group also operates other manufacturing companies in Switzerland.

The Coop Group is a cooperative

The Coop Group has a history that goes back over 150 years and it has always been structured along cooperative lines. At the organizational level, it is divided into six regions and has over 2.5 million cooperative members. For the Coop Group, the focus is on the customers - the members of the cooperative. It gears all its efforts to their needs. As a cooperative, the Coop Group does not strive to maximize profits; because of this, it plans sustainably for the long term.

Strategies and objectives

Aligned to the Corporate Profile

A shared vision, a shared corporate profile and company-specific mission statements shape the Coop Group's day-to-day work and corporate culture. Over 90 000 employees share the same Group vision: "Together to the top". The corporate profile is also the same for all sales formats and companies in the Coop Group. It expresses how we perceive our work: close, diverse, distinctive, innovative and partnership-oriented. The mission statements are set out for each company and each format individually and reflect its positioning in the sector and strategic focus. With their respective mission statements, the companies and formats make their contribution to the Group-wide vision and corporate profile.

Growth and internationalization

In terms of growth and internationalization, the Coop Group pursues two strategic thrusts.

In retail, efforts are focused on the targeted optimization of the network of sales outlets. This involves making adjustments to the ranges and launching new formats which pick up specific trends. Moreover, the Coop companies engage with digitalization to introduce new online shops and services, further expand the omnichannel offering and make processes more efficient. In this way, the Coop Group is strengthening its position on the domestic market. In wholesale, it is opening up new markets in Europe, thereby expanding the market position of the Transgourmet units. This can be secured both through organic growth and through acquisitions.

Verticalization

For goods of particular strategic importance, Coop is committed to verticalization, i.e. integrating manufacturing companies into its business activities. Whether meat from the Bell Food Group, water from Pearlwater, cereals from Swissmill or chocolate from Chocolats Halba/Sunray, integrating the manufacturing companies enables Coop to respond swiftly to new trends and exploit the synergies between the Retail and Wholesale/Production business areas. The business areas generally work closely together and exploit synergies in purchasing and logistics. Furthermore, the manufacturing companies produce products for retail and wholesale. The objective is to exhaust the available synergy potential, set the range apart with distinctive products, and attain even greater efficiency, which will translate into lower consumer prices.

Digitalization

Coop is pursuing two main strategic thrusts where digitalization is concerned. The primary purpose of digitalization must be to even better meet customers' individual needs and simplify the shopping process. At the same time, it should make behind-the-scenes processes even more efficient and economical.

Coop has devised a digitalization concept specifically for this, which is systematically geared towards customer service and is broken down into seven pillars. Topics such as "E-Business & CRM", "Category Management & Purchasing", "Communication", "Goods flow management" and "Logistics" as well as "E-back office" and "IT Infrastructure" are the priorities.

One cornerstone is the omnichannel approach, combining online and in-store trading. The Coop companies are among the leading Swiss companies in online trading. Besides the online shop coop.ch with its supermarket range, virtually all non-food specialist formats have their own online store. Goods ordered online can either be delivered to the customer's home or collected in person at the POS of the specialist format in question or at one of more than 1 100 pick-up stations (click & collect). Drawing on its wide network of POS, the Coop Group is systematically increasing the number of pick-up stations in Switzerland. In total, the Coop Group operates 40 online shops, 23 of those in retail and 17 in the Wholesale/Production business area.

As well as the omnichannel approach, Coop is also committed to the Microspot.ch e-business platform, which is the Coop Group's non-food platform. This Swiss online shopping portal brings together national and international wholesalers as distributors, and sells an extensive, diverse range of non-food products. Microspot.ch also has products from the Coop Group's non-food formats, including Coop Building & Hobby, Import Parfumerie and Christ Watches & Jewellery.

Digitalization provides lots of opportunities to open up new markets. Coop is also driving the development of innovations, as a main partner of Digital Switzerland and with Kickstart Accelerator – the digital innovation hub for start-ups.

Purchasing strategy

The aim of Coop's purchasing strategy is to secure access to raw material sources and safeguard the high quality of those sources. In Switzerland, Coop is committed to long-term partnerships with Swiss agriculture. Purchasing regional and local products, as well as organic products, is an important aspect of this. Sustainability is a key element of purchasing, both at home and abroad. Working with producers in emerging and developing countries in particular, Coop is implementing a multitude of projects which involve high social responsibility and environmental standards. The projects also stabilize income and production in those countries. The Coop Group handles the purchasing of food and non-food products in Asia via its subsidiary Eurogroup Far East Ltd. The branches in Hong Kong, Shanghai, Delhi and, since spring 2020, in Ho Chi Minh City enable the Coop Group to safeguard and enforce all the quality specifications on the local market, and to support business partners in the Far East in implementing environmental and social standards. Coop subsidiary Alifresca is responsible for purchasing fruit and vegetables in Spain and Italy. As well as providing customers with quality assurance, Alifresca also delivers the goods to all of the Coop Group's distribution points throughout Europe, ensuring the right quantities reach each market. Alifresca's Food division has expanded the purchase and delivery of cheese from Italy and integrated more product lines, such as panettone. Agecore, the internationally renowned purchasing alliance in Europe formed to promote the development of cross-border activities in the retail sector, is also seeking to create additional synergies in purchasing. Both nationally and internationally, Coop is committed to long-term partnerships with its suppliers, with whom Coop is optimizing the supply chain and exploiting synergies.

Quality management

For 115 years, Coop has been operating laboratories in order to satisfy stringent product quality requirements. Taking a risk-oriented approach, the laboratories test products at every stage of the product chain for compliance with the statutory quality and safety requirements, as well as industry standards and the relevant norms. Business partners of Coop and Coop's employees also play a crucial role in quality assurance. Coop selects reliable business partners who satisfy the quality requirements and whose manufacturing processes are certified to international standards. There are inspection concepts in place for own-label brands and officially recognized labels which serve to guarantee compliance with the relevant requirements. As well as its own inspection activities carried out by quality assurance experts, Coop also works with independent inspection agencies.

Goal-setting process

To ensure that long-term strategies give rise to effective measures each year, the Coop Group has, since 2001, had a uniform, top-down goal-setting process in place. Every year, it defines key objectives that apply to the Group as a whole. Based on these goals, concrete measures are developed right down to the operational levels. With a view to the continuous further development of its sustainability commitment, the Coop Group has set multi-year targets for all divisions covering the three pillars of its sustainability concept.

Economic and political environment

Retail in the shadow of the corona pandemic

Swiss retail was dominated by the coronavirus pandemic in 2020. The Federal Council's decision to close all non-food stores from 17 March 2020 to 10 May 2020 and to restrict the range to essential goods caused sales to plummet. After recovering in the ensuing months, in the autumn and winter retail took another hit with the arrival of the second coronavirus wave and renewed closures of non-food sales outlets as well as curbs on the catering segment in some cantons. This took a severe toll on restaurants and hotels and, to some extent, sales of the non-food formats declined. The food stores were able to stay open throughout the year and, overall, recorded pleasing growth in sales. The food sector benefited from the selective travel restrictions, which curbed shopping tourism, and from widespread homeworking, which reduced the amount of food that people consumed outside the home.

Commitment to the circular economy

In the year under review, the circular economy became even more relevant. A number of political initiatives introduced measures to promote the conservation of resources, the lifespan of products, and the collection and recycling of packaging. Coop takes its responsibility to close loops seriously, and is making particularly concerted efforts in the area of packaging. Among other things, Coop has established a coffee capsule collection service (for aluminium capsules) and begun testing new, environmentally-friendly packaging solutions. It is important to involve and collaborate with the entire value chain in these endeavours, from production and sales to collection and recycling, and to take a coordinated, international approach. Coop is committed to Swiss Recycling's circular economy platform, which brings together the relevant stakeholders to take concerted action.

Agricultural policy 2022+

2020 saw intense parliamentary debate about the future political parameters for agriculture. As well as the dispatch on agricultural reform from 2022 onwards, reducing the use of pesticides was another key issue on the political agenda. This is particularly pertinent in light of the upcoming referenda in 2021 on two initiatives seeking to reduce or prohibit outright the use of synthetic pesticides. Coop believes that action needs to be taken on pesticides. Therefore, among other things it has backed the enshrinement of a binding reduction schedule for pesticides in the Agriculture Act. Furthermore, as part of a broad alliance of producers, processors, and environmental organizations, Coop has pushed for a swift debate on the agricultural reform bill, which is intended to take account of consumers' changing expectations of the farming and food industries.

Strong inner drive for sustainability

Sustainability is part of Coop's corporate DNA and imbues all its relevant strategies. The focus is on sustainable products, environment and climate protection as well as commitment to employees and society. Coop's approach to sustainability management is key to a sustainably successful future.

Strong awareness of sustainability

After 30 years of strong commitment to sustainability, it has become a major part of Coop's corporate DNA. The Coop Group has enshrined sustainability in its Articles of Association, its Corporate Profile and its missions and integrated it into all relevant strategies and processes. To give one example, sustainability targets are systematically incorporated in the comprehensive target-setting process, the training of employees and in operating processes and procedures.

Through its comprehensive approach to sustainability, the Coop Group seeks to set itself apart by delivering added value in the various markets, securing access to resources and making sustainability a shared value throughout the Coop Group. By doing this, Coop also ensures that the growing demands made by society and politicians are implemented efficiently and credibly throughout its business activities, thus making a contribution to the wider public interest.

Coop's main reporting channels for its numerous sustainability-related measures are the Coop Member Press, the new 'Coopzeitung Weekend' member press, the Internet platform actions-not-words.ch and the integrated Annual Report of the Coop Group. A Sustainability Progress Report is published annually. Sharing specific information, the report provides a detailed insight into Coop's commitment to sustainability and the percentage of attainment of its multi-year sustainability targets.

Holistic and highly relevant

Coop's sustainability efforts are concentrated on areas in which Coop can achieve significant leverage. These areas are determined by internal analyses and have high social, environmental or economic relevance. When setting priorities, Coop draws on many different tools such as range screening, life assessment cycles, risk monitors and stakeholder dialogue. Societal expectations and political demands are also major factors when choosing priorities.

The key areas are reflected in Coop's Sustainability strategy concept, which describes how the issue of sustainability is managed at Coop and how sustainability is holistically integrated within the existing management system. The strategy concept is based on three pillars (Sustainable Products, Environment and Climate Protection, and Employees and Social Commitment), which in turn build on the foundation, the strategic basis. The three pillars represent the starting points that the companies of the Coop Group integrate into their business activities. All these elements come together to enable us to successfully implement the sustainability targets, yielding success for the company and benefiting the common good.



The strategic basis

Coop is a cooperative and promotes the economic and social interests of its members and its consumers. Economic, environmental and ethical principles secure the cooperative's competitiveness and continued existence. Sustainability is also pivotal to our Vision 2025+, in which Coop sets itself apart from its competitors through sustainable products and its commitment to sustainability projects. The guiding principles of sustainability also contribute to this distinctiveness: they determine which principles apply to the implementation of overarching objectives and are used for internal communication throughout the Coop Group.

Pillar 1: Sustainable products

Coop is committed to observing ambitious minimum requirements along the whole value chain, in all product ranges. In addition, Coop is involved in pioneering sourcing projects and long-term partnerships to promote organic farming, fair trade, animal welfare and biodiversity. The own-label sustainability brands and quality seals play an important role here, being the medium through which Coop sets itself apart with the most stringent standards in Swiss retail. Coop promotes sustainable consumption, with conscious range selection, targeted customer information and a variety of advertising activities.

Pillar 2: Environment and climate protection

The efficient use of resources and energy also contributes to cutting costs. Coop's efforts focus on reducing energy consumption and making increased use of renewable energy, as well as the consistent implementation of the "CO₂-neutral by 2023" vision, which was adopted back in 2008. Coop has defined a reduction schedule, and the implementation is still on track thanks to its own defined measures and targets. Other important topics are packaging optimization, waste avoidance and recycling, logistics and goods transport, and water management, hydrogen technology and sustainable construction. Coop is making special efforts to optimize packaging, an area in which it is committed to the responsible use of plastics.

Pillar 3: Employees and social commitment

Pillar 3 covers Coop's commitment to employees and social projects with relevance to society. As an employer, Coop provides training for apprentices, a standardized, progressive collective employment agreement for the whole of Switzerland, and a generous pension scheme. By supporting the organizations "Schweizer Tafel" (Swiss Table) and "Tischlein deck dich" (Table Be Set), Coop makes a substantial contribution to the responsible use of foodstuffs. Another key aspect is our commitment to Coop Aid for Mountain Regions and our collaboration with strategic partners such as the Swiss Red Cross (SRC).

Coop Sustainability Fund

Coop finances projects from all three pillars through the Coop Sustainability Fund. Customers experience the result of these projects, not just in Coop's range but when doing their daily shopping. Promotions and events for employees and the public are a direct expression of the Fund's innovative solutions to key social and environmental issues. Through pioneering work in the area of sustainability, Coop raises public awareness of sustainable consumption. The Coop Sustainability Fund currently has access to funds of at least 16.5 million francs a year to implement such projects.

For information about projects run by the Coop Sustainability Fund, visit:
www.actions-not-words.ch/fund.

Strategic anchoring in wholesale and production

All companies of the Transgourmet Group as well as the main Coop manufacturing companies have their own sustainability strategies. The strategies are geared towards Coop's Sustainability strategy concept and each take account of the specific concerns as well as the realities of the relevant markets.

Overarching topics in the area of sustainability

The companies of the Coop Group continued their impressive track record on sustainability in the year under review. Below, we discuss selected sustainability projects. News on sustainable projects from the individual business areas is assigned to the respective chapters.

New "Inner Drive" sustainability campaign

In October, Coop launched the new "Inner Drive" campaign, which expresses Coop's dynamic approach to sustainability and places the focus on Coop's 390-plus sustainable actions which lie at the heart of sustainability communication. The campaign is being publicized throughout Switzerland, via the digital and print channels used for marketing and corporate communication. Coop's "Actions, not words" sustainability initiative, with the eponymous platform www.actions-not-words.ch, also relays our diverse commitment to sustainability along with all the background on the subject of sustainability.

Coop redoubles efforts to reduce plastic in packaging

Coop has been committed to reducing plastic since 2012 and, step by step, is implementing alternatives. In 2020, Coop achieved two more key milestones. Each year, around 182 tonnes of plastic are saved by no longer providing the plastic disposable cutlery that was routinely included with take-away salads, muesli and bowls, and no longer giving out free plastic disposable cutlery at the checkouts. Having abandoned plastic disposable cutlery, we have been able to optimize the packaging of take-away salads and muesli, enabling Coop to save a further 14 tonnes of plastic. Greater use of recycled materials is another major milestone. All PET bottles for Swiss Alpina mineral water (1 L, 1.5 L, 50 cl) are made entirely from recycled Swiss PET bottles. This totals 24.5 million bottles each year, and means that Coop is closing the bottle loop in Switzerland and saving around 450 tonnes of plastic. For more information about reducing plastic at Coop, visit: www.actions-not-words.ch/packaging.

Best Swiss retailer in the WWF Palm Oil Scorecard

Coop emerged as the best Swiss retailer in the WWF's Palm Oil Scorecard. Its Vision for Palm Oil, which it adopted in 2018, marks a huge stride forward and Coop now exclusively uses Bio Suisse-certified palm oil from rigorously sustainable production in its own-label foods. Where it makes sense to do so, palm oil is replaced with other oils and fats, with preference given to products from Switzerland such as rapeseed or sunflower oil. If other tropical oils or fats such as coconut oil are used, they must come from Fairtrade, Bio-Suisse or Rainforest Alliance-certified production. At present Coop uses palm oil in around 1 000 own-label foods. In principle, Coop's Vision for Palm Oil is to be implemented by the end of 2021. This is unique in global retail and further underscores Coop's pioneering status in sustainability. Transgourmet is also taking responsibility and, in future, will no longer use palm oil in selected products.

Innovative hydrogen-powered trucks and transporting goods by rail

Sustainability in logistics is, and will remain important to Coop. In 2020, Coop added the first seven mass-produced hydrogen-powered trucks to its fleet. Coop.ch also uses environmentally-friendly trucks as its delivery vehicles. Furthermore, over 45% of Coop's fleet of trucks are fuelled by biodiesel from organic waste, such as used cooking oil, from Switzerland. With its subsidiary Railcare, Coop is successfully rolling out the concept of unaccompanied combined transport (UCT) which, since 2011, has enabled more and more goods to be transported by rail. This involves transporting the goods to the nearest rail hub in swap bodies and transferring them to trains. The freight containers are transported from the destination rail hub to the points of sale by road. There was another sharp increase in rail freight in 2020. Overall, over five times more goods were carried by Railcare than in 2010, saving 66 600 tonnes of CO₂.

Transgourmet Österreich becomes CO₂-neutral

Guided by the motto "Avoid, Minimize, Offset", Transgourmet Österreich rounded off its wide-ranging sustainability drive and offset currently unavoidable CO₂ emissions of 12 629 tonnes of CO₂ in 2020 through a climate protection project. Transgourmet Österreich selected the following project for this purpose: the gold standard Godawari Power climate project project, which supplies biomass from rice husks for electricity generation, as a substitute for fossil fuels..

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Retail Business Area

With Coop.ch, Coop is revolutionizing its digital presence and adding even more sustainable and inexpensive products to its already extensive range. Comprehensive measures are needed in all areas to tackle the Covid pandemic, which has seen demand surge at online shops.

Coop's retail business was greatly impacted by the Covid pandemic during the year under review. On 16 March, the Federal Council ordered all non-food formats and restaurants to close, and restricted ranges in supermarkets. Over 1 000 sales outlets had to close and more than 13 000 employees suddenly found themselves unable to perform their usual activities. At the same time, demand in supermarkets and at the online formats surged, placing severe demands on employees at the sales outlets, as well as processes in the background. Employees in the supermarkets and in other areas showed tremendous dedication in rising to this challenge. During lockdown, they received support from their colleagues in the temporarily closed trading formats, the catering and restaurant business, and wholesale. This show of solidarity will long be remembered. At this difficult time, it was imperative both to protect employees and to safeguard the security of supply of foods and essential goods.

In 2020, the Coop Group generated net sales of 19.1 billion francs in Retail, and its extensive network of supermarket sales outlets and their proximity to customers proved a tremendous asset. To some extent, the non-food formats were able to offset sales lost during lockdown with record sales at their own online shops.

Sales formats and range

In the Retail business area, the Coop Group operates supermarkets as well as numerous specialist formats for every customer need. At the end of 2020, it had 2 349 sales outlets throughout Switzerland, which is X more than the previous year. Coop also boasts a wide range of online shops and systematically combines online and offline trade (omnichannel). Almost all of Coop's specialist formats now have their own online shops in addition to their brick-and-mortar stores. The 24 online shops in the retail segment in all achieved growth of 35.7% in 2020 compared with the previous year.

19.1 CHF billion
net sales in retail

Coop attaches particular strategic importance to its sustainable ranges. In 2020, Coop's retail sales from sustainable products totalled an encouraging 4.8 billion francs, which was up 14.5% over the previous year (for details see www.coop.ch/sd-report). Sales of organic products alone came to 1.7 billion francs, which is an increase of 14.2% year on year.

Supermarkets and food formats

The Coop supermarkets generated net sales of over 12 billion francs in 2020. Coop once again gained many new customers and significantly increased its market shares. With 944 stores, Coop has the densest network of sales outlets in Switzerland. In the 2020 financial year, 22 new sales outlets were opened and 10 closed. Coop implemented the new store concept 2025+ in a total of 51 supermarkets in 2020, bringing the total number of new-style supermarkets to 157.

Covid safety measures in sales outlets

Protecting employees and customers is Coop's top priority. The safety concepts which Coop was quick to develop proved effective in practice and became routine. In the entrance area, posters reminded customers of the requirement to wear face coverings. Disinfectants and disposable gloves were also available at the entrance. Daily cleaning of various surfaces, such as shopping trolleys, was stepped up. In the checkout area, plexiglass screens, floor markings and posters kept everyone safe. In addition, Coop used in-store radio to remind customers to maintain social distancing and wear a face mask. Employees protected themselves and everyone else by wearing their face coverings correctly.

Customers overwhelmingly grateful to sales staff

Buoyed up by words of encouragement and an outpouring of gratitude from customers, staff at the sales outlets went above and beyond during the Covid pandemic. Employees were very touched by the solidarity shown by customers, who wrote lots of letters and created many collages and drawings.

Coop.ch wins Digital Champion Award 2020

To further improve the shopping experience, Coop launched omnichannel platform Coop.ch. The new website merges the existing websites of Coop@home, Coop.ch and Mondovino. At the heart of Coop.ch is the holistic shopping experience, from planning to purchase. Now, for instance, customers can write a shopping list and retrieve it on the new Coop app in store. From now on, the availability of all products and promotions will be shown in any branch of choice in real time. Customers can link the new platform to their Supercard account and take advantage of all the benefits of the extensive customer programme. The Click & Collect service also enables customers to conveniently order the products they want from home and collect them from 350 sales outlets. The website impressed the jury in the Digital Commerce Award, which named Coop.ch Digital Commerce Champion and, therefore, the best online shop in 2020.

Product range diversity

As well as stocking the biggest selection of national and international branded products, Coop also stocks numerous own-label brands for every customer need in all its sales formats. In food retailing alone, with over 40 000 products in the food and non-food segment it offers the greatest product range diversity in Switzerland. As well as own-label sustainability brands and quality labels, Coop also stocks other own-label brands that cover diverse customer needs and offer optimum value for money.

Flow of goods and maintaining optimum stock levels during the COVID-19 crisis

The Covid crisis triggered an unprecedented run on the food sales formats. Every day, the crisis team set up to manage the flow of goods had to anticipate the constantly changing situation with regard to purchasing, national and international logistics capacities, and sales-based ordering for the branches. Sometimes, radical and unconventional measures had to be taken at very short notice. To cope with the huge additional volumes of leader items, Coop created brand-new logistics platforms and put a temporary freeze on part of the range at the Wangen distribution centre. Although it wasn't always possible to completely avoid gaps in the range, Coop was generally able to assure deliveries of a wide array of items to the sales outlets at all times. Coop continuously fulfilled its federal mandate of supplying the population with food and essential goods.

Expansion of vegan and vegetarian range

Coop is continually expanding its range of vegetarian and vegan products. There are now more than 1 200 products certified with the SwissVeg V-Label on Coop's shelves. This includes around 1 000 vegan products. The popular own-label brand Karma, which now comprises more than 300 products, is a key component of the varied range of vegetarian items. In addition to the naturally vegetarian Karma products, Coop also stocks a wide range of vegetarian and vegan cheese, milk, meat and fish alternatives. At the start of 2020, Coop became the first retailer to launch the popular pea-based chicken alternatives of Zurich's ETH start-up "planted". Other all-plant highlights in the range include The Green Mountain Burger, tuna fish substitute Vuna, a tartar, and raclette and meatloaf for baking at home.

Switzerland's best plant-based burger

The Green Mountain Burger was inspired by the natural beauty of the Swiss mountains. It was developed and produced by Bell subsidiary Hilcona, in Landquart, Graubünden. The burger, which was launched in

April 2020, quickly made it to the top 5 of all plant-based alternatives in Coop's range. The Green Mountain Burger is made from yellow split peas and is convincingly similar to an original meat burger in appearance, consistency, and taste. It is therefore no surprise that, in October 2020, The Green Mountain Burger was named by the Kassensturz consumer protection TV programme as Switzerland's best plant-based burger.

Successful organic range and closer cooperation with Bio Suisse

Coop achieved further exceptional growth with its organic products in 2020. Sales of the Naturaplan organic own-label brand grew by 15.8% to 1.5 billion francs. In total, the Coop Group generated sales of 2 billion francs from organic products; in retail sales, Naturaplan products already account for over 13%. This makes Coop the undisputed market leader in Switzerland. The Covid crisis highlighted a growing desire among customers for the most natural and healthy foods possible. Due to the closure of restaurants, customers were preparing more of their meals at home, and seeking out natural and healthy foods with which to cook. Coop launched more than 150 new Naturaplan products in 2020, such as yoghurts and iced teas with no added sugar, wood-fired Butterzopf braided loaves, and new Demeter products such as olive oil, breads, and dried tomatoes. Coop has set itself the goal of achieving above-average growth and attaining organic sales of CHF 2.5 billion by 2025. Since the launch of own-label organic brand Naturaplan in 1993, Coop has adhered fully to the bud label awarded by Bio Suisse, whose guidelines are among the most stringent in the world. The enduring, successful collaboration between Coop and the Bio Suisse organization was renewed and consolidated in 2020, with the shared goal of greatly advancing the organic market in Switzerland over the next few years.

Extending cooperation with IP-Suisse

At the end of February 2020, Coop informed Naturafarm pork producers that responsibility for maintaining the guidelines for this own-label animal welfare brand was being handed over to the farming organization IP-Suisse. The new guidelines set more stringent requirements for biodiversity and sustainability. The products will continue to be sold under the Naturafarm own-label brand. Coop used this partnership as an opportunity to step up its sustainability in other areas, and is switching a variety of Swiss Qualité & Prix products, such as milk, cream, flour, bread and sugar, from conventional to integrated production. These products bear the ladybird symbol, which is the IP-Suisse quality label that is synonymous with added value that includes: products that are entirely of Swiss origin, efforts to promote diversity, avoidance of pesticides whenever possible, and the careful use of resources.

OWN-LABEL SUSTAINABILITY BRANDS AND QUALITY LABELS



OWN-LABEL TARGET GROUP BRANDS



OWN-LABEL STANDARD BRANDS



→ This list is a selection of the key own-label brands and quality labels.
For more information about Coop own-label brands, visit www.coop.ch/labels

Prix Garantie range expanded

Coop increased the Prix Garantie range to around 1 000 items during the year under review. The new products are from all areas of the range: from apple spritzer and hummus to pesto and Zopf flour (a special flour used e.g. for plaited loaves). New items such as fajitas and avocados provide inspiration for family meals, and products such as falafel burgers and soya milks are suitable for vegetarian and vegan diets. Prix Garantie is therefore far more than just a basic range. All products must live up to the range promise: Prix Garantie is a range of good quality, low-price products. By expanding this range, Coop is taking even greater account of the needs of all customer groups, in particular families, and offering an increasingly diverse range of products at low prices. The packaging relaunch for existing Prix Garantie products is also under way, with new packaging that boasts an attractive culinary design with a premium look.

Disposable face masks and fabric masks at Coop

Even in the early days of 2020, the Covid pandemic triggered increased demand for face masks. Procuring and transporting disposable face masks proved challenging. Coop's priority was to maintain high quality and social standards in production. Thanks to reliable partners and agile logistics, Coop was able to guarantee constant product availability. Coop was the first retailer to stock fabric masks and, since August, customers have been able to buy EMPA-tested and certified fabric masks. Customers benefit from an attractive and varied range that represents very good value for money.

On track for success with flavoured mineral water

With growth of more than 50% nationwide, flavoured waters are the fastest-growing product group in the beverages category. They account for a market share of 17% of the mineral water market, and that figure is rising fast. The Coop Naturaplan own-label brands, which include lemon, mint, and cucumber flavours, are the leading flavoured sparkling waters in Switzerland. To build on this success, in 2020 Coop launched a Swiss Alpina Plus line alongside Naturaplan which, with raspberry and elderflower flavours, offers an intense taste experience. The mineral waters produced by Coop's own Pearlwater manufacturing facility in Termen (Valais) now account for more than 6% of total retail sales, and this percentage is also rising.

Coop is committed to lower consumer prices

In 2020 Coop remained committed to low consumer prices. Coop has reduced the prices of over 1 000 products in several price-cutting rounds. These include branded articles and own-label brands, such as in the Prix Garantie range plus fruit and vegetables. In the year under review, Coop invested 145 million francs in lower sales prices. Coop announced all of the price adjustments in the Coop Member Press.

Highlights from the food formats

The table below lists the highlights during the year under review, along with a factsheet on each specialist format. For more information about the Coop Group's specialist formats, visit www.coop.ch/einkaufen.



The Coop supermarkets have the densest network of sales outlets in Switzerland

- Safeguarding the security of supply in the face of the Covid challenge
- Rapid implementation of the COVID-19 safety concepts
- Strong gains in market share
- A high level of customer satisfaction and onward recommendations
- Positive customer feedback with a modern rating tool for branches
- Growth in the sustainable, vegetarian/vegan and organic range
- Expansion of Prix Garantie range
- Expansion of IP-Suisse range
- Another 51 branches remodelled according to the new store concept. At the end of 2020, 157 branches had been remodelled.
- 22 new sales outlets opened
- Product scanners using customer's own smartphone available in all branches



The number one in the Swiss convenience market

- Expansion: Five new filling stations with Pronto shops
- Reopenings: Six shops after major refurbishments
- Customers/customer satisfaction: Coop Pronto's "For Fresh, Fast Food" concept proved itself very well during the coronavirus period too.
- Freshness strategy: Coop Pronto supplies around 60 shops with additional "freshly made with love" sandwiches directly from one of two production facilities.
- Reusable cups: Coop Pronto introduced a "coffee to go" reusable cup. Customers who bring their own reusable cup benefit from 5x Superpoints when purchasing a hot drink.
- Sustainable convenience: Coop Pronto bans single-use plastic cutlery from its convenience packaging. Customers are now offered sustainably produced reusable cutlery.
- One third of the shop network already has the new design: around 105 stores are already equipped with the new look



Coop to go offers exclusive take-away products not available in any other Coop format

- 10 out of 19 branches shut during spring lockdown
- Sales on a rising trend again post-lockdown
- St. Gallen City is the 20th branch and opens on Marktplatz in Bohl in November

<p>Coop.ch</p>	<p>Omnichannel platform with the biggest selection and personal delivery to your front door</p>	<ul style="list-style-type: none">• Sales more than double during lockdown• Sharp rise in new customers, particularly people working from home• Range of Top 100 products created during the Covid pandemic, for more rapid availability of items (in partnership with Galliker Transport AG)• coop@home becomes Coop.ch: omnichannel shop with numerous features and functions• Significant customer growth thanks to balanced range and impressive, intuitive new shop• Range now comprises 17 000 items, including a big wine range with more than 2 000 different wines• Award for Coop.ch: Switzerland's Best Online Shop at the "Connect - Digital Commerce Conference" in Zurich
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	<p>The format for artisanal food, regional products and sustainability</p>	<ul style="list-style-type: none">• Covid takes a heavy toll on artisanal food format FOOBY; the sales outlet is closed during lockdown• Growth in working from home causes a decline in customer footfall• Thanks to customer proximity and feedback, ideas can be quickly implemented and innovative solutions developed in the concept store• Core business remains the range of products freshly made in-store• Expansion of regional product range and of expertise in vegan and vegetarian alternatives• Creation of new terrace for consumption of food in situ, in response to a lot of customer feedback
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	<p>The trendy store format for vegetarian and vegan products</p>	<ul style="list-style-type: none">• Slight decline in customer numbers due to Covid pandemic• Range continually expanded with new vegetarian and vegan products, fresh salads, sandwiches and smoothies made on the premises• Second Karma store opens on Neuengasse in Bern in June• Trial of Greenbox concept: freshly prepared salads and muesli are sold in reusable packaging. The customer pays a CHF 5 deposit, which is refunded when they return the bowl to the point of sale.
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	<p>Coop's Italian delicatessen store</p>	<ul style="list-style-type: none">• Three out of five branches closed during spring lockdown; customer footfall declined• Sales trend rising again• Range continually being expanded with lots of Italian specialities and delicacies, fresh focaccia, insalata or panini made on the premises• Sapori Circle, the sixth store, opens in November at Zurich Airport
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Culinary treats every day, at fair prices

- Closure of Coop Restaurants during lockdown
- 1 500 Coop Restaurant employees swiftly and successfully deployed in sales, logistics and manufacturing
- Significant market share gains compared with main competitors
- More new plant-based products, such as Planted Chicken, jackfruit etc.
- Launch of customer satisfaction survey via Supercard app
- Roll-out of new take-it concept
- Liquid waste measurement in all restaurants to reduce food waste
- Pilot of anti-food waste app Too Good To Go



The refreshing host at busy locations

- 400 Marché employees swiftly and successfully deployed in sales, logistics and manufacturing at Coop
- Complete revamp of Marché café and Marché take-away at Zurich Airport
- New Marché take-away opens at Würenlos shopping service area
- Complete revamp of Marché café in Bursins (formerly Zigolini Café)
- Guest areas in Martigny and Gunzgen Süd extensively refreshed and upgraded
- Marché filling station shop in Glarnerland remodelled
- Remodel of all Burger King franchise branches
- Opening of the 4th Zopf & Zöpfli outlet in Letzipark shopping centre



Switzerland's number one for cooking and indulgence

- Successful launch of "Betty cooks with you!" recipe initiative after the start of lockdown: 120 recipe books containing over 12 000 recipes available free online
 - E-commerce business (recipe books and kitchen aids) and magazine subscriptions perform very well.
 - Successful start to cooperation with digital customer service solution Guuru, with sharp rise in customer enquiries during lockdown.
 - Development of over 1 000 food products for all Coop own-label brands
 - Launch of "Glutenfrei leben" (Gluten-free Living) magazine, with gluten-free recipes and a wide array of topics relating to carefree living without gluten.
 - Launch of a world first: the click-by-click biscuit press
 - Launch of "Gesund abnehmen" (Lose weight the healthy way) app, with tasty recipes for easy calorie tracking at home and out and about.
 - Development of over 1 000 recipes for Fooby and Little Fooby
-

Non-Food specialist formats

During the lockdown, from 16 March to 27 April, all non-food specialist formats had to close. Over 1 000 sales outlets and more than 13 000 employees were affected. Immediately after the closure of the sales outlets, Coop set up an internal job centre to arrange work for the staff from the non-food formats in the sales outlets, logistics and manufacturing. This unparalleled solidarity enabled us to cope with the challenges of the supermarkets that remained open, as well as logistics and manufacturing. In November and December, the cantons of Geneva (from 2 to 23 November), Solothurn and Aargau (from 27 December) again closed sales outlets with non-food products. Thanks to the already well-established omnichannel strategy, the loss of sales in physical stores suffered by the individual formats was, to some extent, cushioned by the sharp rise in sales of the respective online platforms. Thus, despite the closures, the non-food formats generated net sales of over 7.2 billion francs and succeeded in further increasing their market shares. Coop remains a strong presence in home electronics. This segment includes the specialist formats Interdiscount, Microspot.ch, Dipl Ing. Fust and Nettoshop.ch. In 2020, the net sales of the four formats totalled around 2.1 billion francs, which is an increase of 41 million compared with the previous year. Consequently, the Coop Group was also able to strengthen its market leadership in this area.

Non-food staff deployed in supermarkets during lockdown

The lockdown ordered by the Federal Council resulted in the closure of the non-food formats for 8 weeks from 16 March 2020. Only the Coop Vitality pharmacies remained open, maintaining their daily commitment to customers' health. Owing to the closure of the sales outlets, thousands of staff were redeployed in other areas of Coop, such as the supermarkets, logistics, and customer service. By pulling together, throughout this challenging time Coop continued to fulfil its mandate of providing the population with basic supplies across all formats. The health and safety of employees and customers were paramount at all times. On 27 April 2020, Building & Hobby markets very successfully resumed trading, followed by the remaining non-food formats on 11 May 2020.

Strong demand for online shops during Covid

Thanks to heightened demand, the online shops of the trading formats set new records in recent months, particularly on Black Friday/Singles Day. At Building & Hobby, orders quadrupled in the space of one week in spring. With people working from home, Interdiscount experienced increased demand for computers, laptops, headsets etc. and Microspot.ch recorded an increase in all areas of the non-food range after the stores closed. The new logistics platform in Jegenstorff enabled the increased order volume to be accommodated. At Livique and Lumimart, online sales rose steadily from the start of lockdown, exceeding the previous year four or fivefold. Import Parfumerie recorded a record number of orders on Easter Monday. Although the Coop Vitality pharmacies remained open, customers placed far more orders than usual in the online shop. At The Body Shop, hand soaps and hand creams were the biggest sellers, and in some instances were responsible for a fourfold increase in online orders from March onwards. In the first week of April, Christ Watches & Jewellery shone, with record orders leading to a dazzling result. Thanks to the new automated warehouses in logistics, Dipl.Ing. Fust AG fulfilled the very high number of customer orders on a daily basis. As Switzerland's biggest online retailer of household appliances, Nettoshop reflected the spirit of the times during the Covid crisis, enjoying very high customer demand.

Rebranding: Livique making good headway

Livique has performed very well in recent years, with growing sales and market shares. Its repositioning and rebranding has established Livique as a modern, inspirational furnishing provider in the mid-price segment. The Covid crisis has heightened the need among customers to make themselves comfortable at home and invest in an attractive living environment. Thanks to telephone consultations and a huge surge in online sales, Livique's sales held steady at a high level during lockdown, and increased at a fast pace once the stores re-opened. One year after its rebranding, the still-young Livique brand has achieved considerable recognition, which was boosted further in 2020. The larger range of customizable furniture and the expansion of the Etoy and Heimberg locations have kept Livique on an upward trajectory.

Coop Vitality now delivers prescription-only medicines

Medicines available only on prescription can now be easily and quickly ordered online from Coop Vitality. An option not previously available for prescription medicines, this has now been an option for the past year thanks to the online mail-order pharmacy. To use this free service, customers must first leave the original prescription at a Coop Vitality pharmacy, or use the prescription upload facility online. They use their online account on the Coop Vitality website to then easily order their medicines. Repeat orders can be placed at any time. Subject to availability, online orders received before 11.30 a.m. are delivered by post to the customer's home one to two working days later.

Sustainable parcel packaging machine for Interdiscount and Microspot.ch

An innovative, fully-automated packaging facility enables more efficient and sustainable parcel dispatch from the logistics centre in Jegenstorf. The new system, which is able to prepare a customized shipping parcel for any product, will remove the need for fillers in future. The 24 metre-long and 16 metre-wide machine processes up to 600 parcels, packaging them all in sustainable recycled cardboard. Now, the only manual action is placing the items on the feed belt to the packaging machines; all the other processes are automated. The finished parcels are carried on a conveyor belt via a parcel chute to the loading area. Coop chose a regional manufacturer as its partner for this innovative system. The packaging machine was put into operation in autumn 2020.

Fust Group biggest provider of household appliance servicing

With more than 500 service professionals employed by the Fust Group (Fust, Service7000, Schubiger Haushalt) making visits to customers on a daily basis, Fust is the biggest Swiss provider of installation services and servicing for household appliances. Fust primarily serves private customers, with appliance deliveries and repairs throughout the home which cover the whole range of household and multimedia appliances, as well as complete kitchen and bathroom remodels. The services provided by Service7000 and Schubiger Haushalt are geared to the specific needs of property managers and the rental properties they look after. Continuing Fust's commitment to digitalization, a proprietary Internet portal, along with a handy smartphone app for quick service reports further simplify customer interaction.

Highlights from the Non-Food specialist formats

The table below lists the highlights during the year under review, along with a factsheet on each specialist format. For more information about the Coop Group's specialist formats, visit www.coop.ch/einkaufen.



Number one in the Swiss consumer electronics market

- Covid-related closure of sales outlets during lockdown
- Strong online growth of 40.4% due to lockdown
- 50th anniversary celebrated with attractive customer offers
- High customer satisfaction increased
- 3 new stores, 6 remodels
- Launch of attractive flat-rate mobile package with Coop Mobile Plus
- Nationwide launch of same-day delivery with "Annanow"
- Further expansion of logistics services thanks to extended logistics facility, new packaging machine, and parcel chute



Switzerland's online shopping centre

- Up to fourfold increase in sales during lockdown
 - Market position further consolidated
 - Number of purchasing customers increased
 - Ever-growing range now comprises around 500 000 items
 - Reopening of showroom at Zurich main station in a new location, with a new look
 - New, fast contact option introduced for customers, using Spoty chatbot
 - E-commerce logistics expanded with new packaging machine
-



The second-largest department store chain in Switzerland

- Covid-related closure during lockdown (except food)
- Further gains in market share
- High level of customer satisfaction according to market research
- High level of customer acceptance of self-service checkouts for cosmetic and personal care products
- Integrated Coop-to-go branch opened in Coop City St. Gallen
- New “Bellacasa” store concept implemented in Au Centre Lausanne and Coop City, St. Gallen
- New ceiling concept, enhanced customer-friendly checkouts in Non Food and new cloakroom concept in St. Gallen successfully implemented



Switzerland’s leading building supplies store

- Covid-related closure of sales outlets during lockdown
- Strong growth of 88.3% in online business
- Expansion of online dispatch logistics
- Market leader in DIY stores
- Market share expanded
- Increase of 16% in Oecoplan sales
- 100% of Christmas trees from Switzerland
- Pilot of machinery hire
- Intensified social media activities, launch of Building & Hobby Instagram channel
- Winner of the Digital Commerce Award with “Best Feature” (location and shelf-specific product localization)
- Opening of Oftringen combined store
- Roll-out of modern online customer ordering option with expanded range in all sales outlets
- Launch of immediate delivery from 18 sales outlets
- Further development of environmentally-friendly pesticide range, in partnership with the School of Agricultural, Forest and Food Sciences HAFL, Bern
- New advertising presence



The provider of customized furnishing solutions

- Covid-related closure of sales outlets during lockdown
- Telephone consultations/sales during lockdown
- Strong growth of brick-and-mortar business despite Covid
- Sales growth of 116.6% at online shops
- Strong gains in market share
- Huge increase in recognition of the Livique brand
- Successful repositioning on the market: establishment of Livique as an expert in home furnishings in the mid-price segment
- Opening of new Livique store in Etoy



The first choice for lighting

- Lumimart is the market leader for lighting
 - Smart home exhibitions developed and rolled out at Lumimart
 - Relaunch of “Lumicard” B2B programme and launch of “Livique Professional”
-

IMPORT PARFUMERIE

The leading Swiss provider of prestige perfumes

- Covid-related closure of sales outlets during lockdown
- Market leader in the prestige beauty market in Switzerland
- Significant market share gains, particularly in personal care and make-up
- Sales growth of 68.7% in the online shop
- Higher overall customer satisfaction
- Substantial increase in regular customers in “The Member Club”
- Redesign of online shop with the focus on mobile pages and a more modern look
- 23.3% increase in range of items in online shop;
- Planning and roll-out of “New Generation” store concept at Winterthur station and in Vevey, Centre St. Françoise, St. Gallen City
- Opening of a new branch in the Neumarkt shopping centre in Zurich-Altstetten
- Once again omnichannel leader on the market according ORI Study 2.0

CHRIST

Watches & Jewelry

The prime destination for watches and jewellery

- Covid-related closure of sales outlets during lockdown
- Lockdown accelerated online growth by 83.8% in all product categories
- Successful resumption of in-store trading after lockdown, with pleasing sales growth year-on-year
- Further rise in customer satisfaction with all-round presentation and after-sales service (expertise and friendliness)
- Persistently strong growth in genuine jewellery for the Christ own-label brand and third-party fashion brands
- Once again omnichannel leader according to ORI Study 2.0 in the “Jewellery & Watches” category
- New Christ presence implemented in more branches, successful remodels of the St. Gallen and Bern Wankdorf branches

FUST

Just the job: number one for electrical household appliances and upgrading your kitchen or bathroom

- Covid-related closure of sales outlets during lockdown
 - Relevance of online channel much greater due to effects of Covid pandemic, strong growth of 76.3%
 - Market share gains in electrical appliances
 - High level of customer satisfaction based on market research by GfK and own customer survey (Net Promoter Score)
 - Successful launch of a modern ERP solution
 - New logistics centre proves a resounding success
 - SAP-based business processes and numerous new peripheral systems modernized
 - Instant appointments for home delivery during sales conversation
 - Points of sale: 2 modernizations, 1 closure
 - Strengthening and focusing the range of services for property managers under the Service7000 and Schubiger Haushalt brands.
-

	<p>The biggest online shop for household appliances with personal advice and service</p>	<ul style="list-style-type: none"> • Demand increased due to Covid, online growth of 23.8% • Higher customer satisfaction ratings • Garden, tableware, mobility and leisure ranges expanded • More new support services (delivery slots, extended warranty) across whole range • Delivery times further shortened
	<p>Everything that is good for your health, from prescription medicines to beauty products.</p>	<ul style="list-style-type: none"> • Increase of 9.1% in net sales • 127.9% sales growth in online business • Introduction of online ordering and shipping for prescription medicines • Gains in market share • Expansion of pharmacy network with three new stores in Langenthal Tell, Vich and Chur Quader, as well as two takeovers in Bubendorf and Gossau • Roll-out of new store concept at four locations: Oerlikon, Oberwil, Rickenbach and Arena St. Gallen • Launch of “Primary Care” (initial medical advice) and dispensing of prescription medicines (without prescription from doctor) • Increase in sales of generics and own-label brands
	<p>The natural and sustainable cosmetics company</p>	<ul style="list-style-type: none"> • Covid-related closure of sales outlets during lockdown • 106.5% sales growth in online business • Relaunch of e-shop with new design and functionalities • Start of roll-out of international brand rejuvenation programme • Target: most sustainable beauty retailer by 2030 • Community trade plastic programme in India: in the second year, The Body Shop removes 550 tonnes of plastic from the environment • Successful collection campaign benefiting Swiss women's shelters
	<p>The market leader in Switzerland, with a modern network of Coop filling stations</p>	<ul style="list-style-type: none"> • Market share: additional market shares gained • Hydrogen: opening of two facilities at the beginning of 2021 in Crissier and Berne. Two more facilities planned during 2021 • AdBlue fuel pumps at 50 locations
	<p>For warmth and well-being</p>	<ul style="list-style-type: none"> • Popular online shop: share of online orders increased to 50% • Low-emission eco-heating oil: percentage of customers rises to 69% • myclimate: option of CO₂ offsetting

<i>BâleHotels</i>	Coop's hotel group	<ul style="list-style-type: none">• Hotel Baslertor/Victoria Basel and Savoy Bern closed from 15 and 20 March respectively due to Covid• Opening of Pullman and Victoria restaurants on 11 May• Reopening of Hotel Baslertor and Savoy on 2 June, followed by Hotel Victoria on 9 June• "Märthof" project, a 4-star boutique hotel in the heart of the historic old town of Basel, scheduled to open in summer 2021• Employee training on guest interaction and a service mindset: we are BâleHotels and our ethos is warm hospitality• From 1 January, Restaurant Les Quatre Saisons also operates as a pop-up restaurant (events, trade fairs, Advent)• ISO 9001 recertification obtained until 2022
	The travel agent owned by Coop and Rewe – Switzerland's leading direct seller of beach holidays	<ul style="list-style-type: none">• Like the rest of the travel sector, ITS Coop Travel saw business decimated by the Covid pandemic• High customer satisfaction with Covid crisis management• Successful adjustments to range due to travel restrictions• Further development of e-commerce tools
	Leading fitness provider in German-speaking Switzerland	<ul style="list-style-type: none">• Despite a full lockdown for two months, membership grows by 3.6%• Introduction of extended opening hours of 111 hours per week at more than 50 locations• Free online courses during lockdown• Another 8 locations added, bringing the total from 48 to 56 facilities• Proprietary member software implemented
	Tropical house with a restaurant	<ul style="list-style-type: none">• Tropenhaus Frutigen had to shut during lockdown.• Significant increase in added value from caviar (up 16%) and sales per guest in the catering area (up 12%)• Pleasing customer feedback with 98% points for recommendation and expectations met, all other values above 90%• Whitefish production stepped up and pike perch production scaled back

Logistics, IT and property

Exceptional situation in logistics due to Covid

In 2020, Coop's logistics came under severe pressure due to high demand during the pandemic. The strain reached a peak in the spring. Unlike the usual peak times at Christmas and Easter, for which Coop spends months preparing, suddenly and without warning record volumes had to be moved for the supermarkets and for online sales. Both employees and the logistics infrastructures worked flat out. At the same time, we had to make sure that Logistics itself remains fit for purpose and is able to guarantee maximum infection protection for staff. Thanks to the various, prompt measures taken by the Logistics crisis team, the huge challenges were overcome. For example, Coop repurposed distribution centres which, in normal circumstances are responsible for non-food ranges, in order to handle the logistics for the sharp rise in demand for items such as toilet paper, tinned foods, dried yeast, disinfectants, etc. Where possible, suppliers stepped up direct deliveries to the sales outlets. The employees of the closed non-food formats and restaurants were a great help during lockdown...

Hydrogen and biogas trucks

To further improve sustainability, Coop has increased its truck fleet with more vehicles equipped with innovative drive technologies. In 2020, Coop added 2 trucks with cutting-edge hydrogen technology and 3 gas-powered trucks to its fleet.

Novel hydrogen trucks

As a hydrogen pioneer, Coop stays ahead of the game and, in October 2020, began operating one of the world's first mass-produced hydrogen trucks, followed by six more models of this type. A fuel cell generates electricity from the hydrogen in the tank, which powers the truck's electric engine quietly and with zero emissions. Only hydrogen is used, which is produced using renewable electricity from hydropower. This enables Coop to save around 80 tonnes of CO₂ per year, per truck and amass more experience in this field of propulsion. Since 2016, Coop has been operating the first public hydrogen filling station in Hunzenschwil (Aargau) and, together with the association H2 Mobilität Schweiz, is pursuing the target of creating a nationwide network of hydrogen filling stations throughout Switzerland by 2023. Switzerland's main transport axes should be covered by the start of 2021, and six hydrogen filling stations began operating in 2020.

Sustainable biogas trucks

In 2020, Coop purchased two semi-trailer trucks and one triaxial 26-tonne truck that are powered by biogas. As well as far lower particulate and CO₂ emissions, the reduced noise they create is an advantage over convention diesel engines. There are many advantages to using biogas as a fuel. Even driving with normal CNG (Compressed Natural Gas), CO₂ emissions are reduced by 20% compared with a diesel vehicle.

Delivery service for vulnerable groups during Covid

To offer customers in the vulnerable age groups aged over 65 during the spring lockdown the option of having essential foods and hygiene products delivered to their home by volunteers, in the space of just a few days IT developed a special online ordering portal, incorporated this in logistics processes, and set up a dedicated call centre. Initially, customers could download the order list as a PDF and order by phone or e-mail. The goods were prepared in the closed Coop City branches and registered on specially converted tills. As time went on, Coop added more functions, including an order form for electronic orders.

IT introduces Office 365

As part of the upgrade of Office licences, Coop completed the switch to Office 365. The switch involved 7 500 users from administration, began at the end of 2019, and was completed in March 2020 – just in time for lockdown and the Confederation's recommendation to work from home. Very quickly, Office 365 and, in particular, the Teams platform – which can be used for video and voice calls from home, chats, file sharing, the creation of task lists and so on – became an essential tool for Coop employees. People working from home were also supported by additional technical capacities. In autumn 2020, the roll-out of Office 365 began for the sales outlets, all of which now have a modern tool complete with the hardware needed for video conferences.

Automated people counting system in sales outlets

Limiting customer numbers in stores was one Covid measure that Coop had to implement at very short notice in March 2020. Within a few days, a “Coop Clicker App” was programmed and distributed to staff. As a next step, Coop quickly evaluated and introduced an automated people counting system, which uses sensors at entrances and exits to record people’s movements and indicates on a traffic light whether the next person in the queue can enter the store. By the end of 2020, Coop had introduced these people counting systems in around 560 sales outlets.

Sustainability in Coop real estate

Energy efficiency and the production of sustainable energy are key considerations for Coop when planning and implementing its real estate projects. Therefore, all of Coop’s buildings meet the Minergie requirements, and heating systems reliant on fossil fuels are no longer installed. 21 000 m² of new photovoltaic systems were installed in 2020 in line with the target.

Parking with Superpoints

Customers can use their Superpoints to pay parking charges in no fewer than 11 Coop car parks. They also benefit from the automatic opening of the barriers when they enter and exit. The project will be rolled out to more locations in 2021.

Digitalization of construction projects

Starting in 2020, all new construction projects are planned and delivered using BIM (Building Information Modelling). Using virtual 3D prototyping, this method is used for the networked planning, execution and management of projects. All the relevant construction data are digitally modelled, combined and recorded. The project-specific BIM data provide an overview of the entire life cycle of a construction project, and when construction is complete are used by Facility Management for maintenance.

Real estate projects

In 2020, Coop started a total of 7 real estate projects and completed 19, including 3 new builds, 1 extension, 6 remodels and 9 modernizations/renovations. The Covid pandemic had little impact on construction activities and lead times.

Head Office Basel

On 18 December 2020, Coop concluded the complete renovation of its head office at Thiersteineralle 12 in Basel. The modernization involved upgrading office space on floors one to twelve, relocating the catering facilities and repurposing the area as office space on the 13th floor, a new catering area on the ground floor of Thiersteinerallee 14, the complete replacement of technical installations and elevator systems, and the replacement of the entire façade with 1 900 m² of photovoltaic elements, which have an output in excess of 82 000 kWh.

Aclens

The construction of the “Cinque” project in Aclens proceeded according to schedule in 2020. As part of this logistics project, among other things a new building was constructed which will house a new 12 400 m² empties collection centre, 8 300 m² of new office space for the Romandie sales region, and a Coop Restaurant. Energy will be generated by a waste heat utilization system and some of the electricity requirements will be met by a 1 850 m² roof-mounted photovoltaic unit. In June, a 57 metre-long, 125 tonne footbridge was also built between the existing distribution centre and the new building. The new building will be commissioned in stages from July 2021. The distribution centre in La Chau-de-Fonds will close as of the end of September 2021 and the Renens one from the end of October 2021.

Oerlikon

After renovation work lasting 12 months, the Center Eleven shopping centre in Oerlikon celebrated its reopening on 25 February 2020. In the shopping centre, customers will find 3 200 m² of Coop retail space, a 3 500 m² Building & Hobby store, along with an Interdiscount, a Coop Restaurant, a newsstand stocking a range of flowers, and a space occupied by a third-party tenant. The upgrade of the mall and communal areas creates a light and friendly atmosphere. With LED lighting, an attractive new colour scheme and electric charging stations, the shopping experience for customers begins in the underground car park.

Lugano Pregassona

After 2 years under construction, in April 2020 the “Minerva” building in Lugano Pregassona was ready for occupation. The 16 apartments are spread over four floors in the building, and all have a parking space in the underground car park plus a separate cellar compartment. They have been built to modern specifications, and are bright and flooded with light, making them highly sought-after on the housing market. All the apartments have already been let.

Uzwil

After around 14 months of refurbishment work, the Coop shopping centre in Uzwil celebrated its full reopening on 28 May 2020. In the mall area, along with the contemporary store format of Coop, Coop Restaurant, Dropa Drogerie, Vögele Shoes and the Orru hair salon, customers can enjoy a complete shopping experience. A new escalator connects the underground car park with the retail outlets, improving customer access. The building meets the Minergie construction standard. The building’s outer shell now has attractive timber cladding and energy supply is supported by a 2 200 m² photovoltaic system on the flat roof. Heating is supplemented by a highly efficient heat pump.

Castione

The sales outlet in Castione underwent a phased modernization between the start of May 2012 and mid-2020, and the Coop retail space was increased to 1 500 m². Architecturally, the building has a fresh, timeless and elegant appearance thanks to the distinctive and protruding canopy construction and the wooden façade. 1 100 m² of photovoltaic panels have been mounted on the roof to generate electricity and help reduce CO₂ emissions.

Vich

The Coop in Vich opened on 19 August 2020. The former sales outlet has been remodelled, and the Coop Retail space increased to 2 300 m². The building also houses a Vitality pharmacy, a Coop Restaurant and a refurbished underground car park with 100 parking spaces for customers. Some of the electricity required is produced by a 1 500 m² roof-mounted photovoltaic unit.

Le Noirmont

The Coop sales outlet in Le Noirmont opened for business on 25 November 2020. Right at the entrance to the village, where there was once a filling station and an old barn, there is now a new, timber-clad sales outlet with 480 m² of Coop retail space and 23 outdoor parking spaces. On the upper floors are 12 apartments and a GP surgery. The new building was constructed to the Minergie standard and fitted with 300 m² of photovoltaic panels.

Broc

The Coop in Broc opened on 2 December 2020. On the site of what used to be a public car park, there is now a new sales outlet with 420 m² of Coop retail space and 18 outdoor parking spaces. On the upper floors are 14 apartments.

Bévilard

The sales outlet in Bévilard celebrated its opening on 9 December 2020. From March 2020, a temporary sales outlet was opened in the centre of the village, while part of the former sales outlet was demolished. The Coop retail space was increased to 570 m² and fitted with 300 m² of photovoltaic panels on the roof.

Additional services

Comprehensive quality management

In 2020, implementing the new food legislation remained a quality management priority, with further changes as part of the Confederation's so-called "Stretto" package. The ordinance necessitates changes to the labelling of all products by 2021. As the basis for implementation, the Coop Guideline on Labelling was revised. Among other things, the guideline stipulates how the origin of raw materials and nutritional information are to be disclosed on Coop own-label brands. Coop's disclosures regarding the origin of animal-derived raw materials voluntarily exceed the legal requirements and are transparently shown if they make up at least 10% of the food.

Since 2012, all sales outlets offering counter service have been audited and certified by independent inspection body q.inspecta for compliance with quality requirements. A total of 407 sales outlets were successfully audited in 2020. These audits were in addition to the 1 800 or so internal quality-control audits conducted by Coop.

In its own laboratory, Coop tested around 31 000 random samples from the food and non-food segments for compliance with the requirements. This involved checking more than 915 000 criteria. Owing to the growing supply of fresh products made at the sales outlets, hygiene monitoring is also becoming ever more important in this area.

Even when faced with the difficulties created by Covid, stringent monitoring of key aspects of food and product safety was maintained, demonstrating that we were able to uphold high quality standards at all times.

As part of its risk management in the area of product quality, Coop devoted a great deal of time in 2020 to issues surrounding the safeguarding of the supply chain for critical raw materials. Furthermore, Coop clarified the requirements for critical product groups in the non-food segment and made these available to potential suppliers in automated form. Updated e-learning courses covering sales and purchasing expertise were mandatory for employees throughout Switzerland.

Social commitment

Coop again pursued numerous projects that embodied its social commitment in 2020. Through the Coop Sustainability Fund alone, Coop invested around 16.85 million francs in charitable projects. For information about other projects besides those listed below, visit actions-not-words.ch

Commitment to Bio 2.0: 20 million invested in research projects so far

As early as 1993 Coop began working closely with the Research Institute for Organic Agriculture (FiBL). To date, Coop has invested more than 21 million francs in numerous projects run by the FiBL and in organic agriculture. This has enabled research into modern cultivation methods for organic cotton for Naturaline textiles. The cooperation also helps establish substitute products for copper and, by making targeted use of precision farming, ensure the financial viability of small-scale, diverse agriculture. Furthermore, effective organic remedies are being created for citrus greening, a disease which affects oranges, so that customers can enjoy a glass of organic orange juice with their breakfast. With the help of the FiBL, organic cultivation is also enabling Coop to make its coconut and palm oil more sustainable. The partnership has also given rise to various products for the Naturaplan own-label brand, including an award-winning organic Prosecco and Swiss organic honey.

Home delivery service with SRC during Covid

In the spring, during the pandemic, customers aged 65 and over were able to order food and hygiene products by phone or e-mail from Coop City department stores and Coop supermarkets in a number of towns and cities. Volunteer helpers from the Swiss Red Cross (SRC) delivered the orders to their homes the next working day. The free delivery service was offered in Bern, Olten, Zurich and Lausanne.

Coop is enabling the rehabilitation of Alp Kohlschlag

This year, all of the proceeds from Coop's "1 August rolls" campaign are going towards the remodelling and expansion of Alp Kohlschlag in Mels, St. Gallen. Each year, the Alp processes around 125 000 litres of milk and 18 000 kilograms of cheese. Investment in the alpine dairy, the cheese cellar and the residential building is urgently needed in order to safeguard this intensive alpine agriculture in future. Coop is donating 304 657 francs to support the rehabilitation and expansion of the Alp. Coop Aid for Mountain Regions has been dedicated for better living and working conditions for the mountain populace for over 75 years. Every franc donated goes entirely to self-help projects in the Swiss mountain region, as all the administrative costs are borne by Coop.

Successful bioRe school projects.

Since 1995, under the Naturaline own-label brand Coop has been producing textiles from organic cotton which are made for the range fairly, using environmentally-friendly methods and according to bioRe's social and environmental standard. For the right to an education and as part of the holistic Naturaline approach, since 2011 Coop has been supporting three successful school projects in the central Indian region Madhya Pradesh. These directly benefit the producers of organic cotton for Naturaline textiles and the region's farming communities. At present, more than 1 200 children of farming families and disadvantaged children are taught in 18 village schools up to 5th grade. In 2014, a secondary school was set up on the bioRe School Campus to provide follow-on education. 600 students currently attend lessons there. The campus is also home to a state-recognized vocational training centre at which young people have the opportunity to learn a locally relevant vocation such as mechanic, fashion designer, or organic farmer.

"Blühende Schulen" flower planting project for schools

With the "Blühende Schulen" school project, in partnership with Bio Suisse Coop raised awareness of treating nature with care while also promoting biodiversity. One approach involved planting flowers in school gardens, creating new sources of food for bees and other insects. To this end, in the last five years schools have been given 5 400 free planting kits containing organic herb seedlings and seeds for native wild flowers. The project has raised awareness in 5 905 school classes and among 84 000 school pupils, teachers, and helpers.

Full plates thanks to Tischlein deck dich and Schweizer Tafel

Since 2005, Coop has donated a considerable amount of date-expired food, which is still in perfect condition but can no longer be sold, to the Schweizer Tafel (Swiss Table) and Tischlein deck dich (Table Be Set) social organizations. They distribute the food to social institutions or directly to needy people in Switzerland. By doing this, Coop fills more than 12.6 million plates of people in poverty (as of 2020). Coop supports this commitment with donations of food and also financial contributions: each year, around 2 510 tonnes of food and 300 000 francs are donated to the two organizations. In logistics, Coop provided space in its warehouses free of charge, making a significant contribution towards reducing food waste.

Support for people in poverty with the "2xChristmas" campaign

Once again this year, Coop supported the "2xChristmas" campaign run by the Swiss Red Cross for people in poverty in Switzerland. Coop sold around 8 000 donated parcels containing products worth 160 000 francs. Via Coop.ch, 1 059 parcels were sold, containing products worth 82 970 francs. In addition, Coop supported the campaign by donating products worth around 402 000 francs (retail value).

Coop supports Swiss Red Cross and helps people in need

The SRC is supporting people who have fallen on hard times due to the Covid pandemic. This includes handing out Coop gift cards worth two million francs. Coop is additionally donated Coop gift cards worth CHF 150 000. Furthermore, Coop encouraged readers of the Coop member press to use donation coupons to donate money or Superpoints. In total, 2 617 coupons were redeemed over five weeks, equating to a donation of CHF 74 450. Between April and June, Coop Supercard holders donated Superpoints worth CHF 98 500.

Communication and advertising

Customer Service replies to over 800 000 enquiries

Customer Service dealt with over 800 000 customer enquiries in 2020. As well as general questions about Coop, the Coop Member Press and Supercard, the majority of our customers' questions were about Covid-related matters, such as restrictions on the range, which also affected our "Herb Garden Adventure" marketing campaign. However, sustainability-related topics, in particular reducing plastic, remain very important to our customers. Our marketing campaigns, advertising campaigns and collection promotions continue to attract a lot of interest. We are receiving a growing number of enquiries about digital services (promotions, coupons). Pricing and range selection are still two of our customers' main concerns.

National information platform during Covid for all employees

In March, the employee information portal [Coop.ch/gemeinsam](https://coop.ch/gemeinsam) was created, on which Coop has brought together all the important information about the Covid situation. The platform ensured that the information reached all employees in the sales outlets, logistics, production, administration and staff on short-time working at home. In addition, Coop published pictures, videos, stories and statements from its sales regions and formats on the site. During lockdown, the Coop Member Press also produced a daily video format for employees. The “Coopzeitung bi de Lüt” format took the daily pulse of the Coop Group and visited different people within the company. The editors asked how people were finding the Covid situation and how they were coping with the major challenges.

Families benefit from loyalty programmes

Coop continued to reward its customers' loyalty in 2020, with a total of four collection promotions. Once again, the focus was on families with children, who enjoyed free products. The “Herb Garden Adventure” and “Wilderness Adventure” promotions, in partnership with the WWF, turned the spotlight on sustainability issues. The Hello Summer promotion with products related to water was a hit with customers. During the Christmas build-up, for the first time Coop took an integrated approach with Coop's Christmas communication team, telling the story of “Nevi the snow monster” in its “Let it snow” campaign. All four promotions proved extremely popular, generating substantial additional sales.

Supercard remains very popular

The Supercard remains the most-used and most popular loyalty programme in Switzerland. Coop is continuously refining the Supercard as a service brand, offering its customers more and more new services relating to the Supercard, including digital ones, which offer added value for customers.

New staff magazine to mark anniversary

The Coop Group's staff magazine is celebrating its 20th anniversary with a relaunch: as well as the layout, the concept has also had a complete overhaul. The old name “Coop Forte magazine” has been shortened to “Forte”. “Forte” now has a more modern appeal, with more images and more diverse content. Strategic topics also feature more heavily and there is a greater focus on the regional sections. Furthermore, its handy format and modern editorial design are designed to appeal more to younger employees.

Social media adds more channels and keeps people informed during Covid

The Covid pandemic also had a big impact on social media. In spring, for instance, the social media team responded swiftly to what was going on in the Coop supermarkets and actively informed social media users about rules, changes, and safety concepts, as well as responding to customer questions and feedback. The merger of [Coop.ch](https://coop.ch) and coop@home also presents new opportunities for e-commerce on the social channels. In addition, the channels were expanded: Hello Family is now on Instagram too and, in January, Coop became one of the first Swiss companies to have a TikTok presence, enabling it to respond even more specifically to the various target groups.

20 years

“Forte” staff magazine

Coop and 20 Minuten jointly launch “Coopzeitung Weekend”

The Coop Member Press which, with around 3.2 million readers (WEMF Mach-Basic 2020-2) is the biggest weekly newspaper, and 20 Minuten which, with over 1.8 million readers (WEMF Mach-Basic 2020-2) is the most widely-read daily newspaper, are launching a magazine to get the weekend off to a perfect start: “Coopzeitung Weekend”. The newspaper is published once a week, on Friday, as a 16-page paper within a paper, in the centrefold of 20 Minuten. “Coopzeitung Weekend” delivers lifestyle and trend topics to the young and young-at-heart. With content such as creative recipes, lifestyle and sustainability tips, ideas, competitions and puzzles and a layout based on the Coop Member Press, the newspaper is geared primarily towards a young target group. The articles are written by the new Weekend editorial team, comprised of journalists from the German, Italian and French language editions of the Coop Member Press. Ad sales are also handled by Coop.

Coop Member Press publishes special pages on Covid

During lockdown, the three Coop Member Press publications published lots of special pages of useful information from Coop on the subject of Covid, as well as tips, puzzles, games, and special articles for anyone who had to stay home and was in need of some distraction.

Cooking fun for children during Covid

In March, during lockdown, Coop launched “Little Fooby”, a recipe platform for parents to cook and bake with their kids. What is unique about Little Fooby is that the recipes show which cooking steps can be carried out by the children themselves and the tasks for which they need their parents’ help. After just a short time, Little Fooby has become very popular with parents of young children.

Coop Mobile Plus: the new, unlimited subscription

In September, Coop launched “Coop Mobile Plus”, a new and attractive mobile subscription, which offers customers unlimited phone calls, messaging and browsing in Switzerland and Liechtenstein. To mark the launch of “Coop Mobile Plus”, when a new subscription was taken out, Coop gifted six months of charges and offers attractive discounts on all smartphones at Interdiscount and Fust. In December, Coop introduced a particularly attractive flat-rate package for employees of the Coop Group. Since 2019, Coop Mobile has been using the Swisscom network, which is regarded as the best in Switzerland.

Sponsorship in the great outdoors

The sponsorship sector was particularly badly hit by the Covid rules in 2020. As Coop sponsorship commitments such as the Coop Gemeindeduell events and the Coop Open Air Cinemas took place outdoors, they went ahead successfully with the appropriate safety measures in place. Unfortunately, many of Coop’s sponsorship projects had to be cancelled or postponed to 2021 because of the strict regulations imposed by the Confederation.

Media Unit: Covid pandemic dominated

As one of Switzerland’s most relevant media offices, Coop’s Media Unit further intensified dialogue with journalists in 2020. Consequently, heavy media coverage of Coop news continued in the year under review. The appointment of Joos Sutter as the new Chairman of Coop’s Board of Directors and the announcement of the new Chairman of the Executive Committee attracted particularly great interest in the media. Journalists also reported widely on the launch of the new omnichannel platform Coop.ch. Sustainability-wise, communication priorities were reducing plastics, the circular economy, and hydrogen. The number one topic in media work as, of course, the Covid pandemic, attracting a record of 250 media enquiries a week. During the year under review, Coop’s Media Unit issued 30 media releases, placed close to 50 new and proactive topics, gave and attended around 100 interviews and responded to 2 769 media enquiries – a new record, and an increase of over 1 100 enquiries compared with the previous year.

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Wholesale/Production Business Area

The Transgourmet Group's wholesale supply business has been badly hit by the closure of catering establishments during Covid and specifically promotes sustainable products. Bell consolidates its position on the convenience market. Coop's manufacturing companies cope with high demand in supermarkets during the pandemic.

12.6 billion CHF

Net sales in Wholesale and Production

The Covid pandemic is leaving its mark on the industries that supply retailers and the catering segment. Thanks to the strong performance of food retail, Coop's manufacturing companies were able to offset much of the dwindling demand in the catering segment. Food wholesale suffered sharp drops in sales as a result of the Covid measures imposed on restaurants and events. In spite of everything, the Coop Group's Wholesale/Production business area generated net sales in excess of 12.6 billion francs in 2020, which corresponds to an index of 92.1%, after adjustment for exchange rates.

Transgourmet Group

With subsidiary Transgourmet Holding AG, the Coop Group is active in the cash & carry and wholesale supplies market in Germany, Poland, Romania, Russia, France, Austria and Switzerland. Like all wholesalers, Transgourmet had to contend with the impact of the Covid pandemic. As a result, in 2020 it generated net sales of 8.1 billion francs from its cash & carry stores and wholesale supplies, which equates to an index of 86.7% in local currency. Nonetheless, Transgourmet was able to further consolidate its position as the second-biggest in European wholesale over the last year. Transgourmet generated sales of 315 million francs from sustainable ranges in 2020. In response to high customer demand, these ranges will be further expanded in 2021.

Challenging Covid situation at Transgourmet

As all of Transgourmet's customers are affected by the impact of the pandemic, Covid is also taking a toll on all of the Transgourmet Group's business areas and companies. The closure of schools, cancellation of cultural and sporting events and restriction of opening hours in restaurants, bars and cafés had potentially devastating consequences for restaurant proprietors and for caterers and hotel owners. Their suppliers are also faced with a dire financial situation. On top of this, large companies had to temporarily shut their factories. As a result, canteens and company restaurants also remained closed. The picture was similar in aviation and shipping. Passenger food and drink dwindled to a fraction of former volumes. At this difficult time, the in-store business, which became far more significant, delivered positive results at Transgourmet. The guidelines and requirements varied from one country to the next. All of Transgourmet's national subsidiaries swiftly took the measures necessary to protect employees and customers during this difficult time and helped Transgourmet to safeguard supplies to all partners.

Standardized rules with an international code of conduct

In 2020, the Transgourmet Group introduced a code of conduct for all countries which has applied to the Coop Group's other business areas for the last year. The rules and guidelines derived from the code of conduct give employees clarity and guidance in their daily work routines. As well as employee interaction, they also cover topics such as "respect for human rights", "customer service", "fair treatment of business partners", "sustainability" and "compliance with laws". The direction provided by, and compliance with these guidelines are the foundation for actively embracing the company's values and operating successfully on the market. In this sense, the code of conduct exemplifies the culture that has prevailed at Transgourmet for many years.

New organic own-label brand Natura

Compared with retail, organic produce still accounts for a small percentage of national and international wholesale, but demand for organic products is steadily growing in this segment too. Therefore, Transgourmet decided to create the new organic own-label brand Natura, which it has launched at four national subsidiaries. Natura is Transgourmet's targeted and comprehensive response to the organic trend and establishes a distinctive presence on the market. The first products were added to the range in October 2020, with the official launch to follow in 2021. Around 200 products are planned for the new brand. The goal is to position Transgourmet Natura in the western European partner countries as a wide, organic full range and to offer impressive value for money. Natura is the equivalent of the value for money segment of own-label brand Quality but is also organic.

Transgourmet Germany committed to combating food waste

The avoidance of food waste – whether generated by private households, out-of-home catering, wholesale and retail or agriculture – is and remains an important social goal. Transgourmet is also aware of the great economic and environmental importance of this topic: worldwide, roughly a third of all food goes to waste en route from field to plate. Since June of this year, Transgourmet Germany has lent its support to the wholesale and retail dialogue forum established by the Federal Ministry of Food and Agriculture (BMEL). As a member of this forum, it undertakes to treat foodstuffs responsibly, reduce food waste, and do more to protect the climate. The BMEL's wholesale and retail dialogue forum was established as part of the national strategy to cut food waste in German wholesale and retail by half by 2030. In addition, Transgourmet is a founding member of the global food industry alliance United Against Waste.

Transgourmet France committed to regional products

To satisfy growing demand, as part of its sustainability concept Transgourmet France is committed to building the most complete range possible of local and regional products (fresh produce, overseas produce, beverages, frozen food and meat). This range is intended to meet the expectations of all customers while also helping them to satisfy the new legal requirements. In particular, under the "EGalim Act", from 2022 onwards public food service businesses must offer meals which contain a minimum of 50% high-quality, sustainable products, 20% of them organically produced. Already, Transgourmet France's 3 000 or so local and regional products account for 5% of its sales and the company intends to double this in the near future.

First vegan burger in the range

Vegetarian and vegan foods are always extremely popular in the catering segment too. Transgourmet is responding to this trend and launching the first plant-based burger under own-label brand Transgourmet Quality, based on pure plant proteins with no compromise on taste and enjoyment. |

Transgourmet Digital Magazin launches

Transgourmet Digital Magazin breaks new communication ground for Transgourmet in the food sector. The authors identify trending topics and exciting concepts in catering and public food service, and explore them in depth. The new magazine places the focus on customer benefit, delivering relevant content. Each issue is devoted to a special subject which is geared towards all distribution channels and actively involves the stakeholders in those channels. Practical visionaries discuss propositions for the future and talk to practitioners from all segments of the out-of-home market. Interviews and author contributions are supplemented with podcasts and videos.

Several accolades for Frischeparadies

Frischeparadies, a subsidiary of the Transgourmet Group, is synonymous with premium quality for professionals, amateur chefs and gourmets. Its range comprises over 3 000 of the finest foods – from fish, seafood, meat, poultry, cheese and ham to the finest chocolate and exceptional wines. Frischeparadies won multiple awards in Germany in 2020. The online shop was named a “Leading Shop of the Year 2020” in the foods and drugstores category, won the “German Brand Award 2020” for the own-label Frischeparadies brand in the “Excellence in Brand Strategy and Creation Brand Design” category, and triumphed in the awards for Wine Merchant of the Year 2020. Frischeparadies’ website also drew praise, receiving an award in the “Excellent Communications Design Web” category.

Highlights from the national subsidiaries of the Transgourmet Group

The table below lists highlights from the year under review at the individual national subsidiaries and companies of the Transgourmet Group, along with a factsheet on each national subsidiary. For more information about the Transgourmet Group, visit www.transgourmet.com.



Transgourmet Central and Eastern Europe

Germany



- Increased demand for regional and organic products during Covid
- #WinterMeistern initiative - attracting guests in winter: support for the catering sector during the cold months of the year
- Much greater reliance on digital channels due to Covid leads to more online orders and online invoice processing
- Selgros enjoys substantial market share gain in the cash & carry sector
- Preparations for launch of the organic Natura brand
- New digital magazine for customers and interested parties, covering relevant topics
- Transgourmet Germany joins anti-food waste trade forum
- Awarded the logistics sustainability prize by logistics association Bundesvereinigung Logistik Österreich und Deutschland (BVL)
- Switch to foodtainers at Selgros Cash & Carry as well as open sale of fruit and vegetables in some markets
- Successful trial of gas-powered trucks
- Construction and opening of Dortmund Transshipment Point closure of Dortmund (formerly Vreriksen) distribution centre
- Opening of new Selgros in Filderstadt and Würzburg, both with their own bistro
- 1/3 of Selgros stores switched to SAP, inventory management system WAMAS, and fleet management system Wanko
- Successful launch of Selgros app, with more than 100 000 app users already
- Practical guide and another recipe book for retirement homes
- E-learning courses and launch of digital work tools

Poland



- Selgros: Safe shopping experience thanks to large sales areas combined with statutory restrictions on trade during Covid pandemic
- Availability of strategic products for customers guaranteed during the pandemic (including health protection products)
- “Neustart” (reboot) support programme for catering, with package of special discounts, bonuses, training packages and marketing support
- Opening of the first compact format in Poland (Siedlce, 100 km east of Warsaw)
- New strategic customer Compass for food service; deliveries successfully commence in July 2020
- New TV campaign
- Substantial sales growth with own-label brand TopSeller
- Implement of employer branding
- Enhanced functionality for mobile app (more discount coupons, trial of click & collect)
- Pilot programmes to improve logistical efficiency of deliveries to the C&C stores (purchasing) and to catering customers (distribution)
- Introduction of SAP: stock list switched in purchasing and preparations to switch in food service
- Network connection for Polish company to the structure of the German domains

Romania



- Covid situation in Romania: significant rise in unemployment; massive slump in bulk customer segment; since March, sharp slump in sales in catering segment; catering businesses try to minimize sales losses by focusing on home delivery services
- Disproportionate increase in sales to end consumers due to impact of pandemic (closure of non-food businesses from March to the end of May, customer focus on one-stop shopping)
- Over 25 000 food portions delivered from Bistro and “Pauza mica” to police staff and doctors in hospitals in Cluj, Bucharest, Brasov, Timisoara, Baia Mare, Suceava to support them during lockdown
- Marked increase in low-priced items; greater number of discounts offered across the retail market

Russia



- Sales trend influenced partly by the closure of all non-food retailers during the Covid pandemic
 - Home working and shift working introduced at head office to minimize risk of infection
 - Selgros' market share stable
 - Continuation and expansion of loyalty programme for private customers
 - Expansion of range with own-label brand PoKarmanu
 - Own-label brands tg Economy and tg Quality added to the range
 - Expansion of range of organic, gluten-free and lactose-free as well as functional foods
 - Development of online store for professional customers
 - Planning for purchasing partnerships with other Russian retailers for selected ranges/product areas
 - Planning for partnerships with non-food specialists in selected product areas (textiles, household, pet food etc.)
-

Specialists

Transgourmet seafood

- Drop in sales due to Covid pandemic
- Full delivery capability maintained
- Launch of various new products to distinguish from competition; awarded special prize for “Outstanding commitment to sustainability” at “fish international”

EGV AG

- Covid crisis impacts negatively on corporate catering and hotel business, but new customers acquired in the care sector
- Frozen goods premises taken over in Eberswalde

Niggemann

- Closer customer relationship with key accounts by providing support in a time of crisis Minimum order values dropped, some payment terms extended, changes to bonus schemes
- Purchasing alliance in the group significantly expanded
- Substantial rise in sales in food retail due to placement of additional ranges and products, particularly distinctive items
- Development of a new online shop

Frischeparadies

- Thanks to multichannel strategy with delivery, delicatessen stores and online shop successful during Covid and less crisis-prone
- Able to deliver immediately as soon as lockdown lifted in hospitality industry
- New customers due to targeted marketing measures in delicatessen stores: younger customers interested in cooking and good food
- High demand in online shop, twelvefold increase in sales at times
- “Leading Shops of the Year 2020” award - food and drugstores category
- Numerous accolades for the Frischeparadies own-label brand
- Launch of Gastronovi in all Frischeparadies bistros, with online reservation and digital signage

GEVA

- Lower demand due to Covid pandemic
- Positive customer feedback thanks to constant availability
- Exploitation of synergies within the Transgourmet Group stepped up

TEAM BEVERAGE

- Lower demand due to Covid pandemic
- New convenience customers and beverage wholesale partners
- Catering portal Gastivo continues to grow

Gastronovi

- Package of aid developed with digital tools to support catering businesses with compliance with legal restraints during the Covid pandemic
- New function for digital guest registration and positive customer feedback
- Positive sales trend and new jobs created





Transgourmet France

France



- Rapid adjustments and transformation during Covid pandemic and lockdown, of restaurants, bars, cafés, staff canteens etc. within a few months
- New logistics architecture; location in Wissous converted to a specialized platform for key accounts; simplification of structures for customers
- Redesign and accelerated deployment of digital tools; new website, increase in Gastronovi sales
- Help during lockdown: products available for preparing thousands of meals for nurses and care givers in all regions
- Market shares consolidated, new customers acquired and partnerships with key accounts consolidated
- Launch of fruit and vegetable ranges which are stored at Transgourmet Opérations' facilities, and creation of a fresh fish range by Transgourmet Seafood
- Strengthening of local and regional ranges
- Launch of #J'aimemonproducteur initiative to support and promote partner producers
- Preparation for launch of new Transgourmet Natura brand
- New logistics tools for more reliable order picking in the warehouse: deployment of a language system at all locations
- IEPL – drivers issued with a PDA: all locations now have five of these devices
- E-learning expanded
- Named best employer 2020 in the sector (Capital Magazine)
- Digital asset management introduced: new tool to manage digital resources that offers customers better product information
- Signature of an exclusive partnership with the new Alain Ducasse training centre (broadening of expertise, strengthening image, increasing recognition of products among professional customers)
- Further development of business activities with premium customers and customers operating in the bakery & patisserie sector, which has escaped many of the worst effects of the crisis

Specialists





Transgourmet Österreich

Austria



- Sales decline by 25.8% compared with previous year due to Covid crisis
- Supply chain proved very resilient – hardly any supply issues during lockdown and beyond
- New trend due to Covid: higher demand for domestic and organic products and greater focus on quality
- Highly bespoke assistance for customers during the crisis
- According to customer surveys, 9 out of 10 customers still recommend Transgourmet and give a score of 1.4
- Launch of Transgourmet Natura and April 2021
- Expansion of Transgourmet Vonatur range of fresh fish and sparkling wine
- Development, implementation and staging of multichannel trade fair Transgourmet NEX
- Transgourmet Österreich first catering wholesaler to become climate-neutral
- Greater focus on business customers
- Relaunch of bonus programme on “Servus Bonus”

Specialists





Transgourmet Switzerland

Switzerland



- Significant drop in sales during lockdown in the catering segment
- Supply mission for catering sector, retail, homes, hospitals and army: all Prodega stores and Transgourmet regional warehouses open during Covid
- Increased demand from rural businesses with outdoor catering during summer
- Urban businesses and transport catering suffer from lack of events, tourists and commuters (home working)
- Support for catering segment in May, with an instant bonus for bulk purchases and revised reimbursement arrangements
- Growing importance of take-aways and one-plate meals; Transgourmet and Hilcona offer solutions for catering segment
- Products for implementing protection concepts in the area of hand hygiene, face masks, surface disinfection and social distancing
- Supply of essential items always guaranteed; after lockdown ended, supply of goods quickly returned to normal thanks to cooperation with suppliers
- Transgourmet's 9th regional warehouse in Schlieren became operational in November: faster and shorter transport routes to supply customers in the city of Zurich
- New 10 000 m² central warehouse in Hinwil for imported items

Specialists

- Amalgamation, under the name "Casa del Vino", of wine dealers Weinkeller Riegger (a full-range stockist), former Spanish wine specialist Casa del Vino, and Zanini, as an Italian specialist
- Casa del Vino now offers the most professional catering range, covering all the main winegrowing areas from a single source
- Vinattieri, as a winery for the best Ticino Merlot, remains independent



Production

The Coop Group also includes numerous manufacturing companies, chief among them the Bell Food Group, in which Coop is a majority shareholder. The Bell Food Group, which is one of the leading companies in meat processing and the production of convenience products in Europe, gives Coop a strong international presence.

1.5 bn in sales
of sustainable products in
Production

Net sales of the Coop Cooperative Production segment grew to 852 million francs in 2020. Added to this are net sales for the Bell Food Group, which increased to over 4 billion francs. Total sales of sustainable ranges in Production came to around 1.5 billion francs in 2020. Coop therefore increased its sales of sustainable products in the production area by 15.7% year on year.

Bell Food Group

Thanks to its broad-based business model, the Bell Food Group had a successful financial year in 2020 in overall terms and made clear progress at the operating level. The upturn was attributable to the strategic measures implemented in previous years. In addition, the outbreak of the coronavirus crisis – coupled with the impact of the government measures taken to contain it – had a substantial influence on business.

Challenges met

During the pandemic, Bell Food Group focused its attention on protecting the health of its employees and at the same time being a reliable partner to its customers. Comprehensive protection and hygiene measures were put in place at all sites. Thanks to the unstinting efforts of its employees, the Bell Food Group nevertheless succeeded in maintaining production and delivery readiness at all times.

Contrasting impacts of the coronavirus pandemic

The government measures taken to contain the coronavirus pandemic significantly affected consumer behaviour. Restrictions on mobility, coupled with the temporary closure of the catering sector, meant that food service and the to-go segment – which had been expanding in recent years – had to contend with a significant fall in sales. At the same time, the retail business benefited from the fact that consumers were increasingly eating at home.

Growth in core business

The core business in meat and meat products benefited from the higher sales in the retail market. This was particularly the case in Switzerland, where the temporary abandonment of shopping tourism during the lockdown provided an additional boost. In the Bell Switzerland business area, encouraging growth in the retail market more than offset the decline in sales in the food service segment. The Bell International business area likewise saw a significant improvement in results thanks to its consistent pursuit of the strategy adopted after the sale of the German sausage business of focusing on its core competency in cured ham and further expansion of poultry programmes that meet higher animal welfare standards. By contrast, the Convenience business area was more heavily impacted by the negative effects of the coronavirus pandemic due to its greater focus on out-of-home consumption as well as to-go in the retail segment. In contrast with the other business areas, the decline in sales was only partially compensated via the retail channel.

Well equipped for the future

In addition to the special efforts invested in the operating business last year, the Bell Food Group revised its strategic focus and adjusted it to the coming challenges. Three strategic thrusts were defined for implementation: Strengthen the core business of meat products, achieve growth through convenience and vegetarian, and invest in efficiency and productive capacity.

Highlights from the Bell Food Group

The table below lists highlights from the year under review at Bell Food Group AG. For more information about the Bell Food Group, please refer to the factsheet below and visit www.bellfoodgroup.com.



Bell Food Group AG

- The coronavirus pandemic had a defining impact on business performance. Thanks to its broad-based business model, the Bell Food Group proved its extreme resilience to the crisis: The health of its employees was protected and delivery readiness was guaranteed at all times.
- The retail channel developed positively, in particular the core business of meat and meat products in the home market of Switzerland. Thanks to a consistent focus on core competencies, cured ham and poultry contributed to the international success posted for the financial year.
- The coronavirus pandemic had a negative effect on the food service and convenience to-go segments.
- Successful financial year, with progress made at operating level across all business areas.
- Strong growth in retail sales from March 2020 across all product groups.
- The Bell Food Group generates around 21% of its sales from vegetarian/vegan foods.
- Food service ranges under major pressure; gratifying sales for retail ranges except to-go and fresh convenience.
- Core business in meat and meat products encouraging across Europe. In Switzerland, charcuterie, poultry and seafood were significantly stronger than in the previous year.
- Demand for sustainable poultry products developed well, especially in Switzerland and Austria. Poultry processor Hubers gained market share in Austria.
- Pleasing progress for vegan and vegetarian products. The plant-based meat alternatives segment got off to a successful start with "The Green Mountain" brand.
- Bell Switzerland announced an extensive investment programme designed to strengthen its leading position in its home market.
- Around CHF 400 million is to be invested in the complete renewal of its production infrastructure at the Holinden site in Oensingen by 2025.
- The aim is to centralize downstream processes such as the cutting of charcuterie products, packaging and order picking, thus making them more efficient, customer-friendly and sustainable.
- In line with its sustainability strategy, the Bell Food Group is committed to a responsible approach to people, animals and the environment. In 2020, for example, it reduced plastic waste by around 352 tonnes thanks to new packaging solutions.



Coop's manufacturing companies

High demand for Steinfels Swiss disinfectants during Covid pandemic

As a manufacturer of product solutions for cleanliness, disinfection and hand hygiene, Steinfels Swiss was in particular demand across all customer segments during Covid. Although shortages of alcohol as a raw ingredient presented a challenge over the course of the year, Steinfels Swiss upped its production to 3 shifts, 24 hours a day in order to cope with the high market demand. The manufacture of disinfectants was completely overhauled and output increased almost 32-fold within a very short period.

Around **1 862** tonnes
of disinfectant produced

At the same time, Steinfels Swiss developed and successfully launched new disinfectant ranges, which were approved and introduced. There was also significant growth in sales of professional hygiene products. Thanks to its outstanding sustainability credentials, Steinfels Swiss also won a number of national large and chain customers.

Swissmill supplies the population with grain

In 2020, Swissmill milled over 225 000 tonnes of grain and produced more than 100 different types of flour and semolina, as well as flakes, mixes and speciality products. Due to lockdown, there was more hoarding of staple foods, placing severe strain on the retailer – food processor – raw material supplier supply chain. Owing to this high demand for staple foods, the Swiss mills operated around the clock in the spring. It was especially vital to meet as much of the huge additional demand from retail as possible. Pasta was also very popular, quickly selling in record quantities during the pandemic. Swissmill made a Herculean effort to keep product and deliveries going during this challenging time, and was able to safeguard the supply to the population at all times.

Chocolats Halba/Sunray successful on the Asian market

The Asian markets led the way for Chocolats Halba/Sunray in 2020: despite the Covid pandemic, growth in exports to China was particularly strong. Although Chocolate consumption is gaining in popularity in China, with per capita consumption of around 100 grams a year, it is still very low. By way of comparison, annual pro capita consumption of chocolate in Switzerland is around 11 kilograms. In 2020, Chocolats Halba/Sunray succeeded in hitting the right flavour note for the Chinese market, with an innovative chocolate: in contrast to products on the shelves in Chinese stores, the high percentage of cocoa and Swiss alpine milk contained in the new chocolates by Chocolats Halba/Sunray, and their sugar-free recipe, go down well with Chinese consumers. The chocolate from Pratteln was placed, as planned, in 100 000 Chinese stores and a wide variety of online and offline sales channels. Furthermore, Chocolats Halba/Sunray has taken account of the biggest environmental trend in China by making its packaging plastic-free. This product by Chocolats Halba/Sunray is a response to the trend for sustainable and contemporary chocolate on the Asian market, and is perfectly in keeping with the consumer mood.

Highlights from Coop's manufacturing companies

The table below lists the highlights during the year under review, along with a factsheet on the individual Coop manufacturing companies. Additional information can be found at www.coop.ch/produktion.



Die Schweizer Getreidemühle

Flours, flour mixtures, durum wheat semolina, polenta, oat flakes, extruder products

- Nationwide supply guaranteed during Covid
- Increase in sales volume to more than 225 000 tonnes
- Growth in all core segments and increase in market share to over 34% of the grain processed in Switzerland for human consumption
- Double-digit growth in organic products
- Launch of product innovations in the specialist area of coarse-milled flakes
- Refurbishment of "Silo 1924" nears successful completion
- Rail extension at the location, and rail systems in the industrial zone added to the list of protected buildings in the city of Zurich



Chocolate bars, confectionery, festive assortments, chocolate for industrial purposes

- Sales trend above expectations due to Covid pandemic and attendant increase in demand for products such as pulses, sugar and bakery goods
- Higher export sales growth
- Export business in Europe and on the Asian market performed particularly well



Dried fruit, nuts, seeds, dried mushrooms and vegetables, pulses, sugar, edible oils, baking and dessert products

- Better than expected growth in sales to Swiss industrial customers
- Focus on three areas of business: chocolate, snacks and bakery; spices no longer part of range and transferred within Coop to Hügli. Preparations under way to abandon oil bottling business
- Plans to increase chocolate production space to around 1900 m²
- Further development of portfolio with focus on sustainable products due to global rise in demand for organic and Fairtrade products; new products planned for Naturaplan.
- Innovative refinement of product range to include more "specialities", such as 100% cocoa chocolate, sugar-free/reduced sugar recipes, or recipes containing protein



Cosmetics, detergents and cleaning products, hygiene products

- Successfully met very high demand for disinfection across all customer segments due to pandemic; output increased almost 32-fold; new disinfectant ranges developed and successfully launched
- Complete overhaul of disinfectant manufacture in order to meet very high demand for hand sanitizer gel
- Significant sales growth in professional hygiene; outstanding sustainability credentials enable acquisition of a number of national large and chain customers
- Seven new Oecoplan detergents and 47 new or improved Well cosmetic products launched as part of the product offensive at Coop
- Percentage of recycled content in plastic packaging increased from 64 to 152 tonnes; as well as PET containers, recycled PE containers now in use; all Fox products (HDPE) switched to recycled
- WinTurbo project: cosmetic production upgraded
- Production of detergents and cleaning products unbundled, creating more flexibility

<p>Coop bakeries</p>	<p>Fresh bread products (loaves, rolls, braided bread), frozen bread products, cakes and biscuits, tarts and pastries, and commercial doughs</p>	<ul style="list-style-type: none"> • Purchasing raw materials and packaging (nationally and internationally) very challenging during Covid pandemic • Sales increased over previous year • Shifts in the ranges due to Covid (e.g. frozen products instead of fresh produce) • Rolls, baked goods and patisserie products added to ranges at Coop Restaurant/Transgourmet 2020, increase of 1.63 million units despite Covid • Modernization and installation of wood-fired oven completed: new items organic Butterzopf bread, Pane Valle Maggia and other fresh products kept the oven at full capacity after just a few months • Overhaul of panettone range: new quality and packaging • Modernization and automation of panettone production at the Castione Bakery completed; panettone quality was overhauled and the new products were brought to market in time for the Christmas season • As a result, 50 additional staff taken on in Ticino • Fresh dough brought to another 22 sales outlets; 61 sales outlets in all now switched to fresh dough, significantly increasing the number of freshly-baked items available in-store • Number of sales outlets with in-store bakeries increased to 55 • Cakes: range completely overhauled • Overhaul of cake dough: Ingredients switched to “palm oil-free”
	<p>Organic and fair trade rice, rice specialities and rice blends</p>	<ul style="list-style-type: none"> • Very high rice and vinegar output in retail due to Covid pandemic, significant decline in industry and catering segment • Production stepped up to 24/7 with record rice output in April, the peak month (65% higher)
	<p>Vinegar and vinegar specialities</p>	<ul style="list-style-type: none"> • Further rise of over 15% in sales, due chiefly to retail in Switzerland and exports • Further growth with organic rice, particularly exports with 25% increase • Three new organic vinegars (organic cloudy apple, organic orange vinegar and organic herbal wine vinegar) and two new rice products launched under Demeter label • In summer, construction work started on the new vinegar factory in Brunnen



Mineral water and
sugar-containing
soft drinks

- Supplies to Coop sales outlets and distribution centres safeguarded even during lockdown
- Increase in sales thanks to huge additional volumes during Covid pandemic
- Greater demand for mineral water with sustainable impact at Swiss Alpina
- New design for Prix Garantie product line, with growth in sales
- Rising demand for still mineral water
- Small customers won (construction companies and beverage retailers)
- Swiss Alpina & Raspberry and Elderberry added to range
- Swiss Alpina bottles 100% RPET
- Launch of Neck 26/22 with reduced materials in bottle and seal; improved feel
- Roof-mounted photovoltaic panels installed
- Ground-mounted photovoltaic system planned to meet increased electricity needs
- Efforts to reduce sugar wastewater with project to analyse reuse, undertaken with Sustainability department and the company Rethink

Cave

White wines, rosé
wines, red wines,
dessert wines,
sparkling wines

- High demand during Covid pandemic; capacity occasionally stretched to the limit
- Significant increase in sales of all products
- Double-digit growth for wines vinified in-house
- Expansion of product portfolio at Transgourmet Switzerland with positive trend
- Very pleasing growth in organic wines
- New Bag in Box packaging format successfully integrated
- Successful IFS certification of wine cellar

Banana
ripening plant

Bananas, exotic fruit
such as pineapple
and kiwi, dried fruit

- Product availability assured during Covid lockdown despite massive 25% increase in demand
- Start of project to increase maturing capacity

Employees

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Employees

Employees go above and beyond during Covid and show a lot of solidarity. Coop promotes digital learning platforms, which employees use for self-study to gain valuable knowledge. By launching the one-year basic apprenticeship, Coop opens up new avenues in vocational training and is certified for its equal pay.

90 825

employees of
the Coop Group

The Covid pandemic placed great demands on all employees of the Coop Group, and their flexible and unbureaucratic response to the exceptional situation was very impressive. Along with their great commitment in all areas, there was also a strong sense of solidarity across all the different formats. During lockdown, many employees from the temporarily closed trading formats, catering and wholesale helped their colleagues in the supermarkets, production and logistics. Their assistance went a long way towards fulfilling the mandate to uphold supplies and to protecting employees and customers at all times. Other em-

ployees had to switch to short-time working. Coop made good the 20% drop in pay that this entailed for them. Furthermore, in line with the FOPH recommendation, Coop ordered its employees in administration to work from home. Thanks to the flexibility of staff and of the IT systems, business processes were maintained at all times. The unparalleled dedication shown by everyone involved enabled us to cope with the difficulties encountered and, against all the odds, place the focus squarely on customers' needs. Coop paid all of its employees a special bonus for their outstanding commitment during Covid.

In 2020, the Coop Group had a total of 90 825 employees in the Retail and Wholesale/Production business areas, including 3 365 apprentices. In the year under review, 63.3% of jobs were in Switzerland and the remainder abroad. Coop plays an important integrative role in society, by employing people of all educational levels and nationalities.

The latest developments on the labour market make sustainable HR work a challenging task. Chief among those developments are the skills shortage, growing competition for qualified employees and rapid technological advances. Demographic change, particularly with regard to the low birth rate generations and the retirement of baby boomers, also requires companies to be highly adaptable. Professional activity is far more significant among women, the world of work is becoming increasingly multicultural, and working models are becoming more flexible. In this environment, the Coop Group positions itself as a diverse, attractive and sustainable employer. This is particularly important in order to attract and then retain the best qualified job-seekers as employees.

In its HR work, the Coop Group's strategic priorities are: attractiveness as an employer, enterprise and management and change management. One of the main aims of Coop's HR work, besides recruiting new staff members, is to enthuse employees for and impart to them the skills they need in order to deal with technological change and digitalization.

Attractiveness as an employer

CPV/CAP Coop Pension Fund still making very stable progress

Despite the very tough and volatile environment, the CPV/CAP Coop Pension Fund generated a positive return of 3.9%. The target yield was thus exceeded and, as at 31.12.2020, the funding ratio had risen to 118.2% (previous year 116.1%); the target for the funding ratio is 115.0%. The old-age pension assets of active members accrued interest of 2.0% in 2020. This is twice the level of the minimum interest rate under Swiss law. The provisional interest rate for 2021 is 2.0%. Pensions remained unchanged, and this will also be the case in 2021. At 38 431, the number of active members was slightly higher than the previous year (37 266 active members). The number of pensioners rose by 224 people to 20 712 at the end of 2020.

Transgourmet France named one of the best employers in 2020

For the second year in a row, the French edition of the magazine “Capital” chose Transgourmet France as one of France’s best employers in 2020. In the “Wholesale” category, Transgourmet took 17th place (out of 98) in the ranking, for which an independent survey institute surveyed 20 000 people at companies across France with more than 500 employees.

Training and staff development

Introduction of more digital technology in Human Resources

HR continued to adopt new digital technologies in 2020, with the introduction of more SAP SuccessFactors modules. This move eradicated various paper-based processes for Coop, such as recording targets, the employee performance review, and the pay negotiation. In the area of learning, more than 450 internal training courses are now available online. The Coop Access app, which was launched in 2020, enables all employees, including those without a PC workstation, to easily, quickly and securely access the Coop network and, with it, numerous Coop applications such as the Coop address book, mobile deployment planning, or SuccessFactors. In addition, the new PEP 2 staff deployment planning tool offers line managers new, contemporary planning options with straightforward graphic tools.

Coop Campus: New avenues in vocational training

On 1 August, Coop launched its new action-oriented and forward-looking training concept. In its first year, 616 apprentices completed the basic training in 2020. Basic sales outlets and basic trainers were identified in the supermarkets sales channel, to provide training for 8 to 12 apprentices in the first year. After this, the young people move to a training sales outlet. The rapid pace of change in the world of work makes it vital for apprentices to independently acquire new knowledge and new skills. Self-regulated and self-organized learning is therefore pivotal to the new concept. The government’s strategic guidelines for “Vocational Training 2030” require graduate apprentices to also demonstrate responsible professional actions in specific situations. Therefore, in its Coop Campus basic training Coop promotes traits such as individual responsibility, enthusiasm, an action mindset and being a role model.

Digital learning media for practical assignments “beook” app and Coopilot learning management system

Since 2020, apprentices have been using the new digital learning media training concept to complete and reflect on their practical assignments. They prepare documentation on the individual practical assignments in their personal “beook” app, supplement these with video, audio and image files, and submit them to the vocational trainers using a notebook or smartphone. For their part, the trainers work on a learning management system which apprentices have christened “Coopilot”. Using a practical checklist, apprentices rate their own competencies. Every three months, in addition to their self-perception, they receive a third-party evaluation from their vocational trainers, which is discussed in detail and adjusted as necessary. This means that each apprentice has their own portfolio of competencies and skills.

Live online training courses and webinars

Covid has also left its mark on training. Suddenly, in-person training in seminar rooms was no longer possible and various courses run by the Coop Campus had to be switched online, so they could be attended from any location. The platforms used to achieve this were Teams, Webex and Adobe Connect. The popular Meet & Eat lunch events which took place in the auditorium at head office, and were routinely attended by up to 100 participants, continued as a webinar. This has made it easy for employees from the regions to enjoy exciting content.

CAS Management and Leadership

Thanks to a partnership with the Kalaidos University of Applied Sciences, employees now have the option of obtaining a Certificate of Advanced Studies (CAS) on completion of their management training at Coop. The first 13 participants will be awarded their UAS certificate and 15 ECTS points in March 2021. The CAS in Management and Leadership is comprised of a combination of modules, self-regulated learning, transfer tasks and a practical case study. With its practical orientation, this part-time training enables participants to really engage with what they have learned in their daily management activities, increasing their self-efficacy. Coop's new offering is very popular with employees: with 15 participants, the second CAS intake also got off to a successful start.

Equal pay certification

At the start of April 2020, the Swiss Association for Quality and Management (SQS) awarded Coop the "Fair Compensation" certification for the Coop business units. The "Fair Compensation" certificate confirms that Coop's remuneration policy satisfies the criteria for compliance with fair compensation. Coop has been tackling this issue for a number of years, and has now become the first big Swiss retailer to be rewarded for its commitment with the certificate - proof that, at Coop, all employees have the same opportunities, regardless of gender or background.

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Corporate governance

Corporate governance is based on the principle of management's transparency and openness towards employees and the general public. In the following chapter, Coop provides an insight into its company structure.

The Coop Group Cooperative is committed to openness and transparency in the operational management of the Group and it acts to ensure good corporate governance in the interests of its members, customers, employees and other stakeholders. Its governance largely follows the guidelines of SIX Swiss Exchange regarding information on corporate governance. These apply to joint-stock companies and companies that have issued participation certificates or non-voting dividend rights certificates, which does not apply to Coop as a cooperative society. The only company in the Coop Group that has issued SIX-listed equities is Bell Food Group AG. For specific information on this company's corporate governance, see its annual report and website, www.bellfoodgroup.com.

Group structure

The Coop Group Cooperative is based in Basel. At the end of 2020 the cooperative had over 2.5 million members. Any resident of Switzerland or the Principality of Liechtenstein can become a member. The Coop Group Cooperative holds stakes in a number of companies in Switzerland and abroad. Pages 116 to 119 of the Annual Report (Scope of consolidation) provide information on the group structure. There are no cross-holdings within the Coop Group. The Coop Group Cooperative is responsible for the general direction of business of the Coop Group. The executive bodies of the Coop Group Cooperative are the Regional Councils, Delegate Assembly, Board of Directors, Executive Committee and auditors.

Organization



Regional Councils

The Coop Group Cooperative comprises six regions (Suisse Romande, Bern, Nordwestschweiz, Zentralschweiz-Zürich, Ostschweiz incl. Principality of Liechtenstein, and Ticino). These regions do not constitute separate legal entities, but are part of the Coop Group's cooperative-based organizational structure. In each region, cooperative members elect a Regional Council consisting of 60 to 120 members (Ticino: maximum of 30). The Regional Councils maintain contact with members and the public. Each Regional Council appoints a Committee of twelve (Ticino: six) from among its members. Each Committee is self-constituting and submits a proposal to the Board of Directors for the attention of the Delegate Assembly for one of its members to be appointed to the Board of Directors; if elected, the member becomes President of both the Regional Council (RC) and its Committee (RCC). The other members of the Regional Council Committee are the delegates. They represent the members of the corresponding region at the Delegate Assembly of the Coop Group Cooperative. The current composition of the Delegate Assembly is shown in the section "Delegate Assembly".

The term of office of the Regional Councils and the Regional Council Committees is four years. The current term of office is from 2017 to 2021. According to the Articles of Association, a member's term in office is limited to 20 years, and members must retire at the end of the year in which they turn 65. Starting from the 2021 to 2025 term of office, the age restriction will be raised to age 70.

Delegate Assembly

The Delegate Assembly is endowed with the legal powers vested in the Annual General Meeting and the duties assigned to it in the Articles of Association. In particular, it is responsible for laying down the Articles of Association, electing and dismissing the Board of Directors and the statutory auditors, approving the Annual Report, discharging the Board of Directors and dissolving the cooperative society. In addition, the Board of Directors can submit other business to it for a decision.

Further information on the Regional Councils and the Delegate Assembly can be found in the Articles of Association and the Election Regulations of the Coop Group Cooperative. Both documents can be accessed online.

➔ www.coop.ch/organe

As at 31 December 2020, the Delegate Assembly consisted of the following delegates:

Suisse Romande region	Bern region	Nordwestschweiz region	Zentralschweiz-Zürich region	Ostschweiz region (incl. Liechtenstein)	Ticino
region	Sabine Boschung	Alexandra Abbt-Mock	Silvia Banfi Frost	Suzanne Blaser	Lucia Gianoli
Patrick Csikos	Patrick Bruni	Sibylle Bader Biland	Stefan Baumann	Fridolin Eberle	Carlo Frigerio
Yvan Délèze	Chantal Gagnebin	Evelyn Borer	Beatrice Bertschinger	Markus Eugster	Fiorenzo Robbiani
Olivier Grangier	Sandra Ghisoni Schenk	André Dalla Vecchia	Kilian D'Alberto	Christa Flückiger	Gabriella Rossetti
Doris Grobéty	Fränzi Grunder	Sandra Nicole Engeler	Anna Maria Forlano	Michael Fuhrer	Raffaele Sartori
Nicole Hosseini	Jürg Kradolfer	Adrian Fankhauser	Alexander Gossauer	Kurt Gansner	
Nadine von Büren-Maier	Corinne Lehmann	Susanne Jäger	Ronald Hauser	Roberto Godenzi	
Zohra Ottoz	Sibylle Miescher	Peter Jossi	Evelyn Hofer	Hedwig Kohler	
Benoît Santschi	Felix Truffer	Pascal Konrad	Cornelia Luchsinger	Richard Kübler	
Catherine Stern	Annette Wisler Albrecht	Daniel Mürger	Alex Rutz	Leonardo Longaretti	
Marc Vauthey	Zippora Wüthrich	Karin Alder-Blaser	Beda Schlumpf	Gabi Senn	

Capital structure

The capital structure of the Coop Group can be seen in the consolidated balance sheet (page 95 of the Annual Report) and the corresponding notes (pages 98–103). The equity of the Coop Group Cooperative consists exclusively of self-generated funds. The members have no stake in the equity.

Board of Directors

Members of the Board of Directors

According to the Articles of Association, the Board of Directors of the Coop Group Cooperative comprises a maximum of six members nominated by the regions as well as a maximum of five further members, including a representative from the French-speaking part of Switzerland and an employee representative. The members of the Board of Directors are proposed by the Board of Directors and elected by the Delegate Assembly. The Board of Directors currently includes four further members, i.e. it has a total of ten members. With the exception of the employee representative, the members of the Board of Directors may not be employed by Coop or by any enterprise controlled by Coop (strict division of powers).

As at 31 December 2020, the Board of Directors of the Coop Group Cooperative comprised the following members:

Name	Year	Current function	First year of office	Elected until
Hansueli Loosli ²	1955	Chairman	2011	2021
Peter Eisenhut	1955	Member, representative of Ostschweiz/FL Region	2009	2021
Michela Ferrari-Testa	1963	Member, representative of Ticino Region	2006	2021
Susanne Giger	1970	Member, representative of Zentralschweiz-Zürich Region	2018	2021
Petra Jörg Perrin ²	1964	Member, representative of Bern Region	2017	2021
Hans-Jürg Käser	1956	Member, employee representative	2009	2021
Irene Kaufmann ¹	1955	Vice-Chairwoman	2001	2021
Doris Leuthard ²	1963	Member	2019	2021
Bernard Rüeger	1958	Member, representative of Suisse Romande Region	2009	2021

¹ Chairwoman of the Audit Committee

² Member of the Audit Committee

On 10 December 2020, Roman Kuhn died after a long illness, aged 65. He had been a member of the Board of Directors since 2010, since when he had also been Chairman of Coop's "Nordwestschweiz" Regional Council.

Education/training, professional activities and vested interests

(Reference date 31.12.2020)

The Board of Directors of the Coop Group Cooperative is also the Board of Directors of the Coop Cooperative and Coop Immobilien AG.



Hansueli Loosli

Swiss

Vocational training/background:

Swiss diploma in accounting and controlling, KV Zurich

Professional experience:

1982–1985 Controller, Dep. Director of Mövenpick Produktions AG, Adliswil; 1985–1992 Waro AG, Volketswil, latterly as Managing Director; 1992–1996 Purchasing Director Non-Food at Coop Switzerland, Wangen; 1992–1997 Managing Director of Coop Zurich, Zurich; 1997–2000 Chairman of the Executive Committee and of the Group Executive Board of Coop Switzerland, Basel; January 2001–August 2011 Chairman of the Executive Committee of the Coop Cooperative, Basel; since September 2011

Chairman of the Board of Directors of the Coop Group Cooperative, Basel

Further directorships:

Bell Food Group AG, Basel (Chairman); Coop Mineraloel AG, Allschwil (Chairman); Swisscom AG, Ittigen (Chairman); Pilatus Flugzeugwerke AG, Stans; Transgourmet Holding AG, Basel (Chairman)

Other functions and offices:

Advisory Board, Deichmann SE



Peter Eisenhut

Swiss

Vocational training/background:

Lic. oec. HSG, University of St. Gallen

Professional experience:

1981–1991 Principal teacher of economic studies, Cantonal School, Heerbrugg; 1987–1998 Lecturer in economics, University of St. Gallen; 1990–1993 Member of Executive Committee, St. Gallen Center for Futures Research; 1993–1996 Independent economic advisor; 1997–2007 Chief Economist, IHK (Chamber of Industry & Commerce) St. Gallen-Appenzell; since 2008, Managing Partner, Ecpol AG, St. Gallen

Further directorships:

Rofima Holding AG, Horn; Santis-Schwebbahn AG, Schwägalp

Other functions and offices:

Supporters' Association and Executive Board, Swiss Research Institute of Small Businesses and Entrepreneurship, University of St. Gallen; Zukunft.li Foundation (Chairman)



Michela Ferrari-Testa

Swiss

Vocational training/background:

Lic. iur. University of Zurich, lawyer and notary

Professional experience:

since 1990, own law and notary practice in Capriasca

Further directorships:

avanex Versicherungen AG, Dübendorf; Helsana AG, Dübendorf; Helsana Unfall AG, Dübendorf; Helsana Versicherungen AG, Dübendorf; Helsana Zusatzversicherungen AG, Dübendorf; Progrès Versicherungen AG, Dübendorf; sansan Versicherungen AG, Dübendorf; Schweizerische Mobiliar Genossenschaft, Bern

Other functions and offices:

Board member, Fondation Sana



Susanne Giger

Swiss

Vocational training/background:

Lic. oec. HSG, University of St. Gallen

Professional experience:

1995–1998 Project Manager B+R Event AG, Glattbrugg; 1998–2000 Head of Sponsorship and Events "Zürich" insurance company, Zurich; 2001–2007 Business Editor Schweizer Fernsehen und Schweizer Radio DRS, Zurich and Bern; 2008 author of books and freelance journalist; 2009–2017 Business Editor and presenter, Schweizer Radio und Fernsehen SRF, Bern and Zurich; since 2018 entrepreneur (Susanne Giger GmbH), Zollikon

Further directorships:

Board member, Kartause Ittingen, Warth-Weiningen; Board member, Zewo, Zurich; Gemeinnützige Stiftung gegen die Mädchenbeschneidung, Hittnau (Vice-Chairwoman)

Other functions and offices:

member of the Board of HSG Alumni Women's Chapter; Advisor, Lassalle-Institut



Petra Jörg Perrin

Swiss

Vocational training/background:

Dr. rer. oec. University of Bern

Professional experience:

since 1989 editor, author and lecturer as well as project manager;
since 2006 Managing Director and since 2015 CEO at Rochester-Bern
Executive Programs

Other functions and offices:

Titular Professor and visiting lecturer at the University of Bern



Hans-Jürg Käser

Swiss

Vocational training/background:

Apprenticeship as an electrician

Professional experience:

1980–1991 Head of Outgoing Goods, Coop Switzerland;
since 1999, Head of Transport Aids Pool at Coop, Basel

Other functions and offices:

Coop Section of Unia; Association of Salaried Employees of Coop (Chairman)



Irene Kaufmann

Swiss

Vocational training/background:

Dr. oec. publ. University of Zurich

Professional experience:

1980–2002 Auditing and consultancy mandates for private-sector enterprises on behalf of Dr. Nabholz Treuhand AG, Zurich; 1985–2008 Nabholz Beratung, Zurich: project management consultant to public administrations and companies, focusing on finance and organization; 2000–2009 Vice-Chairwoman of the Board of Directors, Coop Cooperative, Basel; 2009–2011 Chairwoman of the Board of Directors, Coop Cooperative, Basel; since 2011 Vice-Chairwoman of the Board of Directors, Coop Group Cooperative, Basel

Further directorships:

Coop Aid for Mountain Regions Cooperative, Basel (Chairwoman);
Dipl. Ing. Fust AG, Oberbüren; Schweizerische Mobiliar Genossenschaft,
Bern (Vice-Chairwoman); Schweizerische Mobiliar Holding AG, Bern
(Vice-Chairwoman)

Other functions and offices:

Foundation Board, CPV/CAP Coop Pension Fund (Chairwoman);
Member of Foundation Board, ETH Zurich Foundation



Doris Leuthard

Swiss

Vocational training/background:

Lic. iur. University of Zurich, lawyer

Professional experience:

1991–2006 Lawyer and partner at Fricker Lawyers, Wohlen. Also member of various Boards of Directors (including Neue Aargauer Bank AG, Elektrizitäts-Gesellschaft Laufenburg AG, Baugenossenschaft Merenschwand) and political activity as schools inspector for Muri District (1993–2000), member of the Grand Council of the Canton of Aargau (1997–2000), member of the National Council (1999–2006) and as Chairwoman of the Christian Democratic Party of Switzerland (2004–2006). 2006–2018 Federal Councillor, initially as head of the Federal Department of Economic Affairs (FDEA) then, from November 2010, head of the Federal Department of Environment, Transport, Energy and Communications (DETEC), 2010 and 2017 President of the Swiss Confederation

Further directorships:

Bell Food Group AG, Basel; Coop Mineraloel AG, Allschwil; Stadler Rail AG, Bussnang; Transgourmet Holding AG, Basel

Other functions and offices:

Fondation Kofi Annan; Ulrico Hoepli-Stiftung (Chairwoman), Stiftung Swiss Digital Initiative (Chairwoman), Steering Committee Europa Forum (Co-Chairwoman), Member of Foundation Board, ETH Zurich Foundation



Bernard Rüeger

Swiss

Vocational training/background:

MBA, Lausanne

Professional experience:

since 1986 in various positions and 1992–2012 Managing Director, Rüeger SA, Crissier; 2013–2019, Chairman, Rüeger Holding SA, Paudex

Further directorships:

Alpsens Technologies SA, Crissier (Chairman); CSS Holding AG, Lucerne; Groupe Orllati SA, Biolley-Orjulaz; Lyncée Tec SA, Ecublens; Precitherm SA, Paudex; Socorex Isba SA, Ecublens

Other functions and offices:

Association PMEbox (PMEbox); Economiesuisse (Vice-Chairman); Member of Foundation Board, Fondation de Beaulieu

Election and term of office of the Board of Directors

Principles of the electoral procedure

The members of the Board of Directors are elected by the Delegate Assembly. The term of office for all members is four years. Re-election is possible. In accordance with the Articles of Association, a member's term in office is limited to 20 years, and members must retire by the time of the first ordinary Delegate Assembly in the year in which they celebrate their 65th birthday.

First-time election and remaining term of office

The start of the term of office for members of the Board of Directors elected for the first time is set out in the section "Members of the Board of Directors". The current term of office began in spring 2017 and ends in spring 2021.

Internal organization

Allocation of tasks within the Board of Directors

The Board of Directors is self-constituting, appointing a Chairman and a Vice-Chairman from among its members. The members assume equal responsibility for exercising the functions of the Board of Directors.

Audit Committee

As support, the Board of Directors has appointed an Audit Committee from among its own members. The Audit Committee advises the Board of Directors on questions concerning the financial statements and reporting, on the activities of the internal and external auditors, the internal control system (ICS) and risk management. Compliance is also a matter for the internal control system and risk management.

The Audit Committee meets at least three times a year. A meeting generally lasts half a day. As a rule, the Chairman of the Executive Committee (CEO), the Head of the Finance Business Unit and the Head of Internal Auditing take part in the meetings in an advisory capacity. Depending on the agenda of the meeting, the external auditors may be asked to attend. The members of the Board of Directors are kept informed on the work of the Audit Committee at regular intervals. Internal Auditing reports to the Chairwoman of the Audit Committee. The Audit Committee met four times in 2020.

Working method of the Board of Directors

The Board of Directors meets as often as business requires, but at least four times a year. As a rule, the Chairman of the Executive Committee (CEO) and the Vice-Chairman of the Executive Committee take part (for all items on the agenda) in the meetings of the Board of Directors in an advisory capacity, as do the other members of the Executive Committee if required. The Board is quorate if a majority of its members are present. A valid decision requires a majority of the votes cast. In the event of a tie, the Chairman of the Board of Directors has the casting vote.

In 2020, the Board of Directors convened for eight meetings lasting from one to two days. No external consultants were engaged.

Regulation of responsibilities

The Board of Directors is responsible for the general direction (strategic leadership) of the business of the Coop Group Cooperative and the Coop Group and oversees operational management of the Group. The duties and powers vested in it under Art. 29 of the Articles of Association correspond to the regulations laid down for joint-stock companies (Swiss Code of Obligations 716a), which are stricter than Swiss law on cooperatives. The organizational regulations enacted by the Board of Directors provide for a strict division of responsibilities between the Board of Directors and the Executive Committee in all fundamental matters such as finance, corporate strategy, human resources and organization. The Executive Committee has drawn up regulations that define in detail the operational responsibilities of the individual management levels.

Instruments of information and control over the Executive Committee

Management information system

The Chairman of the Board of Directors and the CEO meet once or twice a month to discuss fundamental issues regarding the Coop Group. The Chairman of the Board of Directors regularly attends the meetings of the Executive Committee. At each regular meeting of the Board of Directors, the CEO informs the Board members in detail about the company's performance, key projects and events as well as measures that have been implemented. Every month the Board of Directors receives a written report containing key figures on current business performance and important information on all business segments. In addition, reports and results are submitted in writing to the Board of Directors every four months and presented and discussed at the Board meetings.

Planning and goal-setting process/balanced scorecard

Coop has a comprehensive and continuous planning and goal-setting process in place, which also features regular reporting to the Board of Directors, including balanced scorecard reports.

Risk management

The Coop Group operates a standardized risk management system. Every three years (most recently in 2018), the Executive Committee and the Board of Directors identify and analyse the main risks and main risk scenarios and determine the appropriate measures. The progress made in implementing the individual measures is reviewed each year. Major risks are defined as those that can have a negative impact on the EBIT of the Coop Group to the extent of over 15 million francs within three years.

Internal control system

During the well-established annual quality evaluation of the internal control system at business process level, operational risks and risks associated with financial reporting and compliance are assessed. The effectiveness of the checks carried out to cover these risks is also assessed. General IT checks are included in the above assessments.

The quality of the Group-wide checks is examined by members of the Executive Committee every two years. As scheduled, an assessment of the Group-wide checks was carried out in 2019. The results of the internal control system evaluations are summarized in a comprehensive report issued each year.

Internal Auditing

Internal Auditing - as an independent and impartial body - is mandated by the Board of Directors and the Audit Committee to check compliance with guidelines and regulations, the appropriateness and effectiveness of the internal control system and other aspects. It audits, or advises on, the development of new business processes or changes to existing ones, and supports the Executive Committee in the achievement of its goals by presenting proposals for improving business processes. Internal Auditing practises a risk-oriented approach to auditing. Observations from audits are communicated in writing to the Chairwoman of the Audit Committee, the Chairman of the Board of Directors and the Chairman of the Executive Committee. The implementation of measures is monitored promptly. Internal Auditing coordinates its auditing activities and maintains close contact with the statutory auditors for the purpose of sharing information. It is a member of the Institute of Internal Auditing Switzerland (IIAS).

Compliance

Coop's corporate profile takes shape with the Coop Group Code of Conduct. The Code of Conduct, which is binding on the company's employees, describes the rules when dealing with each other, as well as with our customers and business partners. It focuses on a respectful, non-discriminatory, sincere and honest approach. This includes compliance with statutory requirements and internal guidelines. Violations of this Code of Conduct should initially be reported to line managers. In cases where this is not possible, the person reporting the violation can contact a reporting office. All information is treated as strictly confidential.

Executive Committee

Members of the Executive Committee

For the operational management of the Group, the Board of Directors appoints an Executive Committee (EC), which acts on its own responsibility as the executive body; its duties and powers are laid down in the organizational regulations by the Board of Directors. The Executive Committee is headed by a Chairman (CEO), who is entitled to issue directives to the other EC members.

As at 31 December 2020, the Executive Committee of the Coop Group Cooperative comprised the following members:

Name	Year	Current function	Member since
Joos Sutter	1964	Chairman of the Executive Committee (CEO)	2010
Reto Conrad	1966	Member	2012
Christian Coppey	1965	Member	2017
Daniel Hintermann	1970	Member	2017
Daniel Stucker	1964	Member	2011
Adrian Werren	1969	Member	2016
Philipp Wyss	1966	Vice-Chairman of the Executive Committee	2009

Education/training, professional activities and vested interests

(Reference date 31.12.2020)

The Executive Committee of the Coop Group Cooperative is also the Executive Committee of the Coop Cooperative and Coop Immobilien AG.



Joos Sutter

Swiss

Vocational training/background:

Lic. oec. HSG, University of St. Gallen; Swiss diploma in. auditing, "Kammerschule" of the Schweizerische Treuhandkammer (Swiss Institute of Certified Accountants and Tax Consultants), Zurich

Professional experience:

1991–1996 Auditor at PricewaterhouseCoopers, Zurich; 1996–1999 Head of Finance/Personnel at Import Parfümerien AG, Zurich; 1999–2005 various positions such as Head of Finance/Service and Head of Sales at Interdiscount AG, Jegenstorf; 2005–2009 Head of Interdiscount Division; 2010–2011 Member of the Executive Committee of Coop Group Cooperative and Head of the Trading Business Unit of Coop Cooperative, Basel; since September 2011 Chairman of the Executive Committee of Coop Group Cooperative (CEO) and Head of Retail Business Unit of Coop Cooperative, Basel

Directorships:

AgeCore SA, Geneva; Bell Food Group AG, Basel (Vice-Chairman); Transgourmet Holding AG, Basel (Vice-Chairman); Two Spice AG, Zurich

Other functions and offices:

IG DHS (Swiss retailers' organization) Steering Committee



Reto Conrad

Swiss

Vocational training/background:

Lic. oec. HSG, University of St. Gallen; Swiss diploma in auditing, "Kammerschule" of the Schweizerische Treuhandkammer (Swiss Institute of Certified Accountants and Tax Consultants), Basel

Professional experience:

1990–1992 Controller at UBS, Basel; 1992–2001 various auditing positions at PricewaterhouseCoopers in Basel and San Francisco; 2001–2005 CFO and member of the Bachem Group Corporate Executive Committee, Bubendorf; 2006–2012 CFO and member of Corporate Executive Board of Emmi Group, Lucerne; since 2012, Member of the Executive Committee of Coop Group Cooperative, Basel; 2012–2016 Head of Finance/Services Business Unit of Coop Cooperative, Basel; since May 2016, Head of IT/Production/Services Business Unit of the Coop Group Cooperative, Basel

Directorships:

Coop-ITS-Travel AG, Freienbach (Chairman); Coop Mineraloel AG, Allschwil; Panflor AG, Zurich; Société coopérative Centre de Formation du Léman, Jongny (Chairman); Update Fitness AG, Uzwil (Chairman)

Other functions and offices:

Board member, CPV/CAP Coop Pension Fund, Basel



Christian Coppey

Swiss

Vocational training/background:

diploma in architecture, ETH Zurich, Advanced Master in Urban Planning ENPC Paris

Professional experience:

1992–1995 Assistant Prof. D. Schnebli, ETH Zurich; 1993–2005 Project Manager Coppey & Coppey Architectes, Martigny; 2003–2006 Head of Corporate Real Estate Western Switzerland Credit Suisse, Lausanne; 2006–2016 Head of Real Estate & Shopping Management Maus Frères SA, Geneva;

since 2017 Member of the Executive Committee of Coop Group Cooperative and Head of Property Business Unit of Coop Cooperative, Basel

Directorships:

Pearlwater Mineralquellen AG, Termen (Chairman); Robix AG, Baden (Chairman)



Daniel Hintermann

Swiss

Vocational training/background:

Lic. rer. pol. University of Bern; Swiss diploma in logistics management

Professional experience:

1997–2001 Consultant and Project Manager Abegglen Management Consultants AG, Volketswil; 2001–2005 Head of Service Interdiscount, Jegenstorf; 2005–2010 Head of Logistics, IT and Service Interdiscount; 2010–2016 Head of Coop Nordwestschweiz logistics region, Schafisheim; since 2017 Member of the Executive Committee of Coop Group Cooperative and Head of Logistics Business Unit of Coop Cooperative, Basel

Directorships:

Cargo Sous Terrain AG, Basel; Railcare AG, Harkinggen (Chairman)



Daniel Stucker

Swiss

Vocational training/background:

Dipl. Ing. in business informatics, Biel Engineering College; Executive MBA, University of Zurich

Professional experience:

1985–1986 Software engineer PTT, Bern; 1989–1992 Management Consultant and Branch Manager Bern AF Consulting, Bern; 1992–1994 Head of Service-Center RESO, Solothurn; 1994–1999 Head of IT and Organization at UEFA, Union of European Football Associations, Nyon; 1999–2007 Head of IT/Logistics, then Head of Finance/Services, later Head of Purchasing at Interdiscount, Jegenstorf; 2007–2011 Head of Division Import Parfumerie/Christ Watches & Jewellery, Winterthur;

since 2011 Member of the Executive Committee of Coop Group Cooperative and Head of Trading Business Unit of Coop Cooperative, Basel

Directorships:

Coop Vitality AG, Bern (Chairman); Coop Vitality Health Care GmbH, Niederbipp (CEO); Coop Vitality Management AG, Bern (Chairman); Dipl. Ing. Fust AG, Oberbüren (Chairman); Elektronik Distribution AG, Basel (Chairman); Eurogroup Far East Ltd., Hong Kong; Nettoshop AG, St. Gallen (Chairman); Retail Marketing Switzerland AG, Basel; RS Vertriebs AG, St. Gallen (Chairman); Service 7000 AG, Netstal (Chairman); The Body Shop Switzerland AG, Uster (Chairman)



Adrian Werren

Swiss

Vocational training/background:

Lic. rer. pol. University of Basel

Professional experience:

1995–1996 Auditor, Coop Switzerland, Basel; 1997–2000 Project Manager Coop Switzerland, Basel; 2001–2008 Team Leader Controlling, Coop, Basel; 2009–2010 Head of Controlling, Coop, Basel; 2011–2016 Head of Controlling, Coop and Head of Business Management/Controlling, Transgourmet (co-responsible);

since 2016 Member of Executive Committee of Coop Group Cooperative and Head of Finance Business Unit of the Coop Cooperative, Basel

Directorships:

Coop Vitality AG, Bern; Coop Vitality Health Care GmbH, Niederbipp; Coop Vitality Management AG, Bern; Dipl. Ing. Fust AG, Oberbüren; Marché Restaurants Schweiz AG, Dietlikon; nettoShop AG, St. Gallen; RS Vertriebs AG, St. Gallen; Railcare AG, Härkingen; Retail Marketing Switzerland AG, Basel (Chairman); The Body Shop Switzerland AG, Uster; Transgourmet Central and Eastern Europe AG, Basel; Transgourmet Holding AG, Basel; Transgourmet Österreich GmbH, Traun; Transgourmet Schweiz AG, Basel



Philipp Wyss

Swiss

Vocational training/background:

Commercial apprenticeship and butcher apprenticeship

Professional experience:

1990–1992 Sales Manager, Sempione Gehrig AG, Klus; 1993–1997 Senior Product Manager, Federation of Migros Cooperatives, Zurich; 1997–2003 Category Manager for Meat, Fish, Fresh Convenience at Coop, Basel;

2004–2008 Head of Fresh Produce Category Management at Coop, Basel;

2008–2009 Coop Sales Head of Zentralschweiz-Zürich Region; since

2009, Member of Executive Committee of Coop Group Cooperative, Basel;

2009–2011 Head of Retail Business Unit and Head of Zentralschweiz-Zürich Sales Region of Coop Cooperative, Basel;

since 2012, Head of Marketing/Purchasing Business Unit and deputy CEO of Coop Cooperative, Basel

Directorships:

AgeCore SA, Geneva; Betty Bossi AG, Zurich (Chairman); Alifresca AG, Basel (Chairman); Casa del Vino SA, Zurich; Eurogroup Far East Ltd., Hong Kong (Chairman); Marché Restaurants Schweiz AG, Dietlikon (Chairman); Transgourmet Holding AG, Basel; Two Spice AG, Zurich; Vinattieri Ticino SA, Mendrisio

Other functions and offices:

GfM Schweizerische Gesellschaft für Marketing (Officer); member of the Bio Foundation board; Board member, Biore Foundation

Management agreements

There are no management agreements with third parties.

Compensation

Content and method of determining compensation and shareholding programmes

Compensation of the members of the Board of Directors and Executive Committee of the Coop Group Cooperative is prepared by the Chairman and the Vice-Chairwoman of the Board of Directors and set by the Board of Directors.

Compensation of the activities of the Board of Directors of the Coop Group Cooperative consists of a fixed salary dependent on the function involved (chairmanship, vice-chairmanship, regional council chairmanship, membership). In addition, a variable amount is paid in the form of fees for attending meetings. The Chairman and the Vice-Chairwoman of the Board of Directors and Doris Leuthard are exceptions in that they receive fixed compensation (annual lump sum).

Compensation of the members of the Executive Committee of the Coop Group Cooperative consists of a contractually agreed fixed gross salary and a variable performance-related sum (profit-sharing) paid in cash. This sum may not exceed 20% of gross salary and is determined by the degree of budget fulfilment.

Compensation for the activities of the Board of Directors of the Coop Group Cooperative, the Coop Cooperative and Coop Immobilien AG in 2020 amounted to 1.4 million francs in 2020 (previous year: 1.3 million francs). The gross salaries of the Executive Committee totalled 4.2 million francs for seven full-time equivalents in 2020 (previous year: 4.2 million francs for seven full-time equivalents). The Coop Group Cooperative and the Coop Cooperative, respectively, are entitled to any fees paid to the Chairman and the Vice-Chairwoman of the Board of Directors and to members of the Executive Committee for activities performed as members of the Boards of Directors of subsidiaries.

The Chairman and the Vice-Chairwoman of the Board of Directors and the members of the Executive Committee do not enjoy special pension rights.

Rights of participation

Voting rights

Members of the Coop Group Cooperative are represented by the delegates of their respective region. Voting rights in the Delegate Assembly reflect the number of Coop members in the corresponding regions.

Statutory quorums

Resolutions and elections in the Delegate Assembly require an absolute majority of the valid votes cast for them to take effect.

Convening the Delegate Assembly

The Board of Directors convenes the Delegate Assembly at least 20 days in advance, giving details of the matters to be discussed and the proposals of the Board of Directors. An extraordinary Delegate Assembly may be convened if so requested by at least one third of delegates.

Adding an item to the agenda

Delegates can ask for a matter to be added to the agenda of the Assembly. The request must be submitted to the Board of Directors at least 45 days before an Ordinary Delegate Assembly is due to be held.

Changes of control and defensive measures

The Coop Group Cooperative has not issued any participation certificates. There are no statutory restrictions or regulations.

Auditors

Duration of mandate and term of office of lead auditor

As the auditors are appointed for one year, the Delegate Assembly elects the auditors each year. KPMG has been the auditor of the Coop Group Cooperative and of the consolidated financial statements of the Coop Group since 2019. Lead auditor Jurg Meisterhans has been in office since 2019.

Auditing fee

The auditors billed fees totalling 3.4 million francs for fulfilment of their statutory mandate for the 2020 financial year.

Other fees

For performing additional services over and above the statutory mandate, the auditors billed a total of 0.7 million francs during the 2020 financial year.

Information instruments pertaining to an external audit

The Audit Committee is mandated by the Board of Directors to monitor the qualification, impartiality and performance of the external auditors and to inform the Board of Directors of the results of its assessment. It also provides the Board of Directors and the Delegate Assembly with a recommendation regarding the election or re-election of the external auditors.

The lead auditor took part in three meetings of the Audit Committee in 2020. Planning of the audit, the observations of the external auditors and the ensuing procedure adopted were discussed at these meetings. In addition, the lead auditor reports to all members of the Board of Directors once a year. The external auditors and Internal Auditing additionally discuss the methods and further development of the internal control system.

Information policy

The Coop Group Cooperative keeps its members informed through the weekly Coop Member Press and the Coop websites. In addition, members can view the Coop Annual Report on the company's website or download it from the website.

→ report.coop.ch

In spring and autumn, the delegates attend Delegate Assemblies at which information about ongoing business developments is provided and current topics are discussed in depth. Along with the invitation to the Spring Delegate Assembly they also receive a copy of the Annual Report of the Coop Group. The financial statements of the Coop Group Cooperative are an integral component of this annual report. In addition, they receive a written report every four months informing them of Coop's current business performance.

The key sales figures for the previous year are announced at the beginning of each year, and the annual results conference of the Coop Group takes place in February. Regular media releases keep the public informed on other important developments within the Coop Group.

→ www.coop.ch/medien

Coop Group management

Coop Cooperative

As at 1 April 2021

Executive Committee (EC)

Joos Sutter, Chief Executive Officer
Reto Conrad, Head of IT/Production/Services Business Unit
Christian Coppey, Head of Property Business Unit
Daniel Hintermann, Head of Logistics Business Unit
Daniel Stucker, Head of Trading Business Unit
Adrian Werren, Head of Finance Business Unit
Philipp Wyss, Head of Marketing/Purchasing Business Unit

CEO Business Unit

Joos Sutter, Chief Executive Officer
Frank Bertisch, Head of Internal Auditing
Luc Pillard, Head of Human Resources
Alfred Hubler, Head of General Secretariat
Jörg Ledermann, Head of Communication/Quality/Sustainability

Retail Business Unit

Joos Sutter, Head of Retail Business Unit
Stefano Alberucci, Head of BE Sales Region
Ivo Dietsche, Head of OT Sales Region
Philippe Huwyler, Head of Coop@home
Sissigno Murgia, Head of SR Sales Region
Peter Schmid, Head of NWZZ Sales Region
Roberto Villoria, Head of Total Store national

Suisse Romande Sales Region(SR)

Sissigno Murgia, Head of SR Sales Region
Stefan Silvestri, Head of Business Management/Controlling
Jean-Claude Chapuisat, Head of Human Resources
Thierry Boudol, Head of Sales VD/FR
Claudio Marra, Head of Sales GE
vacant, Head of Sales VD/GE
Jean-Luc Peulet, Head of Sales VS/VD
Laurent Voelin, Head of Sales NE/JU/BE
Fabien Bernard, Head of Sales VD/FR/NE
(as of 01.06.2021)
Patrick Angéloz, Head of Marketing SR Sales Region

Bern Sales Region (BE)

Stefano Alberucci, Head of BE Sales Region
Peter Jacobian, Head of Sales Bern/Burgdorf
Franck Truchot, Head of Sales Seeland/FR
Oliver Hasler, Head of Sales Emmental/Thun
Marcel Maurer, Head of Sales Berner Oberland/Wallis
Willy Kuhn, Head of Sales SO/Oberaargau
Priska Rindisbacher, Head of Human Resources
(as of 01.09.2021)
André Wenger, Head of Business Management/Controlling
Roland Frefel, Head of Marketing

Nordwestschweiz-Zentralschweiz-Zürich Sales Region (NWZZ)

Peter Schmid, Head of NWZZ Sales Region
Dominique Vela, Head of Business Management/Controlling
André Aerne, Head of Sales Lake Zurich (right-hand shore)
Urs Barmettler, Head of Sales ZG/SZ
Christian Rüttimann, Head of Sales Zurich City
Marc Ellena, Head of Sales AG West/Olten
Martin Fürst, Head of Sales AG Ost
Sandro Janko, Head of Sales BL and surrounding area

Herbert Müller, Head of Sales LU
Isabelle Moesch, Head of Human Resources
Jean-Claude Prosdocimo, Head of Sales Zürich Nord
Besim Ramadani, Head of Sales Lake Zurich (left-hand shore)
Christine Keller, Head of Sales BS and surrounding area
Peter Limacher, Head of Marketing NWZZ Sales Region

Ostschweiz-Ticino (OT) Sales Region

Ivo Dietsche, Head of OT Sales Region
Johannes Hummel, Head of Business Management/Controlling
Patrick Wiler, Head of Human Resources
Dario a Marca, Head of Sales TI
Erich Romer, Head of Sales SG Ost/AI/AR/FL/GL
(as of 01.09.2021)
Rolf Gurtner, Head of Sales Winterthur/SH
Shenasi Haziri, Head of Sales SG West/TG
Sven Herzog, Head of Marketing OT Sales Region
Annatina Mehli, Head of Sales GR

Trading Business Unit

Daniel Stucker, Head of Trading Business Unit
Martin Meier, Head of Business Management/Controlling
Claudia Aeschlimann, Head of Human Resources
Antonella Catellani, Head of Total Store/Expansion

Coop City

Christian Staub, Head of Coop City
Rita Zicola, Head of Sales Region Centre
Claudia Schreen, Head of Sales Region East
Daniel Tona, Head of Sales Region West

Coop Building & Hobby

Andreas Siegmann, Head of Building & Hobby
Walter Rüegg, Head of CM/Purchasing Building & Hobby
Marco Bertoli, CM Gardening/Plants
Marc Rheia, CM Leisure/Sport/Decorating
Gabriele Vassena, CM DIY/Electrical
Dario Oemeroglu, CM Building/Interior Fittings
Lukas Frey, CM Garden Hard Goods

Interdiscount/Microspot.ch

Pierre Wenger, Head of Interdiscount/Microspot.ch Division
Vito Armetta, Head of Sales
Daniel Augustin, Head of Marketing
Peter Späni, Head of CM/Purchasing
Markus Kwincz, Head of CM Non Food
Georg Weinhofer, Head of Marketplace/Logistics/Services
Marc Zesiger, Head of IT

Livique/Lumimart

Oliver Roth, Head of Livique/Lumimart Division

Import Parfumerie

Michael Susta, Head of Import Parfumerie Division

Christ Watches & Jewellery

Patrik Steiger, Head of Christ Watches & Jewellery Division

Coop Vitality AG

Daniel Stucker, Chairman of the Board of Directors
Virginie Emmanuelle Pache Jeschka, Head of Coop Vitality AG

Dipl. Ing. Fust AG

Daniel Stucker, Chairman of the Board of Directors
Thomas Giger, Head of Dipl. Ing. Fust AG
Marc Haselbach, Head of Retail Sales
Manfred Spiller, Head of Kitchen/Bathroom
Peter Fankhauser, Head of Finance & Services
Giovanni De Mieri, Head of Marketing/Purchasing Multimedia & eCommerce
Susanne Benz, Head of Marketing/Purchasing Home Electronics

RS Vertriebs AG

Daniel Stucker, Chairman of the Board of Directors
Peter Rothenbühler, Head of RS Vertriebs AG

The Body Shop Switzerland AG

Daniel Stucker, Chairman of the Board of Directors
Adrian Känel, Head of The Body Shop Switzerland AG

Marketing/Purchasing Business Unit

Philipp Wyss, Head of Marketing/Purchasing Business Unit

Catering

Kaspar Wittwer, Head of Coop Catering

CM/Purchasing Fresh Food 1

Silvio Baselgia, Head of CM/Purchasing Fresh Food 1
Andreas Allenspach, CM/Purchasing Fruit & Vegetables/
Cut Flowers
Marc Helfenstein, CM/Purchasing Fresh Convenience
Oliver Krüsi, CM/Purchasing Bread/Baked Goods

CM/Purchasing Fresh Food 2

Marc Muntwyler, Head of CM/Purchasing Fresh Food 2
Yves Grüninger, CM/Purchasing Dairy Produce/Eggs
Matthias Hofer, CM/Purchasing Frozen Products/Fish
Fabian Schneider, CM/Purchasing Meat

CM/Purchasing Basic Foods/Cleaning

Andrea Kramer, Head of CM/Purchasing Basic Foods/Cleaning
Daniel Böni, CM/Purchasing Confectionery/Savoury Snacks
Olivier Compagnon, CM/Purchasing Detergents/Cleaning Products/
Hygiene
Philipp Nyffenegger, CM/Purchasing Breakfast/Baking Ingredients
Pascal Seiler, CM/Purchasing Long-life Convenience/Garnishes

CM/Purchasing Beverages/Specialist Stores

Simon Grieder, Head of CM/Purchasing Beverages/Specialist
Stores
Sylvia Berger, CM/Purchasing Wines/Sparkling Wines
Tobias Schuler, CM/Purchasing Pet Supplies
Laura Schmidt, CM/Purchasing Soft Drinks/Beer/Spirits
Daniel Vonach, CM/Purchasing Specialist Stores/Newsstands

CM/Purchasing Near Food/Non Food

Pia Bracher, Head of CM/Purchasing Near Food/Non Food
Karena Breitenbach, CM/Purchasing Cosmetics/Vitashop
Christian Jochberg, CM/Purchasing Electrical/Kitchen/Dining
Roy Mor, CM/Purchasing Clothing/Jewellery
Pascal Probst, CM/Purchasing Stationery/Travel/Home Textiles/
Festive
Patrick Steiner, CM/Purchasing Baby/Toys

CM/Purchasing Services

Andreas Olloz, Head of CM/Purchasing Services
Rico Bossi, Head of SBO Management

Marketing/Digital Services

Thomas Schwetje, Head of Marketing/Digital Services
Philipp Schenker, Head of Marketing/Market Research

Betty Bossi AG

Philipp Wyss, Chairman of the Board of Directors
Lars Feldmann, Managing Director

Marché Restaurants Schweiz AG

Philipp Wyss, Chairman of the Board of Directors
Raoul König, Managing Director

Alifresca AG

Philipp Wyss, Chairman of the Board of Directors
Vladimir Cob, Managing Director
Mauro Manacchini, Food Project Manager

Eurogroup Far East Ltd.

Philipp Wyss, Chairman of the Board of Directors
Peter Hauser, Managing Director

Logistics Business Unit

Daniel Hintermann, Head of Logistics Business Unit and
Head of BE Logistics Region
Christoph Eigenmann, Head of OT Logistics Region
Sébastien Jacquet, Head of SR Logistics Region
Domenico Repetto, Head of NWZZ Logistics Region
Beat Zaugg, Head of National Logistics

Railcare AG

Daniel Hintermann, Chairman of the Board of Directors
Philipp Wegmüller, Chairman of the Executive Committee

Network/Logistics Management

Frank Dietrich, Head of Network/Logistics Management

Finance Business Unit

Adrian Werren, Head of Finance Business Unit, Head of
Financial Services
Hansjörg Klossner, Head of Accounting
Yves Kräutli, Head of Controlling
Martin Meier, Head of Shared Service Centre BW

Property Business Unit

Christian Coppey, Head of Property Business Unit
Claudio Casal, Head of SR Property Region
Stefano Donzelli, Head of Business Management/Controlling
Victor Manuel Martinez, Head of BE Property Region
Klaus Sedlmeyer, Head of NWZZ Property Region
Philippe Sublet, Head of National Shopping Centres
Fritz Ulmann, Head of OT Property Region

IT/Production/Services Business Unit

Reto Conrad, Head of IT/Production/Services Business Unit
August Harder, Head of IT
Martin von Bertrab, Head of BâleHotels
Stephan Rupprecht, Head of Projects
Romeo Sciaranetti, Head of Swissmill
Andreas Hasler, Head of Chocolats Halba/Sunray
Christian Koch, Head of Steinfels Swiss
Gerhard Marty, Head of Reismühle Brunnen/Nutrex
Marcel Baillods, Managing Director Tropicus Frutigen

Update Fitness AG

Reto Conrad, Chairman of the Board of Directors
Michael Ammann, Managing Director

Coop-ITS-Travel AG

Reto Conrad, Chairman of the Board of Directors
Andreas Restle, Managing Director

Other subsidiaries

Coop Mineraloel AG

Joos Sutter, Chairman of the Board of Directors
Roger Oser, Chief Executive Officer
Dominik Köppel, Head of Sales
Andreas Parpart, Head of Marketing & Purchasing
Jörg Biermann, Head of Supplies & Retail
Marc Salathe, Head of Finance & IT

Transgourmet Holding AG

Hansueli Loosli, Chairman of the Board of Directors

Transgourmet Central and Eastern Europe

John Matthew, Chief Executive Officer Eastern Europe,
Finance, Administration
Frank Seipelt, Chief Executive Officer Germany
Manfred Hofer, Managing Director Purchasing, Manufacturing
Companies, Digital
Alexandru Vlad, Deputy Man. Director, Head of Cash & Carry

Transgourmet Poland

Alexander Orlowski, Chief Executive Officer and Managing Director
Cash & Carry
Piotr Kolodziejczak, Managing Director Finance/Controlling
Christian Alberty, Managing Director Food Service

Selgros Romania

Robert Hellwagner, Chief Executive Officer
Herwig Arvay, Managing Director Finance/IT
Dorin Iordachescu, Managing Director Purchasing/Marketing

Selgros Russia

Michael Zipfel, Chief Executive Officer
Jens Frerichs, Managing Director Purchasing
Maximilian von Blanquet, Managing Director Finance

Transgourmet France

Eric Decroix, Chief Executive Officer
Caroline Besselièvre, Head of HR
Yves Cebron, Commercial Manager and Head of Product Range
Edith Hertz, Deputy Chief Executive Officer

Transgourmet Österreich

Manfred Hayböck, Chief Executive Officer and Managing
Director Finance
Thomas Panholzer, Chief Executive Officer and Sales Manager
Manuel Hofer, Managing Director Purchasing/Goods
Jürgen Krizmanich, Managing Director Locations
Michael Steinmair, Managing Director Logistics
Jürgen Steindl, Managing Director Gastro Profi

Transgourmet Switzerland

Philipp Dautzenberg, Chief Executive Officer
Patrick Lobsiger, Head of Marketing and Purchasing
Stefan Tschumi, Head of Human Resources
Andrea Pellizzari, Head of Finance/Controlling/Construction/
Property
Michael Kocher, Head of IT
Ralph Zigerlig, Head of Sales for Switzerland

Bell Food Group AG

Joos Sutter, Chairman of the Board of Directors (as of 23.03.2021)
Lorenz Wyss, Chairman of the Group Executive Board, CEO
Volker Baltes, Member of the Group Executive Board
Xavier Buro, Member of the Group Executive Board, CFO
Marco Tschanz, Member of the Group Executive Board

Corporate Services

Davide Elia, Head of Corporate Marketing/Communication
Michael Gloor, Head of Internal Auditing/Compliance
Endrik Dallmann, Head of HR Bell Food Group
Etienne Petitjean, Head of General Secretariat
Marco Tschanz, Head of IT Bell Food Group (co-responsible)

Convenience business area

Volker Baltes, Head of Convenience business area
Thomas Bodenmann, Head of Hügli Division
Martin Henck, Head of Hilcona Division
Volker Baltes, Head of Eisberg Division (co-responsible)

Bell Switzerland Division

Lorenz Wyss, Head of Bell Switzerland Division
Philipp Allemann, Head of Production/Purchasing
Johannes Meister, Head of HR Bell Switzerland
Marko Pirc, Head of Finance/Controlling Bell Switzerland
Marco Märsmann, Head of Quality Management/Sustainability
Christine Schlatter, Head of Sales/Marketing

Bell International Division

Marco Tschanz, Head of Bell International Division
Daniel Böhny, Head of Bell Western/Eastern Europe Division
Johannes Huber, Head of Hubers/Süttag Division
Christian Schröder, Head of Bell Germany Division

Finance/Services Division

Xavier Buro, Finance/Services Division

Coop Group in figures

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All values rounded up/down individually.

Key figures

Key figures at a glance

Total sales

30 173 CHF million

Net sales Group

29 153 CHF million

of which

21 110 CHF million Switzerland

8 043 CHF million abroad

Net sales segments

19 113 CHF million Retail

12 632 CHF million Wholesale/Production

Net sales online trading

2 601 CHF million

Employees at 31.12

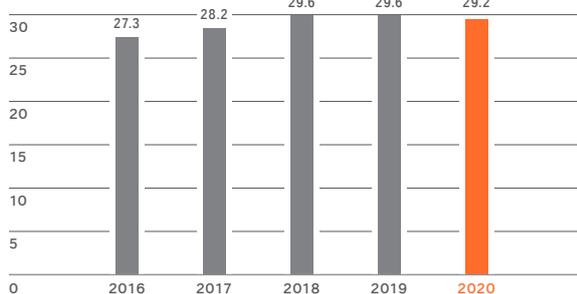
90 825

Trainees at 31.12

3 365

Net sales

in CHF billion



Earnings

2 227 CHF million EBITDA

7.6% of net sales

838 CHF million EBIT

2.9% of net sales

Profit

539 CHF million

1.8% of net sales

Equity

10 579 CHF million

51.2% Equity ratio

Cash flow from operating activities

2 426 CHF million

Investments in tangible fixed assets

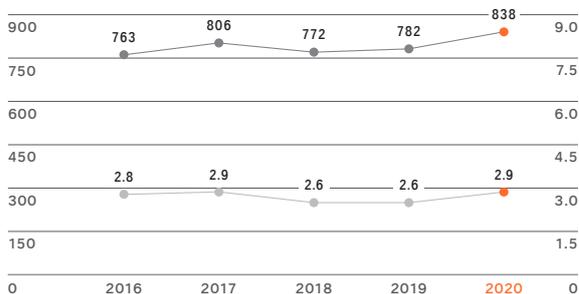
1 181 CHF million

Sales outlets/markets

2 498

Operating result (EBIT)

— in CHF million — as a % of net sales



Development of the Coop Group

in CHF million or as indicated	2016	2017	2018	2019	2020
Total sales	28 322	29 207	30 662	30 669	30 173
Retail	17 162	17 405	17 743	17 986	19 113
Wholesale/Production	12 248	13 006	14 170	14 148	12 632
Consolidation	-2 151	-2 259	-2 348	-2 502	-2 592
Net sales from goods and services	27 259	28 152	29 565	29 633	29 153
of which net sales Switzerland	19 251	19 476	19 931	20 159	21 110
as a % of net sales	70.6	69.2	67.4	68.0	72.4
of which net sales abroad	8 008	8 676	9 634	9 474	8 043
as a % of net sales	29.4	30.8	32.6	32.0	27.6
Earnings before interest, tax, depreciation and amortization (EBITDA)	2 044	1 994	2 103	2 046	2 227
as a % of net sales (EBITDA margin)	7.5	7.1	7.1	6.9	7.6
Operating result (EBIT)	763	806	772	782	838
as a % of net sales (EBIT margin)	2.8	2.9	2.6	2.6	2.9
Profit	475	485	473	531	539
as a % of net sales (profit margin)	1.7	1.7	1.6	1.8	1.8
Cash flow from operating activities	1 582	1 453	1 701	1 877	2 426
as a % of net sales (cash flow margin)	5.8	5.2	5.8	6.3	8.3
Cash flow from investing activities	-1 939	-1 473	-1 792	-1 391	-1 293
as a % of net sales	7.1	5.2	6.1	4.7	4.4
Cash flow from financing activities	238	-238	325	-536	-180
Free cash flow¹	61	99	218	533	1 146
Total assets	18 663	19 482	20 364	20 456	20 646
Equity incl. minority interests	8 928	9 339	9 754	10 144	10 579
Equity ratio incl. minority interests in %	Target value: > 40.0	47.8	47.9	47.9	49.6
Financial liabilities	5 043	5 096	5 781	5 348	5 288
Net financial liabilities	4 061	4 368	4 832	4 427	3 404
Debt coverage ratio	Target value: < 3.0	2.0	2.2	2.3	2.2
Interest coverage ratio²	Target value: > 8.0	33.8	40.2	42.7	49.9
FTE (incl. trainees) at 31.12	73 451	74 638	77 448	78 118	78 578
Employees (incl. trainees) at 31.12	85 001	86 424	89 579	90 520	90 825
Trainees at 31.12	3 505	3 486	3 449	3 457	3 365
Retail number of sales outlets/markets at 31.12	2 254	2 296	2 313	2 331	2 349
Retail sales area in m² at 31.12	1 852 653	1 869 362	1 882 500	1 891 525	1 907 605
Wholesale/Production number of sales outlets/markets at 31.12	226	142	145	148	149
Wholesale/Production sales area in m² at 31.12	1 004 472	1 007 100	1 008 731	1 021 119	1 026 269
Number of members	2 542 848	2 582 309	2 547 851	2 536 702	2 537 294

Prior-year figures restated

¹ Free cash flow definition: Cash flow from operating activities minus net investments in tangible fixed and intangible assets

² Interest coverage ratio definition: EBITDA/Interest and other financial expenses

Net sales

in CHF million	2020	2019
Coop Supermarkets	11 950	10 452
coop.ch	232	159
Interdiscount	1 089	1 048
Coop City	707	764
Coop Building & Hobby	694	630
Livique/Lumimart	222	201
Import Parfumerie	131	147
Christ Watches & Jewellery	72	78
Dipl. Ing. Fust Ltd.	1 018	1 018
Coop Vitality AG	233	213
The Body Shop Switzerland Ltd.	25	27
Coop Mineraloel AG	2 197	2 478
Betty Bossi AG	92	81
Marché Restaurants Schweiz AG	68	113
Coop Restaurants	153	245
Other companies and effects from segment consolidation	231	331
Specialist formats	7 163	7 534
Retail	19 113	17 986
Transgourmet France	962	1 372
Transgourmet Central and Eastern Europe	5 200	6 019
Transgourmet Switzerland	1 480	1 713
Transgourmet Österreich	463	630
Other companies and effects from consolidation Transgourmet	3	2
Transgourmet Group	8 109	9 737
Bell Food Group	4 019	4 013
Coop Cooperative Production	852	815
Other companies and effects from segment consolidation	-349	-417
Wholesale/Production	12 632	14 148
Consolidation Coop Group	-2 592	-2 502
Net sales	29 153	29 633
Other operating income	1 020	1 036
Total sales	30 173	30 669
of which net sales online trading	2 601	2 605
Online trading in home electronics	800	602
– Microspot.ch	334	279
– Nettoshop.ch	113	91
– Other	354	231
coop.ch	232	159
Other online trading Retail	207	152
Online trading Retail	1 239	913
Online trading Wholesale/Production	1 362	1 691
of which net sales Switzerland	21 110	20 159
of which net sales abroad	8 043	9 474
Transgourmet Group Net sales after adjustment for exchange rates	8 109	9 356
Bell Food Group Net sales after adjustment for exchange rates	4 019	3 954
Coop Group Net sales after adjustment for exchange rates	29 153	29 193

Prior-year figures restated

Sales outlets/markets

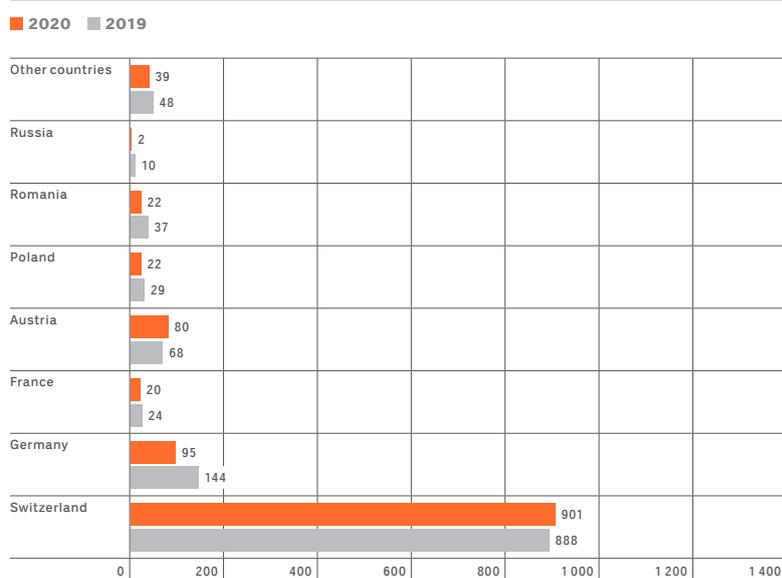
	2020	Number at 31.12 2019	Sales area m ² at 31.12 2020	Sales area m ² at 31.12 2019
Coop Supermarkets	944	930	1 006 868	998 666
Interdiscount	175	179	52 681	56 418
Coop City	32	31	131 246	130 600
Coop Building & Hobby	73	73	307 197	307 197
Livique/Lumimart	44	44	123 291	118 466
Import Parfumerie	112	115	9 446	9 593
Christ Watches & Jewellery	62	64	5 118	5 254
Dipl. Ing. Fust Ltd.	159	159	86 998	87 893
Coop Vitality AG	87	84	10 326	10 100
The Body Shop Switzerland Ltd.	45	45	2 610	2 610
Coop Mineraloel AG	326	322	38 795	37 897
Marché Restaurants Schweiz AG	36	35	15 858	15 673
Coop Restaurants	193	197	60 858	60 963
BäleHotels	4	4		
update Fitness AG	56	48	56 313	50 195
Tropenhaus	1	1		
Specialist formats	1 405	1 401	900 737	892 859
Retail	2 349	2 331	1 907 605	1 891 525
Transgourmet Central and Eastern Europe	105	104	843 228	838 078
Transgourmet Switzerland	31	31	127 560	127 560
Transgourmet Österreich	13	13	55 481	55 481
Transgourmet Group	149	148	1 026 269	1 021 119
Wholesale/Production	149	148	1 026 269	1 021 119
Coop Group	2 498	2 479	2 933 874	2 912 644

Prior-year figures restated

Investments (cash flow)

in CHF million	2016	2017	2018	2019	2020
Switzerland	992	920	1 016	888	901
Germany	160	161	224	144	95
France	27	27	43	24	20
Austria	191	58	95	68	80
Poland	36	32	35	29	22
Romania	40	23	33	37	22
Russia	47	38	36	10	2
Other countries	20	22	62	48	39
Abroad	517	361	527	360	280
Investments in tangible fixed assets	1 509	1 281	1 544	1 248	1 181
Disposals of tangible fixed assets	107	59	198	41	42
Net investments in tangible fixed assets	1 402	1 222	1 346	1 206	1 138
Other net investments	537	251	446	184	154
Net investments	1 939	1 473	1 792	1 391	1 293

Investments in tangible fixed assets by country in CHF million



Statement of added value

in CHF million	2020	2019	Index %
Net sales from goods and services	29 153	29 633	98.4
Other services rendered	1 062	1 078	98.5
Merchandise expenses and other upstream services	21 806	22 418	97.3
Gross added value	8 409	8 292	101.4
Depreciation and amortization/other	1 398	1 275	109.7
Company added value	7 011	7 017	99.9
Employees			
Wages and salaries	3 847	3 884	99.0
Social security contributions/other contributions	1 276	1 259	101.4
Public sector	1 176	1 196	98.3
Investors	47	41	114.5
Minority interests	126	105	119.5
Retained profits (self-financing)	539	531	101.3
Distribution of added value	7 011	7 017	99.9

The Coop Group's statement of added value shows the added value created by the Group in a given year and how it is used. The Coop Group aims to create added value on a sustainable basis, thereby enabling it to safeguard the Group companies and jobs.

At 73.1% (previous year: 73.3%), the largest proportion of the newly created value goes to the Coop Group's employees. The Coop Group employed 78 578 FTE (previous year: 78 118).

The public sector receives 16.8% (previous year: 17.0%) from taxes, customs duties and charges.

The 0.7% (previous year: 0.6%) going to investors comprises interest paid. Due to low interest rates, this remains at a relatively low level.

Adequate profits are retained for self-financing purposes and used to safeguard the Group's continued existence as a going concern, jobs and its ability to provide competitive goods and services for customers.

Employees

FTE

	2020	2019
Coop Supermarkets	20 088	18 945
coop.ch	169	158
Interdiscount	1 630	1 679
Coop City	1 985	2 028
Coop Building & Hobby	1 659	1 603
Livique/Lumimart	620	561
Import Parfumerie	479	502
Christ Watches & Jewellery	273	281
Dipl. Ing. Fust Ltd.	2 247	2 216
Coop Vitality AG	712	686
The Body Shop Switzerland Ltd.	141	152
Coop Mineraloel AG	122	116
Betty Bossi AG	99	99
Marché Restaurants Schweiz AG	533	616
Coop Restaurants	1 449	1 568
Other companies	974	1 000
Logistics/Corporate services	5 564	5 547
Retail	38 745	37 757
Transgourmet France	2 796	2 966
Transgourmet Central and Eastern Europe	20 726	21 098
Transgourmet Switzerland	1 826	2 008
Transgourmet Österreich	1 558	1 692
Transgourmet Group	26 905	27 765
Bell Switzerland	4 784	4 771
Bell abroad	6 332	6 022
Bell Food Group	11 116	10 793
Coop Cooperative Production	1 801	1 792
Other companies	11	12
Wholesale/Production	39 833	40 361
FTE (incl. trainees) at 31.12	78 578	78 118

Prior-year figures restated

Employees

	2020	2019
Coop Supermarkets	26 226	24 893
coop.ch	173	161
Interdiscount	1 714	1 753
Coop City	2 451	2 519
Coop Building & Hobby	2 060	2 013
Livique/Lumimart	705	644
Import Parfumerie	630	657
Christ Watches & Jewellery	368	386
Dipl. Ing. Fust Ltd.	2 322	2 293
Coop Vitality AG	985	949
The Body Shop Switzerland Ltd.	205	210
Coop Mineraloel AG	128	119
Betty Bossi AG	120	120
Marché Restaurants Schweiz AG	794	922
Coop Restaurants	1 889	2 049
Other companies	1 799	1 797
Logistics/Corporate services	6 036	6 015
Retail	48 605	47 500
Transgourmet France	2 851	3 058
Transgourmet Central and Eastern Europe	22 126	22 599
Transgourmet Switzerland	1 996	2 196
Transgourmet Österreich	1 660	1 806
Transgourmet Group	28 633	29 659
Bell Switzerland	5 152	5 175
Bell abroad	6 540	6 302
Bell Food Group	11 692	11 477
Coop Cooperative Production	1 884	1 872
Other companies	11	12
Wholesale/Production	42 220	43 020
Employees (incl. trainees) at 31.12	90 825	90 520

Prior-year figures restated

Trainees

	2020	2019
Coop Supermarkets	1 275	1 295
Interdiscount	308	325
Coop City	154	157
Coop Building & Hobby	113	121
Livique/Lumimart	38	35
Import Parfumerie	42	45
Christ Watches & Jewellery	19	23
Dipl. Ing. Fust Ltd.	91	87
Coop Vitality AG	142	135
The Body Shop Switzerland Ltd.	1	1
Coop Mineraloel AG	3	4
Betty Bossi AG		1
Marché Restaurants Schweiz AG	10	15
Coop Restaurants	18	15
Other companies	32	32
Logistics/Corporate services	175	168
Retail	2 421	2 459
Transgourmet France	31	89
Transgourmet Central and Eastern Europe	557	567
Transgourmet Switzerland	88	83
Transgourmet Österreich	75	73
Transgourmet Group	751	812
Bell Switzerland	86	81
Bell abroad	71	74
Bell Food Group	157	155
Coop Cooperative Production	36	31
Wholesale/Production	944	998
Trainees at 31.12	3 365	3 457

Prior-year figures restated

Employee diversity

as %	2020	Retail 2019	Wholesale/Production 2020	2019	2020	Coop Group 2019
Type of employment						
Full-time employees	55.7	56.5	80.5	81.0	67.2	68.1
Part-time employees	44.3	43.5	19.5	19.0	32.8	31.9
Percentage of women	62.1	62.3	42.2	42.1	52.9	52.7
who are full-time employees	43.7	43.9	37.7	37.3	40.4	40.1
who are part-time employees	85.2	86.2	60.7	62.5	78.4	79.5
in management positions	42.7	42.1	27.0	26.3	36.5	35.8
on Board of Directors and Executive Committee of Coop Group Cooperative					29.4	29.4
Percentage of employees over 50 years of age	26.4	25.7	28.5	27.2	27.4	26.4
Trainees						
Sales	86.0	85.9	27.3	28.4	69.5	69.3
Commercial	4.9	5.0	40.3	38.8	14.8	14.7
Trades/Other	9.1	9.1	32.4	32.8	15.7	15.9
Country of work						
Switzerland	99.6	99.6	21.4	21.5	63.2	62.5
Germany			31.7	31.4	14.7	14.9
Poland			11.7	11.4	5.4	5.4
Romania			11.2	10.9	5.2	5.2
France			7.7	8.0	3.6	3.8
Austria			7.5	7.5	3.5	3.6
other	0.4	0.4	8.8	9.3	4.3	4.6
Nationality¹						
Switzerland	66.9	67.3	43.6	44.1	63.4	63.7
Abroad	33.1	32.7	56.4	55.9	36.6	36.3

Prior-year figures restated

¹ only from areas based in Switzerland

Sustainability

Sustainable products

	2016	2017	2018	2019	2020
Sales from sustainable products					
in CHF million					
Sales from sustainable products Coop Group	3 855	4 256	4 671	4 711	5 449
of which organic	1 255	1 389	1 653	1 793	2 003
of which Fairtrade ¹	462	514	755	760	797

¹ until 2017 excluding UTZ and Rainforest Alliance

Packaging

in tonnes

Packaging reduction and optimization, Retail	230	145	336	273	1 849
Packaging reduction and optimization, Wholesale/Production	334	287	605	277	523
Packaging reduction and optimization, Supermarkets since 2012 (cumulative)					30 000

Environmental and climate protection

	2016	2017	2018	2019	2020
Energy consumption					
in megawatt-hours					
Retail	1 134 156	1 167 296	1 115 086	1 081 532	1 029 387
Wholesale/Production	1 527 834	1 602 460	1 593 851	1 608 521	1 592 257
Total energy consumption	2 661 990	2 769 756	2 708 937	2 690 052	2 621 643

Prior-year figures restated

New data collection system as of 2019

Renewable energy sources

as a %

Retail	68.0	68.5	71.5	68.9	69.1
Wholesale/Production	36.3	39.6	40.1	38.4	39.1
Percentage of renewable energy sources	49.8	51.8	53.7	50.9	51.3

Prior-year figures restated

Carbon dioxide emissions (CO₂)

in tonnes

Retail	103 849	105 751	97 983	87 541	85 349
Wholesale/Production	367 049	309 806	322 224	363 558	347 826
Total carbon dioxide emissions (CO ₂)	470 898	415 557	420 207	451 099	433 175

Prior-year figures restated

New data collection system as of 2019

2016 2017 2018 2019 2020

Water consumption

in thousands of cubic metres

Retail	1 282	1 300	1 378	1 313	1 235
Wholesale/Production	5 902	6 115	6 756	6 069	7 282
Total water consumption	7 184	7 415	8 134	7 382	8 517

New data collection system as of 2020

Waste

Recycling rate

as %

Retail	80.2	80.7	80.5	81.1	81.7
Wholesale/Production	73.4	76.9	78.6	80.0	83.0

Prior-year figures restated

Waste production

in tonnes

Retail	134 145	139 445	136 665	132 474	136 079
Wholesale/Production	84 085	109 551	124 073	141 352	148 457
Total waste production	218 230	248 996	260 738	273 826	284 536

Prior-year figures restated

Social commitment

2016 2017 2018 2019 2020

Social commitment

in CHF thousands

Coop Sustainability Fund	18 655	17 511	17 146	16 850	16 850
Coop Aid for Mountain Regions	827	700	606	597	658
Additional contributions for social projects	6 053	5 782	6 952	7 176	5 589
Total social commitment	25 535	23 993	24 704	24 623	23 097

Report on the financial year

Income statement

Net sales from goods and services

The Coop Group's net sales figure comprises net sales from the Retail and the Wholesale/Production segments. In 2020, it decreased by 1.6% to a total of CHF 29 153 million (previous year: CHF 29 633 million). Total sales for the Coop Group amounted to CHF 30 173 million (previous year: CHF 30 669 million). Through its online shops, the Group generated net sales of CHF 2 601 million (previous year: CHF 2 605 million).

Operating result (EBIT)

Personnel expenses amounted to CHF 5 082 million and other operating expenses to CHF 3 131 million. Earnings before interest, tax, depreciation and amortization (EBITDA) came to CHF 2 227 million (previous year: CHF 2 046 million), resulting in a higher EBITDA margin of 7.6%.

Depreciation and amortization of CHF 1 389 million comprises depreciation of land and buildings plus installations of CHF 654 million, depreciation of other tangible fixed assets of CHF 458 million, amortization of goodwill of CHF 108 million and amortization of other intangible assets of CHF 170 million. The operating result (EBIT) was up on the prior-year figure of CHF 782 million to CHF 838 million, and the EBIT margin was slightly higher at 2.9%.

Profit for the financial year

Inclusion of the associated organization results in a loss of CHF 10 million. The loss from foreign currencies and the financial result amounts to CHF 51 million (previous year: loss of CHF 47 million). Net of a non-operating profit of CHF 4 million, income taxes of CHF 117 million (previous year: CHF 93 million) and minority interests of CHF 126 million (previous year: CHF 105 million), profit was up by CHF 8 million year on year to CHF 539 million.

Segment report

Retail

Coop grew retail sales by 6.3%, generating net sales of CHF 19 113 million. The Coop supermarkets achieved net sales of CHF 11 950 million, exceeding the prior-year figure by 14.3%.

The specialist formats were largely able to offset revenue losses caused by the lockdown and achieved net sales of CHF 7 163 million. The consumer electronics business generated net sales of CHF 2 107 million, an increase of 2.0%. They thus consolidated their leading position in the consumer electronics market.

Livique/Lumimart once again gained market share and increased net sales by 10.1% to CHF 222 million. Coop Building & Hobby remains the leader in the DIY market. At CHF 694 million, net sales were 10.1% higher compared with the previous year.

As a consequence of the lockdown, net sales at Coop City department stores declined by 7.4% to stand at CHF 707 million.

Coop Mineraloel AG remains the market leader. At CHF 2 197 million, net sales were 11.3% lower than the previous year due to lower fuel sales. The Pronto shops, on the other hand, advanced by 5.8%.

Coop Vitality AG posted another very encouraging performance, lifting net sales by 9.1% to CHF 233 million.

Net retail sales in online business rose by 35.6% to CHF 1 239 million. Microspot.ch and Coop.ch made a substantial contribution to this result. Online supermarket Coop.ch posted growth of 45.5% and thus gained market share; net sales amounted to CHF 232 million.

The number of sales outlets in the segment (including restaurants) rose by 18 to 2 349. The Coop Group employed 48 605 people in retailing (previous year: 47 500).

Wholesale/Production

The Wholesale/Production segment suffered under the lockdown and achieved net sales of CHF 12 632 million (previous year: CHF 14 148 million).

The Transgourmet Group, which operates in the cash & carry and wholesale supplies sector in Germany, Poland, Romania, Russia, France, Austria and Switzerland, generated net sales of CHF 8 109 million despite restrictions imposed due to the pandemic (previous year: CHF 9 737 million). Transgourmet operated a total of 149 cash & carry markets (previous year: 148) and employed 28 633 people (previous year: 29 659).

Net sales at the manufacturing companies totalled CHF 4 879 million (previous year: CHF 4 835 million). In local currency terms this represented an increase of 2.1%.

The Bell Food Group is one of Europe's leading meat and convenience food processors. With its brands Bell, Hilcona, Eisberg and Hügli, the group covers a whole variety of customer requirements. Its customers include retail, food service and the food industry. At CHF 4 019 million, net sales were up slightly on the previous year (CHF 4 013 million). The Bell Food Group employed 11 692 people (previous year: 11 477).

Financial position and cash flows

Balance sheet

The Coop Group's total assets increased by CHF 190 million year on year. On the assets side, where there was a rise in cash and cash equivalents and a decrease in receivables and inventories, current assets climbed by CHF 458 million to CHF 6 887 million. Non-current assets decreased by CHF 268 million to CHF 13 759 million. Planned and unplanned depreciation was higher than investments and additions originating from the acquisitions. Liabilities decreased by CHF 245 million year on year to CHF 10 066 million. Short-term liabilities declined by CHF 341 million to CHF 4 434 million, while long-term liabilities increased by CHF 97 million to CHF 5 632 million. Within long-term liabilities, the Coop Group financed itself through bonds and deposits. Equity including minority interests rose to CHF 10 579 million. The equity ratio climbed to 51.2% as at 31 December 2020 and was therefore well above the strategic target of 40%.

Cash flow statement

The cash inflow from operating activities increased by CHF 550 million year on year to CHF 2 426 million. The cash outflow from investing activities was CHF 98 million lower than in the previous year at CHF 1 293 million. This was due to both lower net investments in tangible fixed assets and reduced expenditure on acquisitions. A net amount of CHF 1 280 million was invested in tangible and intangible fixed assets and a further CHF 4 million in acquisitions. In the case of financial assets/securities, a net amount of CHF 8 million was invested. This resulted in free cash flow of CHF 1 146 million. The cash outflow from financing activities amounted to CHF 180 million. The Coop Group Cooperative made a bond repayment of CHF 300 million and issued a new bond in the amount of CHF 320 million. Short and long-term financial liabilities together showed a decrease of CHF 84 million. Moreover, there was a CHF 2 million inflow of funds from the share of minority shareholders in a capital increase as well as a CHF 6 million outflow of funds owing to the increase in ownership interests in fully consolidated companies. Dividends of CHF 111 million were paid to minority interests.

Annual consolidated financial statements

Consolidated income statement

in CHF million	Notes	2020	2019
Net sales from goods and services	1	29 153	29 633
Other operating income	2	1 020	1 036
Merchandise expenses		19 733	20 316
Personnel expenses	3	5 082	5 102
Other operating expenses	4	3 131	3 205
Earnings before interest, tax, depreciation and amortization (EBITDA)		2 227	2 046
Depreciation on tangible fixed assets	5	1 111	1 031
Amortization on intangible assets	5	278	233
Operating result (EBIT)	1	838	782
Result of associated organizations		-10	0
Result from foreign currencies		-18	-17
Financial result	6	-33	-30
Ordinary result		777	736
Non-operating result	7	4	-6
Result before income taxes (EBT)		782	730
Income taxes	8	117	93
Result after income taxes		664	637
Minority interests		126	105
Profit		539	531

Consolidated balance sheet

in CHF million	Notes	31.12.2020	31.12.2019
Cash and cash equivalents	9	1 880	917
Securities		4	4
Receivables from goods and services	10	1 028	1 273
Other short-term receivables	11	266	285
Prepayments and accrued income		539	565
Inventories	12	3 170	3 384
Current assets		6 887	6 429
Tangible fixed assets	13	12 675	12 803
Financial assets	14	150	150
Intangible assets	15	934	1 074
Non-current assets		13 759	14 027
Assets		20 646	20 456
Payables from goods and services		1 666	1 793
Short-term financial liabilities	16	756	924
Other short-term liabilities	17	440	378
Short-term provisions	18	284	261
Accrued liabilities and deferred income		1 289	1 420
Short-term liabilities		4 434	4 776
Long-term financial liabilities	16	4 532	4 425
Long-term provisions	18	1 101	1 111
Long-term liabilities		5 632	5 536
Liabilities		10 066	10 311
Retained earnings		9 636	9 216
Capital reserves		-241	-233
Profit		539	531
Equity excluding minority interests		9 934	9 514
Minority interests		645	630
Equity incl. minority interests		10 579	10 144
Liabilities and equity		20 646	20 456

Prior-year figures restated

Consolidated cash flow statement

in CHF million	2020	2019
Result after income taxes	664	637
Depreciation and amortization	1 196	1 168
Impairment loss	212	120
Reversal of impairment	-18	-17
Gains (-)/losses on disposal of fixed assets	-9	-13
Other non-cash expenses/income	127	54
Result of associated organizations	10	0
Dividends received from associated organizations	1	1
Increase (-)/decrease in receivables from goods and services	226	37
Increase (-)/decrease in other receivables, prepayments and accrued income	36	-12
Increase (-)/decrease in inventories	88	-79
Increase/decrease (-) in payables from goods and services	-117	-95
Increase/decrease (-) in other short-term liabilities, accrued liabilities and deferred income	-9	101
Increase/decrease (-) in short-term provisions	10	6
Increase/decrease (-) in long-term provisions	8	-31
Cash flow from operating activities	2 426	1 877
Investments in tangible fixed assets	-1 181	-1 248
Disposals of tangible fixed assets	42	41
Investments in financial assets/securities	-20	-14
Disposals of financial assets/securities	12	12
Payment for the acquisition of consolidated organizations	-4	-45
Investments in intangible assets	-144	-137
Disposals of intangible assets	2	0
Cash flow from investing activities	-1 293	-1 391
Inflows from bonds issuance	320	0
Outflows for bonds repayments	-300	-250
Capital increase/reduction	2	6
Dividends to minority shareholders	-111	-89
Acquisition/disposal minority interests	-6	6
Increase/decrease (-) in short-term financial liabilities	-70	-333
Increase/decrease (-) in long-term financial liabilities	-14	124
Cash flow from financing activities	-180	-536
Cash flow	954	-50
Cash and cash equivalents at beginning of the reporting period	917	945
Cash flow	954	-50
Effect of exchange rate changes on cash and cash equivalents	9	23
Cash and cash equivalents at end of the reporting period	1 880	917

Statement of changes in equity

in CHF million	Retained profits	Accumulated currency differences	Capital reserves	Profit	Equity excl. minority interests	Minority interests	Equity incl. minority interests
Equity at 1.1.2020	9 800	-584	-233	531	9 514	630	10 144
Capital increase/reduction						2	2
Changes to the scope of consolidation							
Acquisition/disposal minority interests			-8		-8	1	-6
Appropriation of prior-year profit	531			-531			
Profit				539	539	126	664
Dividends						-111	-111
Effect of exchange rate changes		-111			-111	-3	-114
Equity at 31.12.2020	10 331	-695	-241	539	9 934	645	10 579
Equity at 1.1.2019	9 448	-532	-241	473	9 148	606	9 754
Restatement	-121				-121		-121
Capital increase/reduction						6	6
Changes to the scope of consolidation						8	8
Acquisition/disposal minority interests			8		8	-2	6
Appropriation of prior-year profit	473			-473			
Profit				531	531	105	637
Dividends						-89	-89
Effect of exchange rate changes		-52			-52	-4	-56
Equity at 31.12.2019	9 800	-584	-233	531	9 514	630	10 144

Prior-year figures restated

An increase or reduction in the ownership interest in fully consolidated organizations is regarded as a transaction with owners. The difference between the transaction price and the corresponding minority interest is eliminated against equity and presented as capital reserves.

Notes to the annual consolidated financial statements

Consolidation and accounting principles

Basis of accounting

The annual consolidated financial statements are based on the annual financial statements of the Group companies prepared as at 31 December 2020 in accordance with uniform policies and present a true and fair view of the financial position, results of operations and cash flows. The consolidated financial statements of the Coop Group comply with all Swiss GAAP ARR (Accounting and Reporting Recommendations) and Swiss legal provisions.

Assets are measured at purchase or production cost. Liabilities are carried at their historical value. The income statement is presented using the total cost (nature of expense) method. The valuation principles were applied unchanged compared with the previous year.

The annual consolidated financial statements of the Coop Group are presented in Swiss francs (CHF). Unless otherwise indicated, all amounts are stated in millions of Swiss francs.

Cash flow statement

The cash flow statement is prepared on the basis of the fund comprising cash and cash equivalents. Cash flow from operating activities is calculated using the indirect method.

Scope of consolidation

The annual consolidated financial statements of the Coop Group comprise the Coop Group Cooperative and its equity investments. The Coop Group Cooperative equity investments are listed in the notes under Scope of consolidation (significant companies).

Fully consolidated organizations are organizations where the Coop Group directly or indirectly holds more than 50% of the voting rights.

Associated organizations are entities over which the Coop Group is able to exercise significant influence. This is usually the case if it holds between 20% and 50% of the voting rights.

Equity investments where it holds less than 20% are not consolidated and are presented in financial assets at cost less any necessary write-downs.

Consolidation method

Fully consolidated organizations

Assets, liabilities, income and expenses are consolidated in full. Capital consolidation uses the purchase method, whereby an organization's equity at the date of acquisition or initial consolidation is eliminated against the carrying amount of the investment at the parent. Newly acquired organizations are revalued at their current value applying uniform Group policies and included in the annual consolidated financial statements from the date on which control takes effect. If the cost of acquisition is higher than the revalued net assets acquired, the remaining excess is recognized as goodwill and amortized on a straight-line basis.

Purchase price adjustments contingent on future events are forecasted. If the final purchase price differs from the estimate, goodwill is adjusted accordingly.

A negative goodwill (badwill) is credited to the income statement in the period of acquisition. Organizations sold are included up until the date on which control is lost, which is usually the date of sale. Minority interests in consolidated equity and in profit or loss are presented separately in the balance sheet and income statement. An increase or reduction in the ownership interest in fully consolidated organizations is regarded as a transaction with owners. Gains and losses on such transactions are therefore eliminated directly against equity.

Intercompany transactions and relationships, i.e. income, expenses, receivables and liabilities between consolidated organizations, are offset and eliminated. If significant, intercompany profits on transactions within the Group are eliminated.

Associated organizations

If economically significant, associated organizations are included in the annual consolidated financial statements using the equity method. The financial statements of these organizations prepared in accordance with the true and fair view principle are used to determine the share of equity.

Currency conversion

Local assets and liabilities are converted into Swiss francs at the exchange rate at the balance sheet date. The local income statements and the cash flow statements are converted at the average rate. Currency effects arising on the translation into Swiss francs of the balance sheet and income statement components of financial statements prepared in a foreign currency are recognized solely in equity. When foreign subsidiaries or associated organizations are sold, the proportionate accumulated currency differences remain in equity and are not transferred to the income statement.

Foreign currency exchange rates into CHF

		Average rates		Closing rates	
		2020	2019	31.12.2020	31.12.2019
1	EUR	1.070	1.113	1.080	1.085
1	GBP	1.203	1.268	1.202	1.276
1	HKD	0.121	0.127	0.114	0.124
100	HUF	0.305	0.342	0.297	0.328
1	PLN	0.241	0.259	0.237	0.255
1	RON	0.221	0.234	0.222	0.227
1	RUB	0.013	0.015	0.012	0.016
1	USD	0.937	0.994	0.880	0.966

Net sales from goods and services

Net sales from goods and services result from the sale of goods and the provision of services in the course of ordinary activities during the reporting period. Net sales from the sale of goods to customers are generated in the supermarkets, the various specialist formats, the wholesale stores and the supplies business or originate from goods produced at Coop's own manufacturing companies. Net sales from services originate from the provision of transport services, from hotel business and from fitness centre membership subscriptions, for example. Sales are recognized at fair value. Sales and value-added taxes as well as sales reductions such as discounts, rebates and other allowances are deducted from the net sales reported. Sales are recognized when the significant risks and rewards incidental to ownership of the products sold as well as control have transferred to the customer and it is reasonably certain that the resulting receivables will be collectible in cases where the transaction is not a cash sale. Net sales from the provision of services are recognized in the accounting period in which the service was rendered. In the event of agency transactions, only the value of the service rendered by the entity itself is reported.

Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at nominal value. They comprise cash on hand, postal and bank account balances, short-term deposits and cheques. These items are convertible into cash at any time and subject to an insignificant risk of changes in value.

Securities

Securities are marketable instruments that can be easily realized. They are carried in the balance sheet at market value. Unlisted securities are carried in the balance sheet at cost less any necessary write-downs.

Receivables from goods and services and other short-term receivables

Receivables are carried in the balance sheet at nominal value. Valuation allowances for losses that are identifiable and have occurred are deducted and charged to the income statement.

Inventories

Inventories are stated at the lower of cost or net realizable value. Cost comprises the net purchase price and incidental charges. Purchased inventories are measured at the average cost price (moving average price) and internally produced inventories at production cost. Inventories are stated at net realizable value if this is lower than cost. Discounts are treated as reductions in the purchase price.

Specific valuation allowances are recognized for goods that are no longer serviceable or difficult to sell.

Financial assets

Financial assets include the associated organizations recognized using the equity method. Long-term loans and securities held for the purpose of long-term investment are also presented as financial assets. Securities and loans are stated at cost less any necessary write-downs.

Assets from employer contribution reserves are recognized as financial assets.

Tangible fixed assets

Tangible fixed assets, which also include properties not used for operating purposes, are stated at cost less any necessary depreciation. Cost comprises the purchase price plus the directly attributable costs of bringing the assets to usable condition. Investments in existing tangible fixed assets are recognized in the cost of an asset if they increase its value in use over the long term or extend its useful life. Depreciation is applied on a straight-line basis over the useful life of the asset.

The depreciation period of tangible fixed assets is usually within the following ranges:

Land and buildings	
Plots of land	no depreciation
Buildings	40–67
Installations	
	15–30
Furniture, machinery and IT	
Furniture/tools	5–10
Sales outlet fittings/market fittings	10–15
Machinery	3–15
Production systems	20–30
IT	3–8
Vehicles	
	3–10

The depreciation period for buildings ranges from 40 years in the case of properties used for operational purposes and subject to increased use to 67 years in the case of mixed-used properties. Installations are usually depreciated over a period of 15 to 20 years. At production facilities, specific production installations are depreciated over a longer useful life of up to 30 years.

Experience shows that fittings in the retail sales outlets have a shorter useful life than fittings in the wholesale markets.

Machinery usually has a useful life of up to 15 years, with production systems possibly forming a separate asset category and having a useful life of 20 to 30 years. Heavy commercial vehicles have a depreciation period of up to ten years.

Assets under construction include the cumulative project costs eligible for capitalization. Project costs that are not eligible for capitalization are charged to the income statement when incurred. Impairment charges are recognized on assets under construction if there is evidence of impairment. In the event of additions in the scope of consolidation, non-current assets are remeasured on the basis of the cumulative cost of and accumulated depreciation or amortization charges on the acquired assets at the acquisition date. Non-current assets are remeasured by adjusting the accumulated depreciation or amortization so that the acquired assets are measured on a net basis at their actual value at the acquisition date. They are presented gross in the statements of changes in fixed assets. In addition, the depreciation or amortization period is reviewed, and if necessary adjusted, bearing in mind the remaining useful life.

Leases

Payments under operating leases are charged to the income statement on a straight-line basis over the lease term. Assets acquired on the basis of leases and for which the risks and rewards pass to the Coop Group at inception of the lease are classified as finance leases. For the relevant assets, therefore, the fair value or, if lower, the net present value of the future, non-cancellable lease payments is recognized as an asset and as a finance lease liability. Assets under finance leases are amortized over the shorter of their estimated useful life and the lease term.

Intangible assets

This item includes IT software, trademarks, licences, patents and goodwill from acquisitions. Intangible assets are recognized if they are clearly identifiable, the costs can be reliably determined and they yield measurable economic benefits for the entity over several years. They are amortized on a straight-line basis over their useful life.

Goodwill from acquisitions is calculated as the difference between the purchase price paid to acquire an entity and the value of the net assets. The net assets correspond to the total of the individual assets of the acquired entity less the liabilities and contingent liabilities under Swiss GAAP ARR at the acquisition date. Any goodwill that arises is generally capitalized and amortized on a straight-line basis. The amortization period is determined based on the expected useful life of the assumed market and synergy potential that gave rise to the goodwill. Goodwill that has been fully written down is derecognized in the subsequent period.

The depreciation period of intangible assets is usually within the following ranges:

Goodwill	up to 20
Trademarks	up to 20
Patents/licences	5
Other intangible assets	3–8

Impairment

In the Coop Group, non-current assets are tested for impairment annually if there are indications of a decline in value. The recoverable amount is calculated using the capital asset pricing model and taking into account updated assumptions and expected cash flows from the multi-year plan. If the carrying amount exceeds the recoverable amount, it is adjusted in profit or loss by way of an impairment charge.

Liabilities

Short-term liabilities include all liabilities due within one year, accrued liabilities and deferred income, and short-term provisions. Long-term liabilities comprise obligations with a maturity of more than one year.

One of the ways in which Coop raises financing is the Depositenkasse, which provides investors with interest-bearing deposit accounts. After the statutory six month blocking period on new deposits, CHF 20 000 can be withdrawn from the available balance on the deposit account each month. Amounts in excess of this limit require three months' notice. The breakdown of deposit accounts into short and long-term financial liabilities is based on empirical values for past outflows (substance over form). Short-term and long-term liabilities are carried in the balance sheet at their nominal amounts.

Provisions

Provisions are recognized if a past event gives rise to a probable legal or constructive obligation, the amount and/or timing of which is uncertain, but can be estimated. Provisions are measured on the basis of an estimate of the probable outflow. Provisions are discounted if the effect is material.

Income taxes

Current income taxes are recognized on an accrual basis based on the results of operations actually generated and presented in the reporting period.

Deferred income taxes are recognized for all temporary taxable or tax-deductible differences between the tax base and Swiss GAAP ARR carrying amounts using the balance sheet liability method. The deferred income taxes to be recognized annually are calculated at the future tax rate applicable to the taxable entity in question at the balance sheet date. Deferred tax assets are not recognized for tax loss carryforwards.

Deferred tax assets and deferred tax liabilities are offset if they relate to the same taxable entity and are levied by the same taxation authority.

Derivative financial instruments

The Coop Group uses derivative financial instruments to hedge currency risk. Both derivative financial instruments for the purposes of hedging balance sheet items and those not held for hedging purposes are recognized at current values. The change in the current values since the last measurement is recognized in profit or loss for the period. Instruments used to hedge contractual future cash flows are not recognized in the balance sheet, but disclosed in the notes to the financial statements.

Derivative financial instruments outstanding at the balance sheet date are disclosed in the notes to the annual consolidated financial statements.

Pension benefit obligations

Pension benefit obligations are all obligations arising from pension plans and pension institutions that provide retirement, death and disability benefits.

Coop Group employees receive pension benefits, or old-age pensions, which are in line with the legal regulations and provisions applicable in each of the countries. Pension plans and pension institutions are usually funded from employer and employee contributions. The contributions made by Coop Group companies are included in personnel expense under social security contributions.

In Switzerland, employees are members of a legally independent pension institution or a collective foundation of banks or insurance companies. The terms provide for benefits that usually go well beyond the statutory minimum under Swiss law. In addition, within the pension institution, most employees can choose whether to join a plan with higher or lower savings contributions.

Annually, it is assessed whether a pension institution gives rise to an economic benefit or an economic obligation from the organization's perspective.

The pension institutions' annual financial statements prepared in accordance with Swiss GAAP FER 26 and giving a true and fair view of the existing surplus or deficit are taken as the basis for the assessment.

An economic benefit is only recognized if it is permitted and intended to use the surplus to reduce employer contributions. Any freely available employer contribution reserves are recognized as assets. An economic obligation is recognized if the requirements for recognizing a provision are met.

The Group companies abroad do not have legally independent pension institutions with separated assets. Here, obligations arising from pension plans are recognized directly in the balance sheet.

Related party transactions

Associated organizations, pension funds and natural persons such as members of the Executive Committee or Board of Directors are considered to be related parties.

Significant financial statement items with associated organizations and other related party transactions are disclosed in the notes to the annual consolidated financial statements.

Off-balance sheet transactions

Contingent liabilities such as guarantees, guarantee obligations, pledges and other obligations not required to be recognized in the balance sheet are measured at each balance sheet date and disclosed at nominal value. Other obligations not required to be recognized in the balance sheet include all long-term obligations entered into which cannot be terminated within one year. If contingent liabilities and other obligations not required to be recognized in the balance sheet lead to an outflow of funds without any usable inflow of funds and this outflow of funds is probable and can be estimated, a provision is recognized.

Change in accounting policies

Differences arising on the translation of financial statements into the Group currency are recognized directly in equity. Under the consolidation and accounting principles applicable thus far, accumulated currency differences were transferred from equity to the income statement when subsidiaries or associated organizations were sold. Accumulated translation differences are no longer transferred to the income statement, as this is preferable from an accrual basis perspective. The 2019 reporting period is unaffected by this change and so prior-year figures were not restated.

Restatement of prior-year figures

Provisions for loyalty bonuses and early retirement arrangements are calculated on the basis of a new model. The consolidated balance sheet, the consolidated statement of changes in equity and table 18 in the notes to the annual consolidated financial statements were therefore restated accordingly for the 2019 period. For reasons of immateriality, the 2019 income statement was not restated.

Goodwill that has been fully written down is now derecognized in the subsequent period. Table 15 in the notes to the annual consolidated financial statements was therefore restated accordingly for the 2019 period.

in CHF million

1 Net sales from goods and services by segment	2020	2019
Retail	19 113	17 986
Wholesale/Production	12 632	14 148
Consolidation	-2 592	-2 502
Coop Group	29 153	29 633

“Wholesale/Production” comprises the Transgourmet Group, the Bell Food Group and the manufacturing companies of the Coop Cooperative. The Consolidation line contains deliveries between the segments.

Contrary to the complementary recommendation for listed companies (Swiss GAAP FER 31), the Coop Group will not publish segment results until further notice, as these may contain significant distortions owing to Covid-19, which could result in a competitive disadvantage in respect of competitors and economic disadvantages triggered by customers and suppliers.

Net sales from goods and services by geographic market	2020	2019
Switzerland	21 110	20 159
Abroad	8 043	9 474
Coop Group	29 153	29 633

2 Other operating income	2020	2019
Operating rental income	174	189
Gains on the disposal of operating fixed assets	11	5
Own work capitalized	47	31
Other income from services	788	811
Total	1 020	1 036

The item “Other income from services” also includes pools and lottery income, income from parking and advertising, and commissions from phone credits.

3 Personnel expenses	2020	2019
Wages/salaries	3 847	3 884
Social security contributions	925	913
Other personnel expenses	309	305
Total	5 082	5 102

Social security contributions as a %

	24.1	23.5
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4 Other operating expenses	2020	2019
Advertising expense	456	515
Rental expense	719	741
Office and administrative expense	301	292
Charges and insurance premiums (non-life)	84	86
Operations-related taxes	45	46
Maintenance and replacement costs	482	464
Energy and supplies	435	438
Transport costs	397	416
Miscellaneous expenses	212	206
Total	3 131	3 205

The “Operations-related taxes” item comprises capital and property transfer taxes, duties on the issue of securities and other fiscal levies. The “Miscellaneous expenses” item comprises uncovered damage/losses, losses on receivables, unscheduled closure costs and miscellaneous operating costs.

in CHF million

5 Depreciation and amortization	2020	2019
Goodwill, planned amortization	99	100
Goodwill, extraordinary amortization	8	2
Other intangible assets, planned amortization	117	109
Other intangible assets, extraordinary amortization	53	22
Amortization on intangible assets	278	233
Tangible fixed assets, planned depreciation	976	959
Tangible fixed assets, extraordinary depreciation	150	89
Reversals of depreciation charges on tangible fixed assets	-15	-17
Depreciation on tangible fixed assets	1 111	1 031
Total	1 389	1 264

Extraordinary depreciation of tangible fixed assets, extraordinary amortization of intangible assets and reversals of depreciation charges on real estate are recognized based on reassessments of earnings or changes in market prices.

6 Financial result	2020	2019
Dividends and revaluation gains on securities	0	0
Other financial income	14	11
Financial income	14	11
Revaluation losses on securities	0	0
Interest and other financial expenses	47	41
Value adjustments to financial assets	0	0
Financial expenses	47	41
Total	-33	-30

7 Non-operating result	2020	2019
Rental income	1	0
Reversals of depreciation charges on non-operating fixed assets	3	0
Gains on the disposal of non-operating fixed assets	3	13
Other non-operating income	4	0
Non-operating income	12	13
Non-operating property expenses (incl. depreciation on non-operating fixed assets)	6	10
Other non-operating expenses	2	9
Non-operating expenses	8	19
Total	4	-6

The non-operating result comprises income and expenses arising from events or transactions which clearly differ from the ordinary operations of the Coop Group. These items mainly include non-operating expenses and income on properties not used for operating purposes.

in CHF million

8 Income taxes	2020	2019
Current income taxes	125	130
Change in deferred taxes	-8	-37
Total	117	93

	2020		2019	
	Tax rate as %	Tax amount in CHF million	Tax rate as %	Tax amount in CHF million
Average applicable tax rate/expected income taxes	13.1	102	15.9	116
Losses in the current year for which no deferred tax assets were recognized		68		65
Use of unrecognized loss carryforwards		-3		-4
Average applicable income tax rate after loss carryforwards	21.4	167	24.3	177
Other effects		-50		-84
Effective income tax rate/Effective income taxes	15.0	117	12.8	93

Expected income taxes are calculated based on the assumption that the non-operating result will be taxed the same as the ordinary result. The other effects in 2020 are mostly the result of changes in tax rates for deferred taxes. The additional effects are due mainly to non-taxable income and expenses and prior-period income taxes.

A deferred income tax asset of CHF 275 million (31.12.2019: CHF 223 million) on tax losses carried forward not yet used was not recognized.

9 Cash and cash equivalents	31.12.2020	31.12.2019
Cash on hand, postal and bank account balances	1 863	871
Cheques	2	29
Term deposits	15	17
Total	1 880	917

10 Receivables from goods and services	31.12.2020	31.12.2019
Receivables from goods and services	1 090	1 324
Value adjustment	-62	-51
Total	1 028	1 273

11 Other short-term receivables	31.12.2020	31.12.2019
Other receivables	253	276
Prepayments to suppliers	15	10
Value adjustment	-1	-2
Total	266	285

12 Inventories	31.12.2020	31.12.2019
Merchandise	2 661	2 793
Finished goods (production)	251	233
Unfinished goods, work in progress	169	186
Raw materials	168	176
Supplies and packaging materials	97	87
Prepayments to suppliers	68	50
Value adjustment	-245	-141
Total	3 170	3 384

in CHF million

13 Tangible fixed assets	Undeveloped property	Land and buildings	Installations	Furniture, machinery and IT	Vehicles	Finance leases	Assets under construction	Total
Tangible fixed assets 2020								
Cost 1.1.2020	188	11 486	6 561	5 596	635	3	660	25 129
Changes to the scope of consolidation			0	0	0			1
Investments	0	110	300	260	38		424	1 133
Disposed of/derecognized	-4	-176	-147	-247	-63		-1	-638
Effect of exchange rate changes	-7	-95	-31	-26	-4	0	-4	-168
Reclassifications	-1	143	180	122	30		-475	0
Cost 31.12.2020	176	11 467	6 862	5 706	637	3	604	25 456
Accumulated amortization at 1.1.2020								
Accumulated amortization at 1.1.2020	4	4 360	3 831	3 782	347	2	0	12 326
Changes to the scope of consolidation			0	0	0			0
Planned depreciation		208	325	373	74	0		979
Extraordinary depreciation	0	104	36	12	0			151
Reversals of extraordinary depreciation		-18						-18
Disposed of/derecognized		-160	-146	-240	-59			-605
Effect of exchange rate changes	0	-19	-14	-16	-2	0	0	-51
Reclassifications	0	3	-4	1	0		0	0
Accumulated amortization at 31.12.2020	4	4 476	4 028	3 912	359	2	0	12 781
Net carrying amount 31.12.2020	172	6 991	2 835	1 795	278	1	604	12 675
of which non-operating		47						47
of which prepayments							46	46
Tangible fixed assets 2019								
Cost 1.1.2019	221	11 099	6 451	5 436	602	3	663	24 474
Restatement		129	-129					0
Changes to the scope of consolidation		6	2	7	6			21
Investments	1	198	242	305	54	0	477	1 276
Disposed of/derecognized	-2	-102	-93	-237	-48	0	-4	-486
Effect of exchange rate changes	3	-69	-36	-38	-12	0	-5	-156
Reclassifications	-35	224	125	122	33	0	-470	0
Cost 31.12.2019	188	11 486	6 561	5 596	635	3	660	25 129
Accumulated amortization at 1.1.2019								
Accumulated amortization at 1.1.2019	4	4 192	3 634	3 646	320	2	0	11 799
Restatement		34	-34					0
Changes to the scope of consolidation		4	1	5	4			14
Planned amortization		203	324	360	72	0		960
Extraordinary amortization	0	47	18	29	0		2	96
Reversals of extraordinary depreciation	0	-17	0	0	0	0	0	-17
Disposed of/derecognized		-87	-93	-233	-44	0	-1	-459
Effect of exchange rate changes	0	-18	-17	-25	-6	0	0	-67
Reclassifications	0	2	-2	0	0		0	0
Accumulated amortization at 31.12.2019	4	4 360	3 831	3 782	347	2	0	12 326
Net carrying amount 31.12.2019	184	7 126	2 730	1 814	289	1	660	12 803
of which non-operating		55						55
of which prepayments							49	49

Prior-year figures restated

In the financial year, assets were further disaggregated into buildings and the installations inside them. The disclosures within the statement of changes in tangible fixed assets were restated retrospectively as at 1 January 2019.

in CHF million

14 Financial assets	Employer contribution reserve	Associated organizations	Other financial assets	Total
Financial assets 2020				
Net carrying amount 1.1.2020	10	79	61	150
Changes to the scope of consolidation				
Investments/Purchase price adjustments		5	18	23
Disposals		0	-11	-12
Write-ups (+)/Value adjustments (-)		-11	0	-11
Effect of exchange rate changes		0	0	0
Net carrying amount 31.12.2020	10	73	68	150
of which goodwill associated organizations		0		0
Financial assets 2019				
Net carrying amount 1.1.2019	11	90	58	158
Changes to the scope of consolidation			1	1
Investments/Purchase price adjustments	0	-10	13	3
Disposals	0		-12	-12
Write-ups (+)/Value adjustments (-)		-1	0	-1
Effect of exchange rate changes		0	0	0
Net carrying amount 31.12.2019	10	79	61	150
of which goodwill associated organizations		8		8
Other financial assets				
			31.12.2020	31.12.2019
Loans			58	57
Miscellaneous financial assets			16	10
Value adjustments to other financial assets			-7	-7
Total			68	61

in CHF million

15 Intangible assets	Goodwill	Trademarks/ Patents/ Licences	Software	Other intangible assets	Assets under development	Total
Intangible assets 2020						
Cost 1.1.2020	998	653	607	65	199	2 521
Changes to the scope of consolidation	2		0	0		2
Investments/Purchase price adjustments	0	0	56	5	80	141
Disposed of/derecognized	-10	0	-15	-1	0	-26
Effect of exchange rate changes	-1	0	-1	-1	0	-3
Reclassifications		1	66	0	-67	0
Cost 31.12.2020	988	654	713	68	211	2 635
Accumulated amortization at 1.1.2020	488	438	444	47	30	1 447
Changes to the scope of consolidation			0	0		0
Planned amortization	99	30	80	7		217
Extraordinary amortization	8	0	2	1	50	61
Disposed of/derecognized	-10	0	-12	-1		-23
Effect of exchange rate changes	0	0	-1	0		-2
Reclassifications		0	0	0		0
Accumulated amortization at 31.12.2020	586	467	514	54	80	1 700
Net carrying amount 31.12.2020	403	187	199	14	131	934
Intangible assets 2019						
Cost 1.1.2019	3 842	646	594	49	138	5 270
Restatement	-2 042			0		-2 042
Changes to the scope of consolidation	29	9	2	1		41
Investments/Purchase price adjustments	2	0	51	5	84	142
Disposed of/derecognized	-827	-1	-49	-1	0	-878
Effect of exchange rate changes	-6	-1	-4	-1	0	-13
Reclassifications		0	12	11	-23	0
Cost 31.12.2019	998	653	607	65	199	2 521
Accumulated amortization at 1.1.2019	3 256	387	426	39	30	4 138
Restatement	-2 042			0		-2 042
Changes to the scope of consolidation		0	1	0		2
Planned amortization	100	32	71	6		209
Extraordinary amortization	2	21	1			24
Disposed of/derecognized	-827	-1	-48	-1		-877
Effect of exchange rate changes	-1	-1	-4	-1		-6
Reclassifications		0	-3	3		0
Accumulated amortization at 31.12.2019	488	438	444	47	30	1 447
Net carrying amount 31.12.2019	510	215	162	17	169	1 074

Prior-year figures restated

in CHF million

16 Financial liabilities	Interest rate as % (weighted)	31.12.2020	31.12.2019
Bank current accounts		1	3
Deposit accounts	0.52	1 753	1 770
Medium-term notes	0.62	353	310
Bonds		2 825	2 805
Bank loans	0.76	57	90
Mortgages	1.55	12	39
Finance leases		0	0
Other financial liabilities		287	332
Total		5 288	5 348
of which short-term financial liabilities		756	924
of which long-term financial liabilities		4 532	4 425
of which liabilities to pension funds	0.20	216	216

Liabilities arising from deposit accounts are disaggregated based on experience of past cash outflows. Of the CHF 1 753 million in total (31.12.2019: CHF 1 770 million), CHF 202 million (31.12.2019: CHF 214 million) were recognized as short-term and CHF 1 551 million (31.12.2019: CHF 1 556 million) as long-term liabilities.

Bonds	Currency	Term	Interest rate as % (weighted)	31.12.2020	31.12.2019
Coop Group Cooperative	CHF	Jul 2015–2020	0.250		300
Coop Group Cooperative	CHF	Jun 2014–2021	0.875	200	200
Bell Food Group Ltd.	CHF	May 2013–2022	1.750	175	175
Coop Group Cooperative	CHF	Sep 2016–2022	0.250	200	200
Coop Group Cooperative	CHF	May 2020–2023	0.750	320	
Coop Group Cooperative	CHF	Sep 2014–2023	1.000	200	200
Coop Group Cooperative	CHF	Jul 2015–2024	0.875	200	200
Bell Food Group Ltd.	CHF	Feb 2018–2024	0.375	200	200
Bell Food Group Ltd.	CHF	Mar 2016–2025	0.625	300	300
Coop Group Cooperative	CHF	Jun 2018–2025	0.750	300	300
Coop Group Cooperative	CHF	May 2016–2026	0.500	380	380
Coop Group Cooperative	CHF	Sep 2017–2027	0.500	200	200
Bell Food Group Ltd.	CHF	Jan 2018–2028	0.750	150	150
Total				2 825	2 805

17 Other short-term liabilities	31.12.2020	31.12.2019
Vouchers in circulation	87	76
Prepayments from customers	187	143
Other taxes	107	99
Other short-term liabilities	60	60
Total	440	378

in CHF million

18 Provisions	Pension benefits	Restructurings	Supercard	Deferred taxes	Other provisions	Total
Provisions 2020						
Carrying amounts 1.1.2020	246	7	171	705	243	1 372
Changes to the scope of consolidation				0		0
Creation of provisions	30	0	205		89	324
Use of provisions	-19	-1	-208		-45	-272
Reversal of provisions no longer required	-3	-2	-4		-19	-29
Change in deferred taxes				-8		-8
Effect of exchange rate changes	0	0		-3	0	-3
Carrying amounts 31.12.2020	255	4	165	694	267	1 385
of which short-term provisions	22	2	165		95	284
of which long-term provisions	233	2		694	172	1 101
Provisions 2019						
Carrying amounts 1.1.2019	113	13	164	783	230	1 303
Restatement	132			-26	15	121
Changes to the scope of consolidation				0	0	1
Creation of provisions	26	2	212		56	296
Use of provisions	-20	-5	-201		-33	-260
Reversal of provisions no longer required	-3	-2	-4		-23	-32
Change in deferred taxes				-37		-37
Effect of exchange rate changes	-2	0		-16	-2	-19
Carrying amounts 31.12.2019	246	7	171	705	243	1 372
of which short-term provisions	21	5	171		65	261
of which long-term provisions	226	2		705	178	1 111

Prior-year figures restated

Other provisions mainly include provisions for personnel in the amount of CHF 127 million (31.12.2019: CHF 125 million) and sales outlets in the amount of CHF 24 million (31.12.2019: CHF 19 million).

in CHF million

19 Pension funds

Employer contribution reserve 2020	Nominal value	Waiver of use	Balance sheet value
Carrying amounts 1.1.2020	10	0	10
Use (Personnel expenses)	0		0
Carrying amounts 31.12.2020	10	0	10

Employer contribution reserve 2019

Carrying amounts 1.1.2019	11	0	11
Use (Personnel expenses)	0	0	0
Carrying amounts 31.12.2019	10	0	10

Economic benefit/economic obligation	Non-committed funds/deficit		Economic share of the Coop Group	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Pension fund with non-committed funds	290	93	0	0
Pension plans without own assets	0	0	-255	-246
Total	290	93	-255	-246

Prior-year figures restated

Pension benefit expenses	Change in balance sheet item 2020		Contributions concerning the business period 2020	Pension benefit expenses with in personnel expenses 2020	Change in balance sheet item 2019		Contributions concerning the business period 2019	Pension benefit expenses with in personnel expenses 2019
	without effect on profit or loss ¹	recognized in profit or loss			without effect on profit or loss ¹	recognized in profit or loss		
Pension fund without non-committed funds/deficit			17	17			26	26
Pension fund with non-committed funds			285	285			268	268
Pension plans without own assets	-19	27	0	27	-21	23	0	23
Pension fund reinsured			3	3			4	4
Total	-19	27	305	332	-21	23	298	321

¹ Payments, foreign currency conversion, changes to the scope of consolidation

As at 31 December 2020, the CPV/CAP shows a funding ratio of 118.2% (prior year: 116.1%). In terms of Swiss GAAP FER 16 there is a surplus, as the target for the fluctuation reserve has been reached.

in CHF million

20 Off-balance-sheet transactions	31.12.2020	31.12.2019
Guarantees, guarantee obligations	9	9
Other quantifiable commitments with a contingent character	7	10
Other non-recognizable commitments	46	72
Carrying amount of pledged assets	20	63

Obligations to minority interest shareholders from put options on the shares they hold in consolidated Group organizations are presented in "Other non-recognizable commitments". The same applies to obligations with regard to the acquisition of shares in associated organizations. There are additional contingent liabilities under existing contracts which cannot be estimated reliably due to the low probability of occurrence and the lack of clarity regarding the amount of a potential outflow of funds. These relate mostly to leased properties.

21 Obligations under off-balance sheet operating leases	31.12.2020	31.12.2019
Due within one year	686	740
Due in 1 to 5 years	2 463	2 492
Due in more than 5 years	2 946	3 224

Unrecognized operating lease obligations result mainly from long-term rental and ground lease agreements.

22 Open derivative financial instruments

Derivative financial instruments 2020		Contract values	Recognized in balance sheet		Not recognized in balance sheet	
Underlying asset	Purpose		Assets	Liabilities	Assets	Liabilities
Foreign exchange	Hedging	1 308	0	2	1	4

Derivative financial instruments 2019		Contract values	Recognized in balance sheet		Not recognized in balance sheet	
Underlying asset	Purpose		Assets	Liabilities	Assets	Liabilities
Foreign exchange	Hedging	1 531	10	4	0	4

23 Related-party transactions

Transactions with associated organizations	2020	2019
Net sales from goods and services	10	13
Other operating income	3	1
Financial income	1	1
Merchandise expenses	8	9
Office and administrative expense	1	2
Rental expense	3	3
	31.12.2020	31.12.2019
Receivables from goods and services	0	1
Other short-term receivables	0	3
Loans	42	39
Payables from goods and services	3	7
Short-term financial liabilities	1	2
Accrued liabilities and deferred income	1	0

In addition there are liabilities to pension funds in Switzerland which are presented as financial liabilities. Above and beyond this, there are no other significant transactions with other related parties.

24 Significant changes to the scope of consolidation

2020

Company		Change	Date	31.12.2020 as %	31.12.2019 as %
Weinkeller Riegger AG	CH-Mellingen	Merged into Casa del Vino SA	01/2020	100.0	100.0
Interfrais Frisch-Service AG	CH-Schlieren	Merged into Transgourmet Switzerland Ltd.	01/2020	100.0	100.0
Team Beverage Einzelhandel GmbH	DE-Bremen	Merged into NEV Nordwest GmbH	01/2020	35.7	35.7
ZIMBO Húsipari Termelő Kft.	HU-Perbál	Interest increased	03/2020	66.3	66.2
All Fresh Logistique SAS	FR-Rungis	Merged into SPEIR SAS	07/2020	100.0	100.0
proGetränkePartner GmbH	DE-Eggenfelden	Interest increased and merged into Team Beverage Einzelhandel Süd GmbH	07/2020	35.7	17.9
GEVA Beteiligungsgesellschaft mbH	DE-Frechen	Merged into F&B – Food and Beverage Services GmbH	07/2020	51.0	51.0
Transgourmet Immobilien GmbH & Co. KG	DE-Pullach	Merged into transCoop GmbH	09/2020	100.0	100.0
update Fitness AG	CH-Münchwilen	Interest increased	09/2020	80.0	51.0
Transgourmet Foodservice Immobilien GmbH	DE-Riedstadt	Merged into transCoop GmbH	11/2020	100.0	100.0
Zanini Vinattieri SA	CH-Ligornetto	Renamed Vinattieri Ticino SA	11/2020	100.0	100.0
Richard Sump GmbH	DE-Hamburg	Interest increased	12/2020	100.0	75.0
NEV Nordwest GmbH	DE-Bremen	Renamed Team Beverage Einzelhandel GmbH	12/2020	35.7	35.7

2019

Company		Change	Date	31.12.2019 as %	31.12.2018 as %
Centre Commercial Moncor S.A.	CH-Villars-sur-Glâne	Merged into Coop Cooperative	01/2019	100.0	100.0
Braschler's Comestibles Import AG	CH-Zurich	Merged into Transgourmet Switzerland Ltd.	01/2019	100.0	100.0
F&B - Food and Beverage Services GmbH	DE-Riedstadt	Interest reduced	01/2019	51.0	100.0
Team Beverage AG	DE-Bremen	Interest reduced	01/2019	35.7	70.0
siroop trading Ltd.	CH-Basel	Dormant	01/2019	100.0	100.0
Interfrais Frisch-Service AG	CH-Schlieren	Acquired	04/2019	100.0	
Sanalogic Solutions GmbH	DE-Riedstadt	Formation and asset deal	05/2019	100.0	
Gastro Profi GmbH	AT-Alkoven	Acquired	06/2019	100.0	
GEVA Beteiligungsgesellschaft mbH	DE-Frechen	Acquired	09/2019	51.0	

The interests listed are calculated on the basis of the shares held by the Coop Group.

in CHF million

25 Most significant components at acquisition of organizations

2020	proGetränke-Partner GmbH				
Cash and cash equivalents					2
Receivables, prepayments and accrued income					3
Inventories					0
Tangible fixed assets					0
Financial assets					
Intangible assets (excl. goodwill)					
Liabilities, accrued liabilities and deferred income					4
Financial liabilities					
Provisions					
2019	Gastro Profi GmbH	Sanalogic Solutions GmbH	GEVA Group	Interfrais Frisch-Service AG	Other entities
Cash and cash equivalents			5	5	0
Receivables, prepayments and accrued income	2		52	13	0
Inventories	3			2	0
Tangible fixed assets	1		3	4	0
Financial assets			1		0
Intangible assets (excl. goodwill)	0	3		3	3
Liabilities, accrued liabilities and deferred income	3		50	14	0
Financial liabilities	2				0
Provisions	0		0	0	0

26 Scope of consolidation

		Interest held ¹		Method of inclusion
		31.12.2020 as %	31.12.2019 as %	
Coop Group				
Coop Group Cooperative	CH-Basel	100.0	100.0	□
Alifresca Ltd.	CH-Basel	100.0	100.0	□
Alifresca Italy S.R.L.	IT-Villafranca di Verona	100.0	100.0	□
Alifresca Spain S.L.	ES-Valencia	100.0	100.0	□
Autobahn-Raststätte Basel-Nord AG	CH-Basel	38.3	38.3	●
CapCo AG	FL-Vaduz	100.0	100.0	□
Centre de formation "du Léman"	CH-Jongny	100.0	100.0	□
Chocolats Halba S.A. de C.V.	HN-San Pedro Sula	75.0	75.0	□
Coop-ITS-Travel AG	CH-Freienbach	50.0	50.0	●
Coop Mineraloel AG	CH-Allschwil	51.0	51.0	□
Coop Tagungszentrum	CH-Muttenz	100.0	100.0	□
Coop Vitality AG	CH-Bern	51.0	51.0	□
Coop Vitality Management AG	CH-Bern	51.0	51.0	□
Elektronik Distribution AG	CH-Basel	100.0	100.0	□
Eurogroup Europe AG	CH-Wangen	100.0	100.0	□
Eurogroup Far East Ltd.	CN-Hong Kong	100.0	100.0	□
Marché Restaurants Schweiz AG	CH-Dietlikon	100.0	100.0	□
Panflor AG	CH-Zurich	100.0	100.0	□
railCare AG	CH-Härkingen	100.0	100.0	□
Raststätte Glarnerland AG	CH-Niederurnen	21.3	21.3	□
Raststätte Heidiland AG	CH-Maienfeld	51.5	51.5	□
Relais du St-Bernard Martigny SA	CH-Martigny	68.0	68.0	●
Retail Marketing Switzerland AG	CH-Basel	100.0	100.0	□
SC Swiss commercial GmbH	DE-Konstanz	100.0	100.0	□
Stazioni Autostradali Bellinzona SA	CH-Bellinzona	68.4	68.4	●
Steinfels Swiss GmbH	DE-Konstanz	100.0	100.0	□
Tanklager Rothenburg AG	CH-Rothenburg	17.0	17.0	●
Two Spice AG	CH-Zurich	32.8	32.8	●
update Fitness AG	CH-Münchwilen	80.0	51.0	□
update akademie GmbH	CH-Uzwil	40.0	25.5	●
Coop Cooperative	CH-Basel	100.0	100.0	□
Betty Bossi AG	CH-Zurich	100.0	100.0	□
Coop Immobilien AG	CH-Bern	100.0	100.0	□
Dipl. Ing. Fust Ltd.	CH-Oberbüren	100.0	100.0	□
Parking des Remparts SA	CH-La Tour-de-Peilz	33.3	33.3	●
Pearlwater Mineralquellen AG	CH-Termen	100.0	100.0	□
RS Vertriebs AG	CH-St. Gallen	100.0	100.0	□
Service 7000 AG	CH-Netstal	100.0	100.0	□
The Body Shop Switzerland Ltd.	CH-Uster	100.0	100.0	□
Transgourmet Group				
Transgourmet Holding AG	CH-Basel	100.0	100.0	□
gastronovi GmbH	DE-Bremen	51.0	51.0	□
Transgourmet Central and Eastern Europe AG	CH-Basel	100.0	100.0	□
Transgourmet Central and Eastern Europe GmbH	DE-Riedstadt	100.0	100.0	□
Ahoii GmbH	DE-Hamburg	9.0	9.0	●
Brand Views GmbH	DE-Hamburg	22.3	22.3	●
EGV Lebensmittel für Grossverbraucher AG	DE-Unna	100.0	100.0	□
F&B - Food and Beverage Services GmbH	DE-Riedstadt	51.0	51.0	□

		Interest held ¹		Method of inclusion
		31.12.2020 as %	31.12.2019 as %	
FrischeParadies GmbH & Co. KG	DE-Frankfurt	100.0	100.0	□
FRISCHEPARADIES ESPAÑA S.L.U.	ES-Palma de Mallorca	100.0	100.0	□
Fruchthof Handel-GmbH	AT-Innsbruck	100.0	100.0	□
gastivo portal GmbH	DE-Bremen	35.7	35.7	□
Gastro Tracking GmbH	DE-Nuremberg	17.9	17.9	●
Geo-Marketing GmbH	DE-Cologne	25.0	25.0	●
GEVA Gesellschaft für Einkauf, Verkaufsförderung und Absatz von Gütern mbH	DE-Frechen	26.0	26.0	□
GEVA Gesellschaft für Einkauf, Verkaufsförderung und Absatz von Gütern mbH & Co. KG	DE-Frechen	26.0	26.0	□
Hamburger Feinfrost GmbH	DE-Hamburg	100.0	100.0	□
MVF Markenvertriebs- und Förderungsgesellschaft mbH	DE-Frechen	26.0	26.0	□
Niggemann Food Frischemarkt GmbH	DE-Bochum	100.0	100.0	□
OOO Basa	RU-Moscow	100.0	100.0	□
OOO Mikotrans	RU-Moscow	100.0	100.0	□
OOO Selgros	RU-Moscow	100.0	100.0	□
OOO Selgros Immobilien	RU-Moscow	100.0	100.0	□
OOO Torgovy Dom Global Foods	RU-Moscow	100.0	100.0	□
Richard Sump GmbH	DE-Hamburg	100.0	75.0	□
Sanalogic Solutions GmbH	DE-Riedstadt	100.0	100.0	□
SELGROS CASH & CARRY S.R.L.	RO-Brasov	100.0	100.0	□
Sump & Stammer GmbH International Food Supply	DE-Hamburg	100.0	75.0	□
Team Beverage AG	DE-Bremen	35.7	35.7	□
Team Beverage Category Management und Vermarktung GmbH	DE-Bremen	35.7	35.7	□
Team Beverage Convenience GmbH	DE-Rostock	35.7	35.7	□
Team Beverage Dienstleistungen GmbH	DE-Rostock	35.7	35.7	□
Team Beverage Einzelhandel GmbH	DE-Bremen	35.7	35.7	□
Team Beverage Einzelhandel Süd GmbH	DE-Eggenfelden	35.7	35.7	□
Team Beverage Großhandel GmbH	DE-Bremen	35.7	35.7	□
Team Beverage Marken und Systeme GmbH	DE-Bremen	35.7	35.7	□
Team Business IT GmbH	DE-Stralsund	35.7	35.7	□
transCoop GmbH	DE-Riedstadt	100.0	100.0	□
Transgourmet Beteiligungs GmbH	AT-Wiener Neudorf	100.0	100.0	□
Transgourmet Deutschland GmbH & Co. OHG	DE-Riedstadt	100.0	100.0	□
Transgourmet Polska Sp. z o.o.	PL-Poznan	100.0	100.0	□
Transgourmet France SAS	FR-Valenton	100.0	100.0	□
ALDIS ASP 6 SARL	FR-Valenton	100.0	100.0	□
BSP SAS	FR-Valenton	100.0	100.0	□
COFIDA SAS	FR-Rungis	100.0	100.0	□
HOLDI CRENO SA	FR-Châteaurenard	30.8	30.8	●
Locagroup SAS	FR-Rungis	100.0	100.0	□
Mantes Primeurs SAS	FR-Mantes-la-jolie	100.0	100.0	□
SCI Mittelfeld-Knoderer	FR-Valenton	100.0	100.0	□
Sodiexval SAS	FR-Rungis	100.0	100.0	□
SPEIR SAS	FR-Rungis	100.0	100.0	□
Transgourmet Immobilier France SAS	FR-Valenton	100.0	100.0	□
Transgourmet Management Gie	FR-Valenton	100.0	100.0	□
Transgourmet Opérations SAS	FR-Valenton	100.0	100.0	□
Transgourmet Seafood SAS	FR-Rungis	100.0	100.0	□
Transgourmet Services SNC	FR-Valenton	100.0	100.0	□
Transgourmet Österreich GmbH	AT-Traun	100.0	100.0	□
Gastro Profi GmbH	AT-Alkoven	100.0	100.0	□

		Interest held ¹		Method of inclusion
		31.12.2020 as %	31.12.2019 as %	
immodevelop GmbH	AT-Innsbruck	100.0	100.0	□
Top Team Zentraleinkauf GmbH	AT-Traun	50.0	50.0	●
Transgourmet Switzerland Ltd.	CH-Basel	100.0	100.0	□
Casa del Vino SA	CH-Zurich	100.0	100.0	□
Domaines & Châteaux Vins Birrhard SA	CH-Birrhard	100.0	100.0	□
Grossopanel AG	CH-Stans	33.3	33.3	●
wine AG Valentin & Von Salis	CH-Pontresina	50.0	50.0	●
Vinattieri Ticino SA	CH-Ligornetto	100.0	100.0	□
Bell Food Group				
Bell Food Group Ltd.	CH-Basel	66.3	66.3	□
Bell Schweiz AG	CH-Basel	66.3	66.3	□
Geiser AG	CH-Schlieren	66.3	66.3	□
Bell Deutschland Holding GmbH	DE-Seevetal	66.3	66.3	□
Bell Deutschland GmbH & Co. KG	DE-Seevetal	66.3	66.3	□
Bell Production Services GmbH & Co. KG	DE-Seevetal	66.3	66.3	□
Bell Schwarzwälder Schinken GmbH	DE-Schiltach	66.3	66.3	□
Bell España Alimentación S.L.U.	ES-Casarrubios del Monte	66.3	66.3	□
Abraham Benelux S.A.	BE-Libramont-Chevigny	66.3	66.3	□
Bell Verwaltungs GmbH	DE-Seevetal	66.3	66.3	□
Interfresh Food GmbH	DE-Seevetal	66.3	66.3	□
Bell Benelux Holding N.V.	BE-Zellik	66.3	66.3	□
Bell Benelux N.V.	BE-Zellik	66.3	66.3	□
Bell Nederland B.V.	NL-Breda	66.3	66.3	□
Bell Logistics N.V.	BE-Zellik	66.3	66.3	□
Bell France Holding SAS	FR-Teilhède	66.3	66.3	□
Bell France SAS	FR-St-André-sur-Vieux-Jonc	66.3	66.3	□
Salaison Polette & Cie SAS	FR-Teilhède	66.3	66.3	□
Maison de Savoie SAS	FR-Aime	66.3	66.3	□
Le Saloir de Mirabel SARL	FR-Riom	66.3	66.3	□
Le Saloir de Virieu SAS	FR-Virieu-le-Grand	66.3	66.3	□
Val de Lyon SAS	FR-Valenton	66.3	66.3	□
H.L. Verwaltungs-GmbH	AT-Pfaffstätt	66.3	66.3	□
Hubers Landhendl GmbH	AT-Pfaffstätt	66.3	66.3	□
Süddeutsche Truthahn AG	DE-Ampfing	66.3	66.3	□
Brütere Schlierbach GmbH	AT-Pettenbach	63.0	63.0	□
Frisch Express GmbH	AT-Pfaffstätt	66.3	66.3	□
VTE-Beteiligungs GmbH + Co. KG	DE-Ampfing	66.3	66.3	□
Bell Polska Sp. z o.o.	PL-Niepolomice	66.3	66.3	□
ZIMBO Perbal Húsipari Termelő Kft.	HU-Perbál	66.3	66.2	□
Hilcona AG	FL-Schaan	66.3	66.3	□
Hilcona Gourmet SA	CH-Orbe	66.3	66.3	□
Hilcona Feinkost GmbH	DE-Leinfelden-Echterdingen	66.3	66.3	□
Hilcona Holding AG	CH-Zug	66.3	66.3	□
Eisberg Holding AG	CH-Dänikon	66.3	66.3	□
Eisberg AG	CH-Dällikon	66.3	66.3	□
Eisberg Österreich GmbH	AT-Marchtrenk	66.3	66.3	□

		Interest held ¹		Method of inclusion
		31.12.2020 as %	31.12.2019 as %	
Eisberg Hungary Kft.	HU-Gyál	66.3	66.3	□
Eisberg Spolka z o.o.	PL-Legnica	66.3	66.3	□
Eisberg srl	RO-Pantelimon	66.3	66.3	□
E.S.S.P. España 2000 SL	ES-Aguilas	66.3	66.3	□
Sylvain & CO SA	CH-Champvent	66.3	66.3	□
Hügli Holding AG	CH-Steinach	66.3	66.3	□
Hügli Nahrungsmittel AG	CH-Steinach	66.3	66.3	□
Hügli Nahrungsmittel-Erzeugung Ges.mBH	AT-Hard	66.3	66.3	□
Hügli Nahrungsmittel GmbH	DE-Radolfzell	66.3	66.3	□
Granovita S.A.	ES-La Vall d'Uixó	66.3	66.3	□
Hügli UK Ltd.	GB-Redditch	66.3	66.3	□
Bresc B.V.	NL-Sleeuwijk	66.3	66.3	□
Ali-Big Industria Alimentare s.r.l.	IT-Brivio	66.3	66.3	□
Hügli Food s.r.o.	CZ-Zásmuky u Kolína	66.3	66.3	□
Hügli Food Élelmiszeripari Kft.	HU-Budapest	66.3	66.3	□
Hügli Food Polska sp. z o.o.	PL-Lódz	66.3	66.3	□
Hügli Food Slovakia s.r.o.	SK-Trnava	66.3	66.3	□
Centravo Holding AG	CH-Zurich	19.7	19.7	●
GVFI International AG	CH-Basel	17.2	16.4	●
Baltic Vianco OÜ	EE-Sánna, Róuge Vald	22.1	22.1	●

□ = Fully consolidated company

● = Company included by using the equity method

¹ The interests listed are calculated on the basis of the shares held by the Coop Group.

27 Events after the balance sheet date

The Board of Directors approved the annual consolidated financial statements of the Coop Group on 11 February 2021. They have to be approved by the Delegate Assembly on 16 April 2021.



Statutory Auditor's Report

To the Delegate Assembly of Coop Group Cooperative, Basle

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Coop Group Cooperative and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2020 and the consolidated income statement, statement of changes in equity and consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion the consolidated financial statements (pages 94 to 119) give a true and fair view of the consolidated financial position of the Group as at 31 December 2020, and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Swiss GAAP FER and comply with Swiss law.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Our responsibilities under those provisions and standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Report on Key Audit Matters based on the circular 1/2015 of the Federal Audit Oversight Authority



Revenue recognition



Valuation of merchandise

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Revenue recognition

Key Audit Matter

The Group records its revenue at the time when the risks and rewards resulting from the sale of the products have been transferred to the buyer. Revenue includes the revenue from the front (cash register), on the one hand, and the delivery revenue (on account), on the other hand. It is presented net of discount, rebates and other price reductions.

Revenue forms a significant basis for the assessment of the Group's business performance. Consequently, it is at the center of internal objectives and of the development expectations of the public, financial analysts, institutional investors, major creditors and other interested parties regarding the evolution of the business. As a significant caption in the income statement, revenue is therefore of great relevance for the Group.

Consequently, we have focused our audit in this area on the existence of revenue transactions and their recognition in the appropriate period, as well as on the recording of the correct data.

Our response

In the context of our audit, we have evaluated the appropriateness of the accounting principles in relation with the Group's revenue recognition. Regarding the assessment of the correct revenue recognition, we have performed amongst others the following audit procedures:

- We have analyzed the process regarding revenue recognition and accrual accounting and we have assessed whether the value flows are correctly reflected in the accounts. In this regard, we have identified the key controls concerning revenue recognition and then tested them for effectiveness on a sample basis. We have involved our IT specialists in order to support our audit procedures.
- In order to examine the correctness of the master data (product prices, promotion periods, etc.), we have reconciled them with basic documents on a sample basis.
- Regarding front revenue, we have verified the correct functioning of the cash registers by examining the system parameters. Moreover, we have reconciled on a sample basis the cash register statements with the corresponding incoming payments.
- Furthermore, regarding delivery sales, we have examined the recognition of revenue in the appropriate period by a sample-based comparison of invoices, corresponding orders and delivery notes. In this regard, we have focused in particular on the sales transactions shortly before and after the balance sheet date.

Moreover, we have examined whether the accounting principles regarding revenue recognition were described and disclosed appropriately.

For further information on revenue recognition refer to the following:

- Consolidation and accounting principles



Valuation of merchandise

Key Audit Matter

As at 31 December 2020, the Group has inventories of CHF 3.2 billion (previous year: CHF 3.4 billion). Inventories are presented at the lower of acquisition or production cost and net realizable value.

Of the CHF 3.2 billion of inventories, CHF 2.4 billion concern merchandise (previous year: CHF 2.7 billion). Merchandise is valued at the average cost price (moving average price), plus logistic surcharges and less supplier refunds, rebates, discounts, etc.

The determination of the correct valuation of merchandise contains elements of judgment. Furthermore, there is a risk of overvaluation due to goods that are no longer usable, inventories that are difficult to sell, and price pressure. Consequently, the determination of the value adjustment contains certain areas of judgment. The correct valuation of merchandise is thus significant for the overall understanding of the consolidated financial statements.

Consequently, when auditing the valuation of inventories, we focused on the correct valuation of merchandise.

Our response

In the context of our audit, we have evaluated the appropriateness of the accounting principles in relation with the valuation of the Group's merchandise. We have performed amongst others the following audit procedures:

- We have assessed the appropriateness of the processes regarding the valuation of merchandise. In this regard, we have identified the key controls and then tested them for effectiveness on a sample basis.
- Based on samples and with the support of our IT specialists, we have evaluated the integrity of the general IT controls and tested the efficiency of key IT application controls. In particular, we have performed a verification concerning the order entry process by assessing mandatory fields and significant segregations of duties within the order process. Furthermore, we have verified the correct calculation of prices in the system based on system parameters, supplier invoices, as well as additions and disposals.
- Additionally, we have examined whether the reductions (supplier refunds, rebates, discounts, etc.) and the logistic surcharges were applied correctly by retracing the calculations.
- We have critically assessed the appropriateness of the management processes for the identification of goods that are no longer usable and products that are difficult to sell, as well as the basis and the method used for the valuation of this merchandise.
- We have examined mathematically the calculation of the value adjustments on merchandise.

Moreover, we have examined whether the accounting principles were described and disclosed appropriately.

For further information on the valuation of inventories refer to the following:

- Consolidation and accounting principles
- Item 12 of the notes, Inventories



Responsibility of the Board of Directors for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with Swiss GAAP FER and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and Swiss Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Swiss law and Swiss Auditing Standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.



From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with article 906 CO in connection with article 728a para. 1 item 3 CO and the Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

KPMG AG

A handwritten signature in blue ink, appearing to read 'Meisterhans'.

Jürg Meisterhans
Licensed Audit Expert
Auditor in Charge

A handwritten signature in blue ink, appearing to read 'Terzic'.

Sandra Terzic
Licensed Audit Expert

Basle, 11 February 2021

