



Coop Group Sustainability Progress Report 2017

A report for sustainability experts, our stakeholders and our partners

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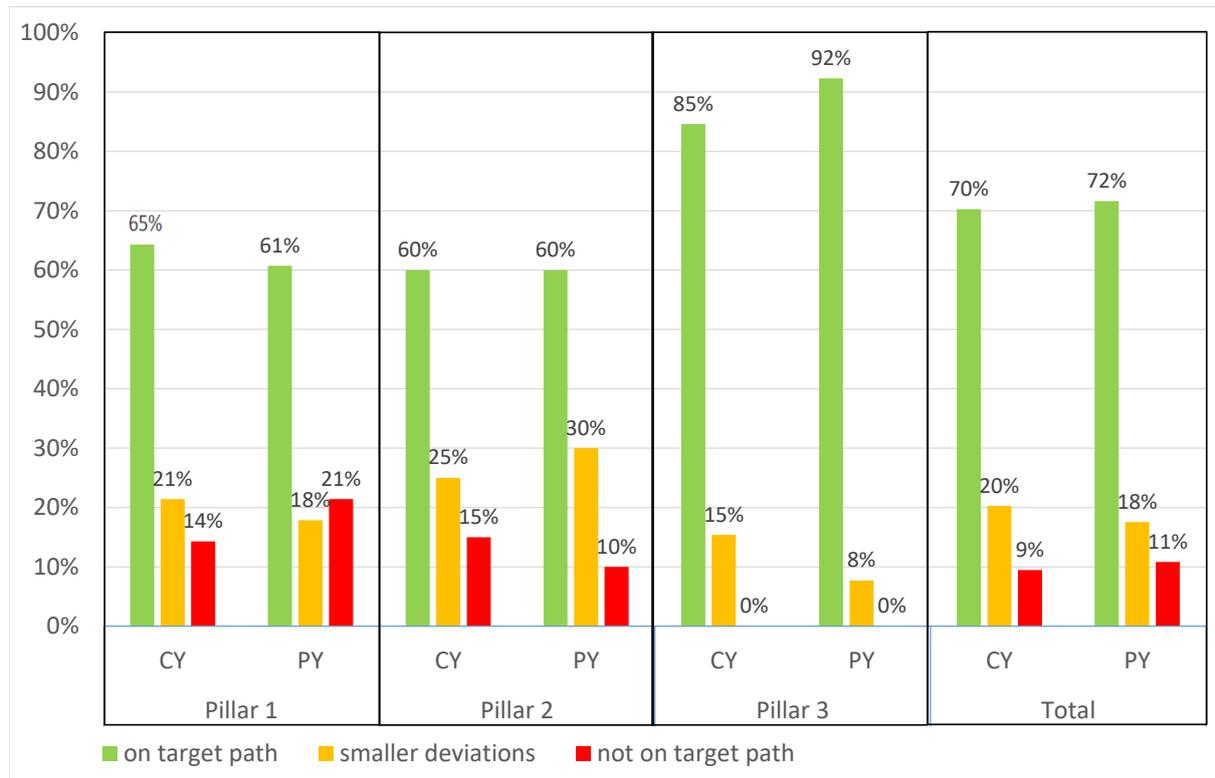
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Summary of status of multi-year sustainability targets by pillar



The level of attainment of the multi-year sustainability targets (MYT) is positive. 70 % of the targets are green, while around 20 % of them show minor deviations, and only in 9 % of cases are we right off target. There was a slight deterioration compared with the previous year for column 1 (sustainable products). This is partly related to the more stringent targets set for 2017. The increase in business with third-party customers as well as general expansion had a positive impact on the targets in column 1. Column 2 (environment and climate protection) is on a par with the previous year. However, some targets were negatively impacted, in particular due to both the Pratteln and Schafisheim sites operating concurrently. General expansion and the increase in business with third-party customers in production had a negative impact on the energy and CO₂ targets. There was a slight downturn in the level of target attainment in column 3 (employees and social commitment). This development is due to a stricter evaluation practice. Quantitative targets from the HR strategy have been included since 2017. The level of target attainment is still very high, however, at 85 %.

About this report

Sustainability is part of everyday life throughout the Coop Group and is integral to our business activities. Consequently, we also report on the key developments in this area in the [Coop Group's annual report](#). Sometimes, however, our stakeholders, partners and sustainability experts have specific information needs that cannot be met in the annual report due to the scope and level of detail. This specific, specialist information, which is updated annually, is summarized in this Sustainability Progress Report. Further information about the Coop Group's long-standing commitment to sustainability and about our management approach can be found [here](#). In conjunction with the annual report, this report satisfies the reporting obligations under the UN Global Compact.

Joos Sutter, Chairman of the Chairman of the Executive Committee

◀◀ The Coop Group sees sustainable business as an integral part of its identity. As the world's most sustainable retailer, we fully embrace our responsibility to people, animals and nature. With effective and pioneering initiatives, we use our influence to ensure the mindful and responsible use of resources, promote projects to protect the climate, environment and animals, and are committed to fair working conditions. Our Progress Report provides you with a transparent insight into our sustainable actions and sheds light on our progress towards achieving our targets. ▶▶

Sustainability strategy

As a Swiss cooperative with a 150-year-old tradition, the members of the cooperative and its customers are the Coop Group's focus. In Retail, Wholesale and Production, we align our business activities with market-driven, environmental and ethical principles; this is the foundation of our success.

Excerpt from the Coop Group Cooperative's Articles of Association

Art. 2 Purpose

1 The company's purpose (...) includes the promotion of its members' economic and social interests through mutual self-help as well as of its consumers.

Coop takes the necessary steps to sustainably safeguard its competitiveness and its long-term existence in accordance with market-driven, environmental and ethical principles.

Find out more about the [Corporate Profile](#) in our annual report.

We concentrate on areas in which we can achieve significant leverage. We firmly enshrine sustainability in our core business and the line responsibility. Reflecting this, sustainability is incorporated in all relevant Coop Group strategies, through our sustainability strategy which we overhauled during the year under review. More information about our new strategy concept can be found under Project 7.1, Management approach. ▾

Materiality analysis

As a producer and distributor of food and non-food products, the Coop Group is closely involved in global goods flows. At the same time, we are both influenced by, and exert influence over, global environmental and social challenges. Consequently, it is important that we make a positive contribution for the sake of people, animals and nature and avoid any negative impact our business activities may have. Therefore, we have been committed to sustainability for over 25 years. In order to unify our commitment within the Coop Group, in 2013 we conducted a comprehensive review and identified the main starting points. These form the basis for our specific multi-year sustainability targets (MYT) 2014 - 2020 for the entire Coop Group. More information about the targets and the target development process can be found [here](#).

Sustainable Development Goals

The United Nations Agenda 2030, which was adopted in September 2015, is a global action plan for sustainable development. At the heart of this plan are the [Sustainable Development Goals](#) (SDGs). The purpose of these goals is to safeguard sustainable development on the economic, social and environmental planes. Through our business activities, we contribute to a number of these goals, whilst others are within the sphere of influence of other industries or of the public sector. The matrix on page 35 of this report illustrates how the multi-year sustainability targets tie in with the SDGs. To give one example, SDG 12,

„Ensure responsible consumption and production patterns“ has an immediate bearing on Coop’s core business. With the objective of remaining the most expert provider of particularly sustainable ranges ([Project 1.1.](#)) and establishing transparent and sustainable product chains ([Project 1.2.](#)) by 2020, as well as our commitment to society, a total of 13 multi-year targets contribute to this important UN sustainability goal.

Internal and external stakeholders

Our internal and external stakeholders were closely involved in the development of the multi-year sustainability targets for 2014–2020. We invited our partners and business stakeholders from environmental, consumer and producer organizations as well as representatives from universities and administrative bodies to exchange views at the 2017 stakeholder forum. At the forum, we demonstrated to them how the multi-year targets are being continuously and successfully implemented. We visited the Schafisheim distribution centre to give our stakeholders a look behind the scenes. For us, Schafisheim exemplifies our efforts to achieve CO₂ neutrality. The location benefits from a host of technological innovations and showcases our accomplishments in the various areas. We gave our stakeholders an on-site presentation, involving a tour of four locations covering the issues of energy generation and energy/CO₂ vision, waste disposal, sustainable sourcing of critical raw materials, and mobility, taking railCare as an example. One of the main objectives of this gathering was to enable dialogue between Coop and its stakeholders. Reflecting this, Joos Sutter, Chairman of the Executive Committee, attended the stakeholder meeting, where he answered all kinds of questions. More information about the 2017 stakeholder forum can be found [here](#)

Updating the multi-year sustainability targets

Occasionally, some of the MYT are found to be overly ambitious or overly cautious. However, this does not become apparent until the targets are overtaken or derailed by, for example, technical innovations, a new data situation, incorrect estimates or adjustments to ranges. In order for the MYT to fulfil their purpose as a management tool, it may sometimes be necessary to revise the targets within the target period. The following changes were made during the year under review for the Wholesale area:

- **Multi-year target 1.1.1 G** We are increasing the percentage of our sustainability sales: The target has been raised from 2.8% to 3% because the previous target was not ambitious enough, principally due to the positive business trend at Transgourmet Germany.
- **Multi-year target 1.1.2 G** We are increasing turnover of organic products: The target has been raised from CHF 79 million to CHF 82 million, due to the positive business trend at Transgourmet Germany and the correction to the data basis at Transgourmet Österreich.
- **Multi-year target 1.1.3 G** We are increasing turnover of products with social added value: The target has been raised from CHF 30 million to CHF 40 million, due to the positive business trend at both Transgourmet Germany and Transgourmet Österreich.

Reporting

Below we report on the degree of attainment of the multi-year sustainability targets for 2014–2020 and the medium-term developments with regard to these targets, and additional key figures on the Coop Group’s commitment to sustainability. The report is broken down into the three business segments Retail, Wholesale and Production. Retail covers all the sales formats, the distribution centres for the retail segment and logistics. Wholesale comprises cash & carry and the wholesale supplies business of the Transgourmet national subsidiaries. Production encompasses Coop’s manufacturing companies and subsidiary Bell Food Group. The following principles apply:

- Unless otherwise indicated, the report relates to the year 2017, the reference date being 31.12.2017
- Prior-year figures have been adjusted in each case
- In order to review attainment, each target path has, as a rule, been broken down linearly, in one-year periods. For some key figures, the annual targets have been derived on an individual basis

- The following colour code is used when assessing the quantitative targets:
 - if the higher the better: green \geq 100%, yellow 98.1%–99.9%, orange \leq 98%
 - if the lower the better: green \leq 100%, yellow 100.1%–101.9%, orange \geq 102%
 - The direction of the arrow shows the trend year-on-year; an arrow pointing upwards denotes a positive trend, a horizontal arrow indicates no change and an arrow pointing downwards indicates a deterioration compared with the previous year.
- Qualitative targets are assessed by the appropriate specialists.
- The majority of the figures in the report have been rounded, but percentage changes, such as growth, have been calculated with unrounded figures

Further information and standpoints on Coop's long-term commitment to sustainability can be found you can find [here](#).

Project 1.1 Sustainable products services



Coop intends to maintain its status as the most expert provider of particularly sustainable ranges until 2020. This means offering our customers choices for a sustainable lifestyle in all business areas and making a key contribution to more environmentally-friendly, social and humane cultivation, production, processing and provision of goods and services. In this way, we reduce negative impact on soils, water, air, livestock and biodiversity, and improve the living conditions of workers and farmers who produce directly and indirectly for Coop. From a business perspective, we are confident that this approach meets a customer need, helps set apart and create a distinctive profile for the Coop Group and opens up market opportunities.

Our key starting points

- Expansion of high-profile own-label sustainability brands subject to the most exacting sustainability requirements
- Long-term cooperation with credible partners when establishing and expanding these ranges (e.g. Bio Suisse, WWF, Swiss Animal Protection SAP, Max Havelaar)
- Promotion of externally certified, sustainable standards with maximum credibility such as the Bio Suisse bud or Organic, Fairtrade Max Havelaar or FSC by expanding and marketing the relevant ranges
- Cooperation with research institutes and business partners when developing new ranges, including through the Coop Sustainability Fund

Degree of target attainment and trend

1. Ranges with special added sustainability value 1.1 Coop is the most expert provider of particularly sustainable ranges.	Targets for Retail		Targets for Production		Targets for Wholesale	
	↑	1.1.1 R We are increasing the percentage of our sustainability sales to 20.9%.	↑	1.1.1 P We are increasing the percentage of our sustainability sales to 24.3%.	↑	1.1.1 W We are increasing the percentage of our sustainability sales to 3.0%.
	↑	1.1.2 R We are expanding our position as a leading supplier of organic products in the Swiss retail sector and, in 2020, will generate turnover of CHF 1,660 million from organic products.	↑	1.1.2 P We are increasing turnover of organic products to CHF 242 million.	↑	1.1.2 W We are increasing turnover of organic products to CHF 82 million.
	↑	1.1.3 R We are increasing turnover of products bearing the Fairtrade Max Havelaar label 2.7-fold (compared with 2012).	↑	1.1.3 P We are increasing turnover of products bearing the Fairtrade label by 111.0% (compared with 2012).	↑	1.1.3 W We are increasing turnover of products that offer social added value to CHF 40 million.
	↑	1.1.4 R We are increasing turnover of regional products to CHF 500 million.	→	1.1.4 P We promote the use of Swiss raw materials.	↑	1.1.4 W We offer our customers an expert range of regional and local products.
	↑	1.1.5 R We are increasing turnover of environmentally friendly products in the non-food segment to CHF 650 million.				

Highlights in 2017

- Strong growth in sales from sustainable products throughout the Coop Group, of 10.4% to = CHF 4,256 million, of which organic = CHF 1,389 million (7%) and fair trade = CHF 500 million (6%)
- Successful, major expansion of vegan and vegetarian products, most notably Karma
- Opening of the first Karma store, which exclusively stocks vegetarian and vegan products
- Establishment of a Demeter range as part of Coop Naturaplan with the Bio Suisse bud logo on butter, yoghurt, meat, bread, vegetables, wine and launch of a Demeter meat package at Coop@home
- 10-year anniversary and massive 41% increase in turnover for Pro Montagna
- 25-year anniversary of partnership between Coop and Fairtrade Max Havelaar

- Massive expansion of Origine/Vonatur/Ursprung own-label sustainability brand at all Transgourmet national subsidiaries
- Increase in business with third party customers at the manufacturing companies with sustainable products, including Steinfels with the launch of Naturaline Cosmetics in the UK, Taiwan and Poland

Challenges in 2017

- Increasing sales of sustainability brands and quality labels in absolute terms in the non-food segment, due to the shrinking market
- Kicking off the new “VIVA Strategy Concept 2025” for Coop-branded retail formats (which includes the target of doubling Naturaplan sales by 2025)
- Expansion of the Ursprung own-label brand at Transgourmet Germany planned, but a regional produce strategy is particularly hard to implement in the food service segment
- Low awareness of the issue of sustainability in Poland, Romania and Russia
- Integration of acquisitions at Transgourmet and in the Bell Food Group

Multi-year target 1.1.1 Sales from sustainable products

Share of sales from sustainable products in total sales

as a%	2015	2016	2017	target 2020
▲ Retail	20.2	21.8	23.2	20.9
▲ Wholesale	1.6	2.3	2.9	3.0
▲ Production	21.2	19.7	25.9	24.3

All business areas have exceeded their proportionate targets and are doing far better than the previous year in this regard. This strong growth was driven by the performance of Retail, which also translates into higher growth in Production. In Production, this growth is further boosted by the expansion of business with third-party customers and acquisitions. Wholesale is growing substantially, albeit still at a low level. This reported growth was influenced in part by improved data availability. Currency effects also help boost absolute sales figures in Swiss francs.

Coop's sales from sustainable products:

- Own-label brands and quality seals which satisfy the most stringent sustainability standards and thus appeal to customers who attach great importance to compliance with progressive environmental and social standards
- Ranges with sustainable added value which satisfy basic sustainability standards and have environmental or social added value compared with conventionally produced products. We therefore support them chiefly in the range of brands and in Wholesale
- Regional products which strengthen regional added value while also presenting smaller producers with attractive sales opportunities
- Own-label brands and quality seals for special dietary and consumer needs through which we fulfil our social responsibility as a cooperative retailer and wholesaler and producer. We are thereby ensuring that we cater for increasingly stringent requirements in areas including vegetarian/vegan diets and the rise in food intolerances and allergies

Breakdown of sales from sustainable products

Sales from sustainable products in Retail

in CHF mn	2013	2014	2015	2016	2017
Naturaplan	940	954	987	1,049	1,091
Naturafarm	453	435	443	456	459
Oecoplan	138	142	139	148	153
Naturaline (textiles and cosmetics)	62	59	60	59	57
Others (Pro Montagna, Únique, Pro Specie Rara, Slow Food, Fairtrade Max Havelaar, Bio, MSC, FSC, Topten, Hochstamm Suisse, Schweizer Pärke, Natrue, BDIH, Ecocert, Blauer Engel, Bird Life, EU Ecolabel)	573	662	823	875	1,163
Sales of own-label brands and quality seals subject to the most stringent sustainability standard	2,166	2,252	2,454	2,586	2,923
Sales of quality seals with sustainable added value (UTZ, Rainforest Alliance, animal welfare programmes, PEFC, Natureplus, Nordic Swan, Label Rouge, Bluesign)¹	–	–	209	371	404
Regional organic products (Naturaplan Bio-Regio, Oecoplan Bio-Regio)	–	–	15	40	45
Miini Region	–	–	140	170	178
Others (Pro Montagna, Schweizer Pärke, AOP, Mar-chio Ticino)	–	–	185	181	192
Sales of own-label brands and quality seals with added value for the region¹	–	–	322	348	369
Special products for allergy sufferers (Freefrom, Aha, ear of corn symbol, lactose-free, sulphite-free)	–	–	135	168	199
Products for vegetarians and vegans (Karma, Délicorn, V-Label)	–	–	193	287	364
Low-calorie products	–	–	40	53	57
Sales of own-label brands and quality seals for special dietary and consumer needs¹	–	–	403	468	559
Sales from sustainable products in Retail¹	–	–	3,319	3,528	3,810
Sales from sustainable products in Wholesale¹	–	–	128	193	257
Sales from sustainable products in Production¹	–	–	204	279	304
Sales of the Coop Group from sustainable products (consolidated)	–	–	3,543	3,855	4,256

Share of sales from sustainable products in Production

as a %	2014	2015	2016	2017	target 2020
Swissmill (Coop Naturaplan, Bio Knospe)	22.5	25.8	25.9	26.4	24.1
Chocolats Halba (Coop Naturaplan, Bio Knospe, Fairtrade Max Havelaar)	49.3	57.6	75.5	78.2	74.8
Reismühle Brunnen (Coop Naturaplan, Bio-Knospe, Fairtrade Max Havelaar)	45.0	48.0	50.8	50.3	52.3
Nutrex (Coop Naturaplan, Bio-Knospe)	16.3	16.9	26.5	26.7	24.3
Sunray (Coop Naturaplan, Bio-Knospe, Fairtrade Max Havelaar)	22.7	24.5	25.8	27.9	25.0
Steinfels Swiss (Coop Oecoplan, Coop Naturaline Natural Cosmetics, Maya)	27.0	31.9	32.7	32.4	33.3
Bell Group (including Hilcona from 2016 onwards)	17.8	18.5	16.8	23.7	22.0
Share of sales from sustainable products at manufacturing companies	19.7	21.2	19.7	25.9	24.3

Share of sales from sustainable products in Wholesale

as a %	2015	2016	2017	target 2020
Transgourmet Switzerland	2.5	3.9	4.3	4.6
Transgourmet Germany	1.7	2.6	3.6	3.5
Transgourmet Polska	0.1	0.1	0.5	0.2
Transgourmet Romania	0.1	0.1	0.2	0.1
Transgourmet Russia	0.0	0.0	0.0	0.0
Transgourmet France	1.9	2.1	2.8	3.0
Transgourmet Österreich	3.0	4.3	4.3	4.7
Share of sales from sustainable products at Transgourmet	1.6	2.3	2.9	3.0

¹ Totals without double counting

Multi-year target 1.1.2 Organic products

Sales of organic products

in CHF m	2013	2014	2015	2016	2017	target 2020
▲ Retail, of which:	1,061	1,082	1,104	1,181	1,255	1,660
▲ Wholesale	–	–	28	50	57	82
▲ Production	183	181	204	279	304	242
Sales of organic products (consolidated)	–	–	1,174	1,255	1,389	–

Despite considerable growth of 6% in Retail, the annual target, which was derived on a linear basis, was not quite met. The reason for this is the considerably higher targets in 2016, based on the “VIVA Strategy Concept 2025”. Appropriate measures were defined in 2017. These will take effect from 2018. In Wholesale, the Swiss, Austrian and German national subsidiaries in particular massively expanded the share of organic products and are now only slightly short of target. It is also gratifying to see high rates of growth for organic products in countries like Romania, albeit still at a low level. At Transgourmet France, the loss of a major organic customer in 2016 is still taking its toll. The manufacturing companies have already exceeded the target for 2020. The business with third-party customers was a major factor in this, and the acquisition of Hubers had a positive impact on sales of organic products. The targets for Production will be revised in 2018.

More information about our commitment to organic farming you can find [here](#).

Mult-year target 1.1.3 Fairtrade products/products with social added value

Sales of products with social added value

in CHF m	2013	2014	2015	2016	2017	target 2020
Retail, of which:	–	–	515	578	679	–
▲ Fairtrade Max Havelaar	219	260	334	397	420	441
Naturaline products made from fairly traded organic cotton	59	56	56	54	50	–
Pro Montagna	38	38	40	40	57	–
Other quality seals with social added value (RA, UTZ)	–	–	84	88	152	–
▲ Wholesale, of which:	–	–	12	18.1	42	40
Fairtrade Max Havelaar	–	–	12	14	18	–
Production, of which:	–	60	85	²⁾	²⁾	–
▲ Fairtrade Max Havelaar	–	60	74	97	114	82.5

²⁾ Social added value was not ascertained in 2016

The “Max Havelaar growth strategy” and the switching of seasonal chocolate products to the Max Havelaar Fair Sourcing Programme drove sales in Retail. Sales of Naturaline products in the textiles segment decreased slightly, due chiefly to the difficult market situation for textiles. The systematic review and implementation of social standards caused sales in Wholesale to triple over the last three years. All the manufacturing companies combined have already achieved the 2020 Max Havelaar target. On the one hand, this is due to the strong growth of Coop Retail and on the other to targeted expansion with third-party customers. Accordingly, these targets will be reviewed in 2018. There is a growing commitment among brand manufacturers to sustainability labels with social added value, such as Rainforest Alliance or Utz, partly because Coop actively promotes products bearing these labels.

Fairtrade and social added value

To combat poverty and ensure appropriate manufacturing conditions, we promote the sale of fairly produced and fairly traded products. In Retail, our vision is to have switched all raw materials originating from countries in the southern hemisphere to Fairtrade Max Havelaar by 2020. In textiles, we are taking a similar route with our [Naturaline](#) own-label brand and are the world’s biggest provider of fairly produced, organic textiles. For our Pro Montagna own-label brand, the focus is at home: the raw materials originate from, and are processed in, Swiss mountain regions. This keeps the added value in the mountain regions and a portion of the sale price goes to the Zewo-certified [Coop Aid for Mountain Regions](#). In addition,

most notably in its brands segment and in Wholesale, the Coop Group also supports the UTZ and Rainforest Alliance quality seals, which guarantee basic social standards. They make it easier for products to be admitted to fairtrade ranges and also cover countries/areas that can be certified under Fairtrade Max Havelaar (such as hazelnuts from Turkey).

Multi-year target 1.1.4 Regional products

Sales of regional products

in CHF m	2015	2016	2017	target 2020
▲ Retail, of which:	322	348	369	500
Regional organic produce	15	40	45	–
Miini Region	140	170	178	–
Other ³	185	181	192	–
▲ Wholesale				Qualitative
▲ Production				Qualitative

³ Pro Montagna, Schweizer Pärke, AOC

Retail is falling just short of the derived annual target. This is partly because the target is very ambitious, but also because the sustainability requirements have been tightened up. In Wholesale, the regional products are promoted by targeted efforts to expand the Ursprung/Origine/Vonatur own-label brand. All Coop manufacturing companies source large quantities of important raw materials in Switzerland (e.g. meat, milk powder, sugar, grain etc.). In the year under review, Bell Switzerland sourced more than 80 % of its fresh meat from Swiss farms. At Eisberg, almost all carrots and around 90 % of beetroot originate from Switzerland.

Sustainability of regional products

In Retail and Wholesale, we provide a sales channel for regional producers and are increasing regional added value. For the Miini Region own-label retail brand, for instance, at least two third of added value must be created regionally. This benefits both structurally weak regions and smaller, artisanal producers. Regional products travel shorter distances but, because of their small quantities, logistically they are more expensive to handle and necessitate exacting quality control. The Bio-Regio product line provides a retail range of regional organic products which satisfy the most stringent Bio Suisse Knospe requirements. In Wholesale, the Origine/Ursprung/Vonatur own-label brand formulates basic requirements for origin as well as animal welfare and the environment. In Production, the focus is on using Swiss raw materials which meet the high legal requirements for animal welfare, working conditions and protecting the environment.

Multi-year target 1.1.5 Environmentally-friendly non-food products

Sales of environmentally-friendly non-food products

in CHF m	2013	2014	2015	2016	2017	target 2020
▲ Retail consolidated, including	–	–	501	493	634	650
Oecoplan	138	142	139	147	153	–
Naturaline textiles and cosmetics	62	59	60	59	57	–
FSC	–	–	227	225	231	–
Topten	–	–	148	149	145	–

There are two factors behind this significant increase: the strategic realignment of Oecoplan, and improved data quality.

Project 2.1 Sustainable product chains



By 2020, Coop intends to have created transparent value chains which take account of the needs of people, animals and nature. In this way, we are contributing in particular to combating poverty, reducing environmental impact and improving animal welfare, while at the same time increasing our resilience to the risks on the sourcing market. It is with regard to our own-label brands that we exert the greatest influence. However, our new purchasing strategy also increasingly places the onus on brand manufacturers.

Our key starting points

- Promotion of transparency and traceability as a prerequisite for effective optimization of the product chains
- Definition and enforcement of minimum sustainability standards with the emphasis on recognized external standards and industry standards such as BSCI, RSPO, GLOBAL G.A.P., etc.
- Enforcement of ambitious minimum standards for critical raw materials right through to primary production
- Commitment to the development and refinement of relevant standards through active involvement in the appropriate bodies
- Reduction of packaging material along the product chain

Degree of target attainment and trend

		Targets for Retail	Targets for Production	Targets for Wholesale
		2.1.1 R We are creating transparency / traceability of own-label brands along the production and supply chain.	2.1.1 P We are able to transparently illustrate the product chain for all products and trace products through each production stage.	2.1.1 W We are able to transparently illustrate the product chain for own-label products and trace products through each production stage.
2.1.2 R We apply at least minimum sustainability standards to 93.3% of critical raw materials used in our own-label brands.	2.1.2 P We apply minimum sustainability standards to 84.5% of our critical raw materials.	2.1.2 W We promote sustainability standards for the critical raw materials used in our own-label brands.		
2.1.3 R For key raw materials, we safe-guard long-term, sustainable procurement.	2.1.3 P For key raw materials, we safeguard long-term, sustainable procurement.			
2.1.4 R We implement more rigorous animal welfare standards for our entire meat, dairy and egg range (satisfying Swiss legislation as a minimum) and promote innovative solutions to improve commercial livestock husbandry.	2.1.4 P We ensure that the animal raw materials used (meat, dairy, eggs) originate from humane animal husbandry.	2.1.4 W We are mindful of animal welfare throughout our range and create a distinctive profile in selected ranges.		
2.1.5 R We also require brand manufacturers to comply with customary sustainability standards or their own, adequate sustainability standards.				
2.1.6 R We are reducing and optimizing our packaging material by 4,000 tonnes (compared with 2012).	2.1.6 P We are reducing and optimizing our packaging material by 2,700 tonnes compared with 2012 (end packaging and repackaging, end packaging is the priority).	2.1.6 W We analyse the relevant packaging volumes that we are able to influence and set reduction and optimization targets on that basis.		

Highlights in 2017

- Winning the Responsible Business Award for the partnership with WWF to establish a sustainable soy standard (Link AnW)
- Major progress in regard to detoxing textiles
- Launch of the SPRING water standard in partnership with GLOBALG.A.P to promote sustainable water management in agriculture
- Calculating the soy footprint of the whole supermarket range

- Calculating the water and CO₂ footprint for the whole range by means of input/output analysis
- Running a training course on fish for sales staff in partnership with the WWF
- Since 2017, all fresh fish at Transgourmet Österreich has been MSC-certified
- Implementation of the “Sustainable Sourcing” guideline at suppliers of Transgourmet Germany and Switzerland and introduction of a similar guideline for Poland and Russia
- Rigorous implementation of the requirements for critical raw materials in Production is yielding tremendous progress, particularly at Bell and Sunray

Challenges in 2017

- Progress with improving the requirements for palm oil is felt by customers and various environmental organizations to be inadequate
- Process of switching from cotton to BCI has started; implementation is very complex and is taking longer than originally anticipated
- Implementation of the water standard in the production of fresh fruits and vegetables in countries/regions with high water stress is not on target; so far, Coop is the only retailer to tackle this issue from a broad perspective, hence the absence thus far of any economies of scale
- Implementation of BSCI Food at importers is not quite on track. In 2018, importers will again be specifically asked to address the issue and to implement BSCI at their suppliers in risk countries
- Implementation of the requirements for critical raw materials at Transgourmet is time-consuming and, in some respects, difficult to achieve because of the very heavy pressure on prices in Wholesale

Multi-year target 2.1.1 Transparency and traceability

Transparency and traceability of own-label brands

2016

▲ Retail

Textiles: Disclosure of all upstream suppliers, dye works and finishers. Direct business partners and upstream suppliers have attended an intensive training programme run by experts. Conducting unannounced company audits and waste water checks, as well as training sessions on chemical management with ten Chinese wet process suppliers. Workshop and on-site visit by Systain. First training sessions with suppliers on the Better Cotton Initiative and use of certified cotton in textiles. Life-cycle assessment of textile recycling by Quantis and cooperation with KTI Texcycle project.

Supplier training: SSCI (Sustainable Supply Chain Initiative): The Consumer Goods Forum created the SSCI. The aim of the initiative is to benchmark and harmonize social standards in the supply chain. Coop is a founding member of the initiative.

Value chain management: Testing suppliers of IT-based systems and running pilot projects in the palm oil supply chain, right down to plantation level as well as for cotton, participation in the Retailer Palm Oil Transparency Coalition, creation of a new food quality assurance body for value chain management.

Fish: Origin and fishing method known for the entire range and assessed in each case by the WWF (score 1–6). The fishing method is declared on the products and is available at the vendor's counter, as is all the other detailed information.

▲ Wholesale

Transgourmet Switzerland: Product specifications in the materials management system enable full transparency for Swiss products, currently being set up abroad.

▲ Production

Reismühle: Rice and pulses can be traced back to the cooperative.

More information about transparency in the supply chain you can find [here](#).

Multi-year target 2.1.2 Critical raw materials in own-label brands

Share of critical raw materials in own-label brand products which satisfy sustainability standards

as a %	2015	2016	2017	target 2020
▲ Retail	78.6	81.3	88.1	93.3
▲ Wholesale				Qualitative
▲ Production	79.6	86.9	91.2	84.5

Across all 14 critical raw materials combined, Retail is on target. For the key figure “Cultivation of fruit and vegetables in countries with high water stress”, new measures have been initiated that will take effect from 2018 onwards, such as the implementation of the SPRING Standard devised by Coop with GLOBAL G.A.P. at fruit and vegetable producers in Spain and Morocco. More information can be found at Actions, not words or at SPRING. At Transgourmet, as part of the introduction of the Sustainable Sourcing guideline, analyses have been carried out at a number of national subsidiaries, requirements have been defined and the initial measures decided. Taken across all manufacturing companies, the quantified target for 2020 has already been exceeded during the year under review. This is due in part to the significant progress made at Sunray and Bell. The 2020 targets will be reviewed in 2018.

Additional key figures for Retail

Critical raw materials	Accepted standards	2016	2017	Comment	target 2020	Unit
Meat						
<i>Animal welfare in husbandry, slaughter, transport</i>						
Percentage of fresh meat at least in accordance with the requirements of Swiss animal welfare legislation	Bio Suisse, Suisse Garantie, Naturafarm, PAS, ROEL, Natura Beef, Natura Veal, imports in accordance with Swiss animal welfare legislation or stricter	84.1 %	86.0 %	see also MYT 2.1.4	95.0 %	CHF (purchasing turnover)
Milk						
<i>Animal welfare in husbandry</i>						
Percentage of drinking milk at least in accordance with the requirements of Swiss animal welfare legislation	Bio Suisse, Suisse Garantie, PAS, ROEL, imports in accordance with Swiss animal welfare legislation or stricter	100.0 %	100.0 %	see also MYT 2.1.4	100.0 %	CHF (purchasing turnover)
Percentage of cheese at least in accordance with the requirements of Swiss animal welfare legislation	Bio Suisse, Suisse Garantie, PAS, ROEL, imports in accordance with Swiss animal welfare legislation or stricter	82.8 %	85.1 %	see also MYT 2.1.4	85.0 %	CHF (purchasing turnover)
Percentage of other milk-based products at least in accordance with the requirements of Swiss animal welfare legislation	Bio Suisse, Suisse Garantie, PAS, ROEL, imports in accordance with Swiss animal welfare legislation or stricter	99.5 %	98.9 %	see also MYT 2.1.4	95.0 %	CHF (purchasing turnover)
Eggs						
<i>Animal welfare in husbandry</i>						
Percentage of shell eggs at least in accordance with the requirements of Swiss animal welfare legislation	Bio Suisse, Suisse Garantie, Naturafarm, PAS, ROEL, imports in accordance with KAT or stricter	92.4 %	93.1 %	see also MYT 2.1.4	100.0 %	CHF (purchasing turnover)
Percentage of processed eggs at least in accordance with the requirements of Swiss animal welfare legislation	Bio Suisse, Suisse Garantie, Naturafarm, PAS, ROEL, imports in accordance with KAT or stricter	93.4 %	99.6 %	see also MYT 2.1.4	90.0 %	Tonnes
Fruits and Vegetables						
<i>Working conditions, water, soil conservation, pesticide use</i>						
Percentage of fresh fruit & vegetables at least certified to GlobalGAP or SwissGAP	Global G.A.P., Swiss G.A.P. or standards regarded by Global G.A.P. as equivalent	97.2 %	98.6 %		100.0 %	CHF (purchasing turnover)
Percentage of fresh fruit & vegetables from countries/regions of high water stress grown in accordance with a water standard	Coop Water and Soil Standard, EWS, AWS	15.2 %	16.1 %	Roll-out of Coop Global G.A.P. Water Add-on (SPRING) planned in Spain for 2018	75.0 %	CHF (purchasing turnover)
Percentage of fresh fruit & vegetables from risk countries grown in accordance with social responsibility standards	Fairtrade, Rainforest Alliance, SA8000, IMO Fair for Life, BSCI PP, GRASP, Sedex/SMETA, SIZA	91.4 %	92 %		95.0 %	CHF (purchasing turnover)
Percentage of processed fruit & vegetables at least certified to GlobalGAP or SwissGAP	Global G.A.P., Swiss G.A.P. or standards regarded by GlobalGAP as equivalent	91.6 %	90.7 %		95.0 %	CHF (purchasing turnover)
Percentage of processed fruit & vegetables from risk countries grown in accordance with social responsibility standards	Fairtrade, Rainforest Alliance, SA8000, IMO Fair for Life, BSCI PP, GRASP, Sedex/SMETA, SIZA	64.0 %	76.7 %	Improved data basis in 2015	75.0 %	CHF (purchasing turnover)

Critical raw materials	Accepted standards	2016	2017	Comment	target 2020	Unit
Flowers and plants						
<i>Working conditions, water, soil conservation, pesticide use</i>						
Percentage of flowers and plants at least certified to GlobalGAP or SwissGAP	Global G.A.P., Swiss G.A.P. or standards regarded by GlobalGAP as equivalent	85.3 %	81.9 %		95.0 %	CHF (purchasing turnover)
Percentage of flowers and plants from risk countries grown in accordance with social responsibility standards	Fairtrade, Rainforest Alliance, SA8000, IMO Fair for Life, BSCI PP, GRASP, Sedex/SMETA, SIZA	78.9 %	82.6 %		90.0 %	CHF (purchasing turnover)
Fish and seafood						
<i>Overfishing, bycatch, working conditions, antibiotic and pesticide use in farming, land usage</i>						
Percentage of sustainable fish and seafood (brands and own-label brands including restaurant)	According to WWF from recommended and accepted sources (score 1 and 2 = recommended, score 3 = accepted)	99.9 %	100 %	Last can was switched over in autumn 2016	100.0 %	CHF (purchasing turnover)
Coffee						
<i>Working conditions, water, pesticide use, child labour</i>						
Percentage of coffee meeting sustainability standard	Fairtrade, Bio Suisse, Utz, Rainforest Alliance, 4C	92.5 %	89.3 %	Prix Garantie coffee capsules do not have a standard, nor does Hawaiian origin	100.0 %	CHF (purchasing turnover)
Cacao						
<i>Deforestation, working conditions, child labour, pesticide use</i>						
Percentage of cocoa products meeting sustainability standard	Fairtrade, Bio Suisse, Utz, Rainforest Alliance	86.0 %	94.4 %	Process of switching more own-label brands not sourced via Chocolats Halba to FSP is ongoing. Approx. 97.4% achieved; 2018 target therefore realistic	100.0%	CHF (purchasing turnover)
Rice						
<i>Deforestation, working conditions, child labour, methane emissions</i>						
Percentage of rice from risk countries meeting sustainability standard	Fairtrade, Bio-Suisse	100.0 %	100.0 %		100.0%	Tonnes
Palm oil						
<i>Deforestation, child labour, land-use conflicts</i>						
Percentage of physically sustainable palm oil in food	RSPO IP, RSPO Segregated, Bio Suisse	94.2 %	95.7 %	Remained through buying certificates	100.0%	Tonnes
Percentage of sustainable palm oil in non-food	RSPO IP, RSPO Segregated, RSPO Mass Balance, Bio Suisse	88.7 %	88.0 %	Remained through buying certificates	80.0%	Tonnes
Soya						
<i>Deforestation, water, working conditions</i>						
Percentage of imported soya for feed meeting sustainability standard	Standards accepted by the Switzerland Network for Sustainable Soy: Bio Suisse, Pro Terra, Danube Soya, Europe Soya, RTRS Non-GM	99.0 % ⁵	96.0 %	<u>Soy footprint</u> in own-label brand range also ascertained. Incorrect figure was provided by the Soy Network in 2016	95.0%	Tonnes
Hazelnuts						
<i>Working conditions, child labour</i>						
Percentage of hazelnuts meeting sustainability standard	Bio Suisse, Utz	13.0 %	78.7 %	Introduction of UTZ as a new standard	80.0%	Tonnes
Wood and paper products						
<i>Deforestation, working conditions</i>						
Percentage of wood and paper products from sustainable sources or of verified origin (brands and own-label brands)	FSC, Recycling, PEFC or originating from a non-risk country	93.5 %	94.8 %		98.0 %	CHF (purchasing turnover)
Cotton						
<i>Water, pesticide use, child labour</i>						
Percentage of cotton meeting sustainability standard in the area of own-label goods	Fairtrade, Bio Suisse, bioRe Standard, Better Cotton Initiative (BCI), Cotton Made in Africa (CmiA), Organic Cotton Standard (OCS)	42.6 %	55.0 %	Data quality has been improved compared with previous year	80.0 %	CHF (purchasing turnover)

Additional key figures for Production

Percentage of critical raw materials meeting a sustainability standard⁶ at the manufacturing companies

as a %	2015	2016	2017	target 2020
Bell <i>Meat, milk, eggs, fruit & vegetables, fish & seafood, palm oil, soya</i>	79.6	88.1	92.6	83.3
Coop bakeries <i>Milk, eggs, fruit & vegetables, cocoa, hazelnuts, palm oil</i>	94.8	95.0	96.7	98.5
Chocolats Halba <i>Milk, cocoa beans, cocoa butter, hazelnuts</i>	89.1	93.5	92.0	98.7
Nutrex <i>No critical raw materials</i>	–	–	–	–
Reismühle Brunnen <i>Rice</i>	84.8	96.8	94.6	85.0
Steinfels Swiss <i>Palm oil</i>	44.0	44.0	81.1	80.0
Sunray <i>Fruit & vegetables, cocoa, hazelnuts</i>	50.4	48.8	58.3	72.3
Swissmill <i>Milk</i>	100.0	100.0	100.0	100.0

⁶ Minimum standards as in Retail

Multi-year target 2.1.3 Sustainable sourcing of important raw materials

Situation with regard to sustainable sourcing of important raw materials

2017

▲ Retail

Amfori BSCI implementation (Business Social Compliance Initiative): A high percentage of suppliers in the food, non-food, near-food and non-retail products segment have BSCI status „OK“ and are part of the BSCI process.

BEPI (Business Environmental Performance Initiative): strong commitment to BEPI Working Group Brussels, to establish the standard as widely as possible. With many producers, particularly in the Far East, Coop alone does not have sufficient influence to demand comprehensive environmental standards..

Detox: In the textiles segment, the product chains of the key suppliers have been mapped, all the way through to wet processes. In addition, the companies were asked to complete a self-assessment covering important points with regard to the implementation of the Detox Commitment to eliminate hazardous chemicals from the textile product chain.

Sustainability Fund innovation projects: Further information about the Sustainability Fund you can find [here](#).

▲ Production

Eisberg: Eisberg Spain acts as local contact and supplier.

Hilcona: Raw materials and ingredients processed at the Hilcona site in Schaan are preferably sourced from suppliers in the region. Vegetables and potatoes are mostly produced in contract farming and satisfy documented sustainability criteria. As a minimum standard, the farmers must be certified by Suisse Garantie. Moreover, most of Hilcona's contracting parties are SwissGAP-certified. The long-term goal is for SwissGAP certification to be the minimum standard for contract farming.

In Retail, ambitious projects such as the widespread implementation of the amfori Business Social Compliance Initiative have been completed in the food and non-food range. At the manufacturing companies, sourcing projects with a proven track record were extended or re-established. Almost half of their suppliers from risk countries already hold an amfori BSCI status „A“, „B“ or „C“ or SA 8000 or FLO certification.

Additional key figures for Retail

Implementation of the Business Social Compliance Initiative (BSCI)

Suppliers	BSCI status "OK" in %	With ongoing BSCI process in %	Other (not in process) in %
Bau & Hobby	88	4	9
Non/near Food	82	10	13
Food	77	1	22
Total	79	2	19

Share of peat in entire soil range

as a %	2013	2014	2015	2016	2017	target 2020
▲ Torf						
Share of peat in soils across whole range	13.1	8.0	5.4	4.8	2.7	0.0

Aside from pure peat products, all composts were switched to peat-free in 2017. This means that, between 2016 and 2017 alone, the quantity of peat sold was reduced by 1 million litres. The total reduction since 2011 is nearly 16 million litres. Moreover, Coop signed the statement of intent to reduce peat in composts. The goal is to eliminate the use of peat in composts. Coop's targets are far more ambitious than required by the Confederation's statement of intent.

Multi-year target 2.1.4 Animal welfare

Implementation of animal welfare standards throughout the range

2017

▲ Retail

(See also MYT 2.1.2 Critical raw materials)

Increase in sales of products with added value in regard to animal welfare, to CHF 964 million. More than 50 % of meat and eggs at Coop satisfy an animal welfare standard which goes beyond the legal requirements. 40 % of sales of fresh meat are attributable to the animal welfare labels Naturafarm and Naturaplan (Organic). 82 % of fresh meat comes from Switzerland. While milk (100 %) and eggs (93 %) originate predominantly from Swiss production, due to the higher share of brands and imports there is scope for further action with regard to cheese. Since autumn 2017, imported chicken has also satisfied the Swiss Animal Protection Act standard (with the exception of Prix Garantie). Rather than being imported, guinea fowl and geese were sourced entirely in Switzerland for the 2017 Christmas season. Top ratings in the [Business Benchmark on Farm Animal Welfare \(BBFAW\)](#).

Trial of new, animal-friendly concepts for calf rearing on dairy farms with innovative farmers, so that in future all organic calves have access to open fields and get their milk straight from the udder.

▲ Wholesale

All Transgourmet national subsidiaries: Promotion of products for which the animal welfare standards exceed the legal requirements via Origine/Urprung/Vonatur.

Transgourmet Switzerland: Pork to Coop Naturafarm standard.

Transgourmet Germany: Start of a project in partnership with the Coop Sustainability Fund to improve animal welfare requirements for poultry.

Transgourmet France: Launch of sustainable Transgourmet Origine products guinea fowl and turkey.

▲ Production

Bell Food Group: The new sustainability strategy defines minimum standards for eggs (KAT, AMA, AgroVet or similar standard). These standards have already been met for around 70% of purchased eggs and products containing processed eggs. Banned products and production methods have been defined. Start of close cooperation with foreign suppliers and Swiss Animal Protection (SAP), with the aim of ensuring that suppliers' livestock reared abroad enjoy comparable living conditions to animals reared in Switzerland.

Bell Switzerland: Commitment to reduce the use of antibiotics (STAR working group, Colorisplotop, GesundheitsPlus programmes for pigs). Live lobsters have also been discontinued.

Hubers/Südtag: Establishment of chicken and turkey production with requirements that exceed the legal standards. Hubers is Austria's biggest organic chicken supplier.

Additional key figures

Sales of products with added value in the area of animal welfare

in CHF m	2012	2013	2014	2015	2016	2017
Naturafarm	442	453	435	443	457	460
Naturaplan (meat, eggs, milk⁶)	87	102	105	107	113	292
Animal welfare programs	-	-	-	160	181	213
Sales of products with added value in the area of animal welfare				710	751	965

⁶ Until 2016 eggs and meat only, from 2017 including dairy products

Multi-year target 2.1.5 Branded articles

Implementation of sustainability standards for branded articles

2016

▲ Retail

Critical raw materials: Definition of internal target values for critical raw materials for branded articles (coffee, cocoa, palm oil, tea); fish, wood/paper and peat have for many years been covered by the WWF objectives.

Palm oil: Brand manufacturers required to switch to sustainable palm oil. Coop is committed to promoting physically sustainable palm oil in accordance with RSPO.

Multi-year target 2.1.6 Packaging material

Reduction and ecological optimization of packaging material (cumulative since 2012)

in tonnes	2012	2013	2014	2015	2016	2017	target 2020
▲ Retail	216	1 285	2,330	2,415	2,675	2,820	4,000
▲ Wholesale							Qualitative
▲ Production	–	–	–	1,448	1,905	2,510	2,700

The target was not attained in Retail in 2017. Measures and projects were defined and launched in the year under review to reduce the packaging of organic fruit and vegetables (study with the University of Applied Sciences North-Western Switzerland) and switch cardboard packaging to FSC or recycled materials. In Wholesale, internal workshops were held to identify optimization potential. The first comprehensive analyses were carried out in Wholesale in 2017, and the first switches made. At Coop's own manufacturing companies, the target was exceeded in 2017 due to savings on materials at Reismühle Brunnen, Chocolats Halba, Sunray and Swissmill, and the use of recycled materials in meat trays at Bell. In May 2017, Hilcona switched from three to two-piece tin cans for its sterile preserves, enabling the weight of each can to be reduced by 5.5%. In addition, in 2017 all paper adhesive labels used for product packaging were switched to FSC materials at Bell Germany. . More information about reducing and optimizing packaging you can find [here](#).

Project 3.1 Energy management and climate protection



Climate change is one of the biggest challenges facing society on a global scale. Coop is steadily reducing its energy consumption by 2020 and protecting the climate by systematically lowering CO₂ emissions in its own operations (Scopes 1 and 2). Measures are also being taken within the ranges (soy, palm oil, wood, etc.) that have a major impact on the climate (Scope 3). Therefore, back in 2008 Coop adopted the vision of being CO₂-neutral by 2023 for the business units of the Coop Cooperative and included ambitious climate protection targets in the multi-year targets for the whole Coop Group. More information about Coop's commitment to climate protection you can find [here](#).

Our key starting points

- Implementation of the vision of being CO₂-neutral by 2023 at the Coop parent company and measures to reduce energy consumption and increase the share of renewable energies throughout the Coop Group, esp. in new and upgraded buildings
- Increasing the percentage of LED lighting
- Use of natural refrigerants such as CO₂ and ammonia
- Installation of closed refrigerated units
- Use of waste heat from cooling systems
- Switzerland: construction in accordance with the Minergie standard
- Low CO₂ electricity generation (100 % hydropower at the parent company and Bell CH)
- Use of renewable energies for heating
- Promotion of innovative transport systems using renewable energies

Degree of target attainment and trend

3. Energy / CO ₂ 3.1 Coop is significantly reducing its own energy consumption and protecting the climate by systematically reducing CO ₂ emissions.	Targets for Retail		Targets for Productions		Targets for Wholesale	
	↓	3.1.1 R We are reducing energy consumption in absolute terms by 8.6% compared with 2012.	↓	3.1.1 P We are reducing energy consumption in absolute terms by 2.7% compared with 2015.	↓	3.1.1 W We are reducing specific energy consumption per m ² in the cash & carry business by 5.3% in western Europe and and by 1.3% in eastern Europe (compared with 2015).
					↓	3.1.2 W In the delivery wholesale business, we are reducing specific energy consumption per tonne of delivered goods by 20.3% (compared with 2015).
	↑	3.1.3 R We are increasing the percentage of renewable energy sources to 72.7%	↑	3.1.3 P We are increasing the percentage of renewable energy source to 60.0 %		
	↓	3.1.4 R We are reducing CO ₂ emissions in absolute terms by 19.2% compared with 2012.	↑	3.1.4 P We are reducing CO ₂ emissions in absolute terms by 21.2% compared with 2015.	↑	3.1.4 W We are reducing specific CO ₂ emissions per m ² in the cash & carry business by 5.7% in western Europe and by 6% in eastern Europe (compared with 2015).
				↑	3.1.5 W In the delivery wholesale business, we are reducing specific CO ₂ emissions per tonne of delivered goods by 18.7% (compared with 2015).	

Highlights 2017

- Continuation of measures to implement the CO₂ vision
 - 456 points of sale comply with Minergie standard (+42)
 - 442 POS use CO₂ to refrigerate products (+42)
 - 414 POS have LED lighting (+42)

- Retail: four new photovoltaic systems in operation with a total output of 6102 kWp on a mounted surface of around 40,000 m²; 5,773,353 kWh of electricity generated. Already, our own fleet of trucks is 40 % reliant on biodiesel
- Construction of new points of sale in Savièse and Kleinandelfingen, which have been fitted with photovoltaic panels on a combined surface area of approx. 1,400 m² and produce just under 230,000 kWh per year, most of which the POS use themselves
- Inauguration of new production facility in Pratteln which, after the start-up period, will yield extensive CO₂ reductions
- Construction of CO₂ cooling systems in Wholesale in Germany and Romania and a photovoltaic system at the new Transgourmet site in Hamburg. Work has also begun on introducing energy management in accordance with ISO 50001; purchase of 18 modern trucks for deliveries in Poland which satisfy the Euro 6 standard

Challenges in 2017

- Larger refrigerated areas, extended store opening hours and expansion of production and convenience food ranges at points of sale resulted in higher energy consumption. Some of the increased energy consumption can be offset by improving energy efficiency
- Increasing the sales areas in Retail, acquisitions and stepping up production, including for third parties, make it extremely challenging to meet the absolute targets set, especially with regard to energy consumption
- At Transgourmet Germany, there is growing customer demand for frozen products. This requires the heavier use of freezers at Selgros, which in turn increases electricity consumption

Multi-year targets 3.1.1/2 Reduction in energy consumption

Reduction in absolute and relative energy consumption

	2013	2014	2015	2016	2017	target 2020
▲ Retail (MWh)	1,146,711	1,116,389	1,127,499	1,134,156	1,167,296	-8.6 % ⁶
▲ Wholesales – West (kWh/m ²)	-	-	287	293	295	-5.3 % ⁷
▲ Wholesales – East (kWh/m ²)	-	-	544	530	535	-1.3 % ⁷
▲ Wholesales – Wholesale – Cash & Carry (kWh/Tonne)	-	-	302.6	283.1	280	-20.3 % ⁷
▲ Production (MWh)	436,833	457,771	620,209	593,647	660,390	-2.7 % ⁷

⁶ Reference year 2012

⁷ Reference year 2015

Increased energy consumption in Retail over the last three years is due to the larger total sales area and the opening of the Schafisheim and Pratteln distribution centres in 2016 and 2017 respectively. At times, the old and new locations had to operate in tandem during the changeover phase. In Wholesale, the major expansion in Russia with an increase in floor space of one third since 2012, the integration of Transgourmet Österreich in 2016 and the acquisition of a number of companies at Transgourmet France were the main reasons for the increased energy requirements. Having replaced the charging units for its forklift trucks, Transgourmet Österreich achieved a combined energy saving of 31 % across all its locations. Efficiency in wholesale supplies was improved. The expansion of the Bell Food Group translated into higher energy consumption in Production. At various locations in Switzerland, pinch analyses or similar methods are being used to analyse and optimize savings and efficiency potential for heat consumers and processes in Production.

Additional key figures

Electricity, heat, fuel and total energy consumption

Energy consumption in MWh	2012	2013	2014	2015	2016	2017
Retail	719,456	710,659	707,931	716,643	725,772	740,035
Wholesale	408,607	408,942	414,458	409,791	425,430	429,565
Production	160,142	245,802	253,760	307,374	324,429	333,092
Electricity consumption	1,288,205	1,365,402	1,376,149	1,433,808	1,475,631	1,502,692
Retail	222,318	223,296	200,084	196,977	195,681	212,133
Wholesale	131,833	131,989	103,806	119,413	134,288	149,774
Production	95,728	153,412	149,457	219,064	219,330	250,978
Energy consumption for heating purposes	449,879	508,697	453,347	535,455	549,299	612,885
Retail	215,654	212,756	208,374	213,878	212,703	215,128
Wholesale	232,817	274,336	279,875	292,573	289,378	313,769
Production	14,334	37,619	54,554	93,771	134,980	125,283
Fuel consumption	462,806	524,711	542,803	600,223	637,060	654,180
Retail	1,157,428	1,146,711	1,116,389	1,127,499	1,134,156	1,167,296
Wholesale	773,257	815,267	798,139	821,778	849,095	893,108
Production	270,204	436,833	457,771	620,209	678,739	709,353
Total energy consumption	2,200,889	2,398,810	2,372,299	2,569,485	2,661,990	2,769,757

Multi-year target 3.1.3 Share of renewable energy sources

Efforts to make greater use of renewable energies not quite on target, despite the substantial increase in Share of renewable energy sources

as a %	2012	2013	2014	2015	2016	2017	target 2020
▲ Retail	64.2	65.0	66.6	66.8	68.0	68.5	72.7
▲ Production	68.4	48.1	47.0	51.6	53.5	58.0	60.0
Coop Group (consolidated)	51.2	48.2	48.9	50.1	49.8	51.8	-

the use of biodiesel obtained from waste and the large-scale projects in Schafisheim and Pratteln. Furthermore, three PV systems with a total surface area of 2,140 m² have been installed which, together, produce just under 357,900 kWh per year. The manufacturing companies Steinfels Swiss, Nutrex and Reismühle Brunnen, as well as the banana ripening plant, are already 100 % reliant on renewable energy sources or waste heat. The Bell Food Group attained a share of just under 50 % while the other manufacturing companies have an average of almost 70 %.

Multi-year target 3.1.4/5 Carbon dioxide emissions

Reduktion des absoluten bzw. des spezifischen CO₂-Ausstosses

as a %	2012	2013	2014	2015	2016	2017	target 2020
▲ Retail (tonnes of CO ₂)	115,994	112,541	106,356	107,135	103,849	105,751	-19.2% ⁸
▲ Wholesale – West (g CO ₂ /m ²)	-	-	-	41.4	36.7	21.1	-5.7% ⁹
▲ Wholesale – Ost (g CO ₂ /m ²)	-	-	-	306.5	297.3	242.7	-6.0% ⁹
▲ Wholesale – Cash & Carry (g CO ₂ /m ²)	-	-	-	70.5	58.6	58.4	-18.7% ⁹
▲ Production (tonnes of CO ₂)	21,052	86,634	93,664	93,558	97,463	76,289	-21.2% ⁹

⁸ Reference year 2012

⁹ Reference year 2015

The marginal rise in Retail is attributable to increased energy consumption as a result of the operation of the new Schafisheim and Pratteln locations in tandem with the old locations during the transitional phase. In Wholesale, the reduction is due primarily to the switch to renewable electricity and the higher share of renewable electricity. In Production, CO₂ emissions had increased in recent years due mainly to expansion at the Bell Food Group. Thanks to greater reliance on renewable electricity, including abroad, CO₂ emissions were greatly reduced in 2017 despite the expansion.

Additional key figures

Carbon offsetting

in tonnes of CO ₂ equivalent	2013	2014	2015	2016	2017
Air freight	81,181	84,605	81,260	86,255	80,187
Business travel by road	5,461	5,192	5,066	4,928	4,961
Business travel by air	1,902	3,824	4,126	5,832	5,235
Coop@home deliveries	1,614	1,616	1,633	1,794	1,953
Total carbon dioxide (CO₂) emissions offset	90,158	95,237	92,085	98,809	92,336

Emissions from air freight are fully offset by projects launched in partnership with the WWF within Coop's value chain. The majority of the year-on-year reduction is accounted for by the meat segment, in which changes to the planning of special offers have enabled the number of flights to be cut. This has, however, been at the cost of sales.

Project 4.1 Waste management and construction



Coop is continually increasing its quota of reusable materials by 2020. As well as the sparing use of resources, the reuse of raw materials is one important way to preserve the availability of resources for the long term. In the spirit of a recycling economy, by collecting various reusable material promotions we help extract secondary raw materials, some of which we use ourselves. In its new and upgraded buildings, Coop takes account of sustainability standards which, as well as energy efficiency and climate protection, also embody social aspects (quality of life, variable potential uses, etc.) and biodiversity.

Our key starting points:

- Collection of various reusable material promotions
- Sustainable construction

Degree of target attainment and trend

4. Resource consumption	4.1 Coop is reducing and optimizing specific use of materials and substances and waste.	Targets for Retail	Targets for Production	Targets for Wholesale
		<p>↑ 4.1.1 R We are increasing the quota of reusable materials to 83.3%.</p> <p>↑ 4.1.2 R We are developing a comprehensive «Sustainable Construction» concept and consistently implementing this in our new buildings and when renovating existing buildings.</p>	<p>↑ 4.1.1 P We are increasing the quota of reusable materials to 79.0%.</p>	<p>↓ 4.1.1 W We are increasing the quota of reusable materials to 76.0%.</p> <p>→ 4.1.2 W We take account of sustainability standards in our new buildings and when renovating existing buildings.</p>

Highlights in 2017

- Introduction of reusable bags for fruit and vegetables, made from FSC-certified cellulose
- Free plastic bags at points of sale replaced with 5-centime bags. The profits of around CHF 300,000 are donated to the Sustainability Fund
- Thanks to the systematic and clean separation of organic waste at points of sale, following a decline in waste recycling at biogas plants in French-speaking Switzerland, there was a renewed and significant upturn in this regard in 2017. Consequently, the recycling rate in Retail was again higher overall in 2017.
- Implementation of the comprehensive sustainability measures adopted under the real estate strategy
- Since the start of 2017, Transgourmet Österreich has been using electronic payslips to save on paper and protect the environment

Challenges in 2016

- a recycling rate of over 80 % is already very high. It will be very challenging to further increase this and thereby attain the 2020 target of 83.3 % waste and thermal recycling

Multi-year target 4.1.1 Reusable materials quota

as a %	2012	2013	2014	2015	2016	2017	target 2020
▲ Retail	77.6	79.5	80.9	80.4	80.2	80.7	83.3
▲ Wholesale	64.2	68.8	61.6	65.8	70.2	68.8	76.2
▲ Production	–	–	–	80.3	77.3	78.0	79.0

In Retail, the reusable materials quota was increased by a further, albeit marginal 0.5%. This was achieved by awareness-raising and systematic waste separation at Coop sales outlets, aided by the improved separation of organic waste in French-speaking Switzerland. However, it will be very difficult to raise this quota much

above 80 %. In Wholesale, the reusable materials quota was slightly lower than the previous year because some waste at Transgourmet Germany was allocated to the wrong recycling channel. An adjustment of this target for 2018 is under consideration. The other Transgourmet national subsidiaries were able to further increase the quota of reusable materials. In Production, this quota was raised most noticeably at the Bell Food Group, thanks to systematic waste management; despite this, the target was not quite met.

Additional key figures

Waste volume in tonnes	2012	2013	2014	2015	2016	2017
Retail	124,956	125,494	126,595	129,875	134,065	139,445
Wholesale	40,094	37,112	42,783	46,739	45,536	49,588
Production	18,200	20,414	21,424	18,670	38,544	59,963
Coop Group	183,250	183,021	190,802	195,284	218,145	248,996

The sharp rise in waste volumes in Production is explained by the expansion of the Bell Food Group.

Multi-year target 4.1.2 Sustainable construction

Progress made with sustainable construction

2017

▲ Retail

Sustainable Construction checklist: Integration of the sustainable construction checklist into the planning phase of all new-build and refurbishment projects at Coop; in 2017, ten sales outlets were rated with reference to the checklist.

Minergie: Certification of B+H Rickenbach with the new, more stringent Minergie certificate 2017.

▲ Wholesale

Transgourmet Switzerland: Expediting the switch to LED lighting.

Transgourmet Germany: Installation of e-charging stations, including Riedstadt.

Project 4.2 Transport



Coop is committed to innovative and environmentally friendly logistics solutions. Our aim is to increase our efficiency and minimize the impact on the environment and society of our goods transport and business travel. More information you can find [here](#).

Our key starting points:

- Shift from road to rail for Coop's own transport operations
- Development and trialling of innovative logistics solutions, including further development of electric mobility in goods transport
- Use of renewable energies in transport

Degree of target attainment and trend

4. Resource consumption 4.2 Coop has innovative and environmentally friendly mobility and logistics solutions.	Targets for Retail		Targets for Production		Targets for Wholesale	
	↑	4.2.1 R For goods transport in excess of 90 km from the national distribution centres, we are switching from road to rail.				
↑	4.2.2 R We are trialling and implementing innovative mobility solutions.			↑	4.2.2 W We are trialling and implementing innovative mobility solutions.	

Highlights in 2017

- Using biodiesel obtained from waste in the Coop truck fleet enabled us to avoid around 8,300 tonnes of CO₂ emissions
- Our Group's eight electric trucks covered a total distance of over 200,000 km.
- Thanks to new charging units for its forklift trucks, Transgourmet Österreich reduced its energy consumption by 31 %
- Transgourmet France uses organic waste to produce biogas to fuel its trucks. Refrigerants in the warehouse refrigeration units at the new Aquitaine site switched to sustainable gases such as ammonia

Challenges in 2017

- Establishing the use of renewable resources in transport (hydrogen, new biogas trucks)

Multi-year target 4.2.1 Shifting goods transport to rail

2017

▲ Retail

Railcare: Saving of around 2 million truck kilometres by using unaccompanied combined transport, which equates to a reduction of 2,000 tonnes of CO₂.

Multi-year target 4.2.2 Innovative mobility solutions

Progress with trials of innovative mobility solutions

2017

▲ Retail

Electric trucks: The five e-trucks covered a total distance of 180,000 km.

Hydrogen-fuelled mobility: Commissioning of the first hydrogen-fuelled truck and twelve company cars.

Biodiesel: 03.6 million litres of biodiesel were used, which is nearly a million litres more than the previous year. Thanks to a new filling station at the Gossau distribution centre, which allows the truck fleet to refuel with up to 100% added biodiesel, 40% of the total fuel requirements of Coop trucks is already met by biodiesel. In Switzerland, this is obtained entirely from waste.

Pronto: Like the supermarkets, deliveries to Pronto shops are now made via the regional distribution centres, rather than a national base.

▲ Wholesale

Transgourmet Germany: Purchase of an electric car .

Transgourmet France: Introduction of the first 7.5-tonne biodiesel truck and a biodiesel-fuelled 16-tonne truck. Organic waste is used to produce biogas for the truck.

Project 5.1 Fair employer



Coop is a progressive and fair employer which offers its employees attractive employment conditions and development opportunities. Of the 85,000+ employees, almost a third work for the Coop Group abroad. With a forward-looking and motivating HR policy, Coop responds to demographic change and the advancing digitalization of the world of work. Uniquely among Swiss retailers, Coop has a collective employment agreement, which was concluded with five social partners. See also the [annual report](#).

Our key starting points

- Solid professional training as the basis for long-term career success
- Attractive internal professional development opportunities and selective support for external continuing education
- Talent management
- Integration of people with disabilities into everyday working life

Degree of target attainment and trend

5. Sustainable HR Management 5.1 Coop is a progressive and fair employer		Targets for Retail	Targets for Production	Targets for Wholesale	
		↑	5.1.1 R We are an exemplary provider of apprenticeships and make a vital contribution to professional training in the retail sector.	↑	5.1.1 P We are an exemplary provider of apprenticeships.
→	5.1.2 R We offer our employees access to an extensive, diverse continuing education programme and attractive career opportunities.	↑	5.1.2 P We offer our employees access to an extensive, diverse continuing education programme and attractive career opportunities.	→	5.1.2 W We offer our employees access to an extensive, diverse continuing education programme and attractive career opportunities.
→	5.1.4 R We cultivate a culture of respect, appreciation and equal opportunities.	↑	5.1.4 P We cultivate a culture of respect, appreciation and equal opportunities.	→	5.1.4 W We cultivate a culture of respect, appreciation and equal opportunities.

Highlights in 2017

- Successful collective employment agreement negotiations and a new collective employment agreement for Coop with many improvements and pay increases
- Veritas employee survey conducted among more than 44,000 employees, with a positive outcome
- Individual pay rise of 1%, partly to balance out pay differences and improve low wages.
- Practical and effective training, CHF 45 million annual investment in training and professional development
- Future workshop with apprentices inspires new actions
- Job Centre offers support when changing roles
- Employee health and childcare at Transgourmet
- In the 11/2017 edition of Capital magazine, Transgourmet was rated one of “Germany’s best training providers”

Challenges in 2017

- Introduction of clocking in/out in admin as, for legal reasons, the principle of trust-based working hours is no longer possible
- Switching increasingly to digital administrative processes

Multi-year target 5.1.1 Exemplary provider of apprenticeships

2017

▲ Retail/Production

Success rate: 98% of apprentices successfully completed their training in 2017.

Continued-employment rate: 67.6% of apprentices stayed on at Coop after their training.

Apprentice ratio: Ratio of apprentices/employees = 7.2

▲ Wholesale

Transgourmet Switzerland: Further employment offered to around half of all apprentices.

Transgourmet Germany: Outstanding achievements by trainees: Including “best examination results for the summer 2017 final exams”, 2nd place in the competition for butchers run by the Landesinnungsverband Thüringen state guild, best examination result for Wholesale and Export Trader training.

Transgourmet Russia: Dual training as butcher is offered at four stores in Moscow.

Transgourmet Romania: Selective cooperation agreements with high schools for placements.

Transgourmet Poland: Participation in the “Trustworthy employer” competition, including certification.

You can find more information in our [annual report 2017](#).

Multi-year target 5.1.2 Professional development opportunities

2017

▲ Retail/Production

Coop Campus: Project underway to continue offering the best training in Swiss retail.

ELanguage placements: In 2017, five people took part in language exchange programmes in other language regions.

Share of managerial roles filled internally: : 76.9 %.

Training days: 350 different internal courses with 100,000 participant days worth CHF 3.9 million.

▲ Wholesale

Transgourmet Switzerland: 65 % of managerial roles are filled internally and 37,000 hours of continuing education courses are held, including specialist courses such as Switzerland’s first-ever fruit-and-vegetable expert training.

Transgourmet Romania: Continuation of the PTI programme (promotion, training, initiative) and the PTI Plus programme. There were 2,320 training and development days in total.

Transgourmet Russia: Specialized training programmes for various groups of staff and continuation of the PTI programme.

Transgourmet Poland: Interdisciplinary courses and training sessions (internal and external) for employees in sales halls. These courses cover around 20 subjects and were attended by approx. 3,700 employees, which equates to roughly 85 % of the workforce. In the year under review, training sessions were also held on the subject of workplace bullying and discrimination for 1,800 employees, there were 286 courses on specific products for almost 1,400 employees, and internal specialist training sessions were run for over 700 employees. In addition, 96 people attended a language course.

You can find more information in our [annual report 2017](#).

Multi-year target 5.1.3 Respect, appreciation and equal opportunities

2017

▲ Retail/Production

Initial and advanced leadership training: Roll-out of 20 Leadership VI seminars on the subject of “Resilience – specific ways to strengthen it” in 2017.

Integration of disabled employees: Approx. 2 % of jobs are held by people with a disability; expansion of the “Integration Handicap” project to four sales outlets in the NWZZ region.

Part-time employment at POS management level: Promotion of the opportunity to manage points of sale part-time.

Reismühle: Annual reintegration of ten recipients of invalidity benefit into the job market.

▲ Wholesale

Transgourmet Russia: Free health insurance for all employees and annual target-setting process.

Additional key figures

Diversity within the Coop Group

Share in percent (as at 31 Dec.)	2013	2014	2015	2016	2017
Retail	63.4	63.2	62.9	62.6	62.3
Wholesale and Production	45.1	45.2	43.9	43.6	42.7
Percentage of workforce who are women	55.9	56.0	54.8	54.0	53.3
Retail	45.7	45.5	45.4	44.8	44.0
Wholesale and Production	40.8	40.8	39.8	39.3	38.3
Percentage of full-time staff who are women	43.2	43.2	42.5	41.8	40.9
Retail	12.5	13.4	13.7	13.7	13.6
Wholesale and Production	30.1	30.1	32.0	35.8	37.4
Percentage of part-time staff who are men	16.0	16.5	17.4	19.2	19.9
Retail	24.7	24.9	25.6	25.9	26.3
Wholesale and Production	22.6	24.1	24.3	24.3	24.9
Percentage of staff over 50 years of age	23.8	24.6	25.0	25.2	25.6
Percentage of women in the Delegate Assembly	46.6	50.8	51.7	50.8	51.0
Percentage of women on the Board of Directors	40.0	40.0	40.0	40.0	50.0
Retail	13.5	12.4	11.3	11.8	13.8
Wholesale and Production	16.2	16.1	15.7	14.2	12.5
Percentage of women on the Executive Committee and in upper management	15.1	14.6	14.1	13.3	12.9
Retail	40.1	41.4	41.4	41.9	42.3
Wholesale and Production	32.6	31.9	32.0	26.9	26.7
Percentage of women in middle management and departmental management	37.3	38.1	37.8	38.2	36.8

Health management

As percentage of all working days	2013	2014	2015	2016	2017
Sickness rate in Retail	3.7	3.8	4.0	4.1	4.1
Sickness rate in Wholesale and Production	4.1	4.1	4.2	4.3	4.1
Occupational accident rate in Retail	0.3	0.3	0.3	0.3	0.3
Non-occupational accident rate in Retail	0.5	0.5	0.5	0.5	0.5
Occupational accident rate in Retail	0.4	0.4	0.5	0.5	0.5
Non-occupational accident rate in Retail	0.4	0.5	0.4	0.6	0.5
Occupational accident rate in Production	0.5	0.6	0.5	0.7	0.6
Non-occupational accident rate in Production Switzerland ¹⁰	0.6	0.6	0.6	0.6	0.6

¹⁰ Can only be recorded for Switzerland. Under EU law, non-occupational accidents are paid for by the health insurance provider rather than the employer.

Project 6.1 Social responsibility



Coop recognizes its social responsibility as a cooperative with Swiss roots. It is primarily dedicated to its core business and is committed to sustainable consumption and to providing the population with high-quality basic supplies. To achieve this, it works with recognized and longstanding partners and in its sponsorship concentrates on areas including „People and the environment“ as one of four main pillars.

Degree of target attainment and trend

		Targets for Retail	Targets for Production	Targets for Wholesale
6. Social Commitment	6.1 Coop recognizes its social responsibility.	→ 6.1.1 R We operate a dense and extensive network of sales outlets, which extends to outlying areas.	→ 6.1.1 P We make a vital contribution to providing the Swiss population with basic supplies.	↑ 6.1.1 W We help ensure a safe, varied and reasonably-priced supply of food in catering and the social sphere.
		→ 6.1.2 R We are the main marketing platform for quality-driven Swiss agriculture.	→ 6.1.2 P We are a major processing platform for quality-driven Swiss agriculture.	↑ 6.1.2 W We provide a marketing platform for quality-driven Swiss agriculture.
		↓ 6.1.3 R Within the framework of the Coop Sustainability Fund, each year we spend CHF 16.5 million on promoting innovations for sustainable consumption.	↑ 6.1.3 P We use the opportunities presented by the Coop Sustainability Fund to promote innovations in the sphere of sustainable consumption.	↑ 6.1.3 W We use the opportunities presented by the Coop Sustainability Fund to promote innovations in the sphere of sustainable consumption.
		↑ 6.1.4 R Together with our stakeholders, we are committed to a sustainable and healthy lifestyle and make use of our communication tools to express that commitment.		↑ 6.1.4 W Together with our stakeholders, we are committed to sustainable and healthy nutrition, particularly in school catering.
		↑ 6.1.5 R We are a partner in the initiative to reduce food waste in Switzerland.	→ 6.1.5 P In our production activities, we are careful to avoid over-production and to make the fullest use possible of all raw materials.	→ 6.1.5 W We support social organizations by donating food that is still safe for consumption to people in need.

Highlights in 2017

- 5 years of Coop Aid for Mountain Regions. In its anniversary year, 140 self-help projects were supported to the tune of CHF 5.7 million francs
- In the year under review, with the Swiss Red Cross and other partners, Coop stepped up its commitment to the „2 x Weihnachten“ („Two times Christmas“) project to promote solidarity with disadvantaged people
- Coop became the first retailer in Switzerland to launch insect-based products
- Running of a competition to revamp a child day care facility under the claim „We help you get it done“
- Transgourmet Romania is continuing with the “Health begins on the plate” programme

Multi-year target 6.1.1 Basic supplies

2017

▲ Retail

908 supermarkets, which ensure nationwide supply to all of Switzerland.

Diversity: Opening of the first „Karma“ shop in May, stocking the biggest range of vegetarian and vegan products in Switzerland.

▲ Wholesale

Transgourmet Germany: EContinuation of the project “From cost factor to happiness factor”, to promote contemporary catering for senior citizens.

▲ Production

Bell: Switzerland's leading vegetable/convenience salad company

Hilcona: supplies a wide range of convenience foods on the Swiss market, making a valuable contribution to supplying the population in modern and fast-paced times.

Market shares in Switzerland: Coop manufacturing companies have high market shares in Switzerland and are committed to production in Switzerland.

All parts of the Coop Group, through aspects such as their vertical integration, help ensure the good provision of basic supplies of sustainable and healthy foods. In addition, with their compulsory reserves (e.g. grain, oil, sugar etc.) the Coop manufacturing companies guarantee supplies in crisis situations in Switzerland.

Multi-year target 6.1.2 Quality-driven agriculture

2017

▲ Retail

Quality Strategy Association: Investments in research for sustainable food production: Cooperation with ETH Zurich and the Research Institute of Organic Agriculture (FiBL) in the areas of varietal improvement (e.g. soya, stone fruit, potatoes, onions, forage), sustainable cultivation and processing methods and animal welfare issues.

▲ Wholesale

Transgourmet Switzerland: Sales promotion projects with Bio Suisse to promote organic farming.

Transgourmet Germany/France/Austria: Expansion of the „Ursprung/Origine/Vonatur“ own-label brand of regional meat products.

▲ Production

Bell: Very high percentage of own slaughters (poultry = 100%). By far the majority of products produced are Suisse Garantie-certified. Moreover, products are manufactured with labels such as Bio Suisse and Naturafarm and with regional labels, requiring the respective facilities to be certified.

Hilcona: very high percentage of raw materials sourced on the Swiss market for fruit and vegetables and the only manufacturer of canned vegetables using Swiss vegetables (peas, peas & carrots, green beans).

Swiss raw materials: All Coop manufacturing companies source large amounts of important raw materials in Switzerland (e.g. meat, milk powder, sugar, grain, etc.).

Multi-year target 6.1.3 Sustainability Fund

2017

▲ Retail

Investments in the fund: CHF 17.5 million; numerous projects successfully completed. More information you can find [here](#).

▲ Wholesale

Transgourmet Germany: Project in the area of sourcing sustainable poultry meat.

Transgourmet Switzerland: Sourcing project for ProSpecieRara products.

▲ Production

Chocolats Halba/Sunray: Primary projects to promote cocoa farming in Honduras and Ecuador. Organic cashew project in Benin, reforestation project in Honduras.

Reismühle Brunnen: Fair & Good projects in Thailand and India, climate protection project and project to promote water productivity with the FDFA in the rice-growing region in India.

More detailed information about the Coop Sustainability Fund and the supported projects can be found [here](#).

Multi-year target 6.1.4 Promoting a sustainable and healthy lifestyle

2017

▲ Retail

Coop member press: Comprehensive reporting through Coop member press, which is read by around 3.5 million people.

Social Media: Sustainability as a key theme on newly-launched social media channels with aims including inspiring younger target groups to adopt a more sustainable lifestyle.

Partnerships: Various measures as part of our [strategic partnerships](#), e.g. with the WWF, the Swiss Red Cross etc.

▲ Wholesale

European Sustainable Development Week: Participation by various Transgourmet units.

Transgourmet Germany: Sustainable consumption is being promoted in restaurant practices and contract catering. Staging of various Transgourmet origin special offers both regionally and at the key external trade fairs (Junge Wilde, Chefsache, Berlin Foodweek).

Transgourmet Poland: Special advertising publication "Pasja i Zdrowie" with organic, vegetarian, gluten-free and sugar-free products as well as Naturaline Cosmetics.

In both Retail and Wholesale, Coop carried out various promotions during the year under review to raise awareness and inspire its customers to adopt sustainable consumption patterns. These range from campaigns in schools and regular articles in the Coop member press (2 pages/week) to individual promotions at individual sales outlets, such as tastings of ProSpecieRara products.

Multi-year target 6.1.5 Reduction in food waste

2017

▲ Retail

Food donations: slight increase in foods donated to the organizations Tischlein deck dich and Schweizer Tafel.

Pilot project: Further pilot project undertaken with Tischlein deck dich at the La Chaux-de-Fonds distribution centre, whereby as part of a social project food is sorted after being returned to the distribution centre and, where possible, donated.

▲ Wholesale

Collaboration with food distribution organizations: AAll Transgourmet national subsidiaries work with social institutions to donate food that is past the sell-by but not the use-by date.

Transgourmet Germany: Food donations to various regional organizations such as Diakonie, Stadtmission, Bahnhofsmmission, The Red Cross, refugee accommodation and schools and kindergartens. In addition, a detailed record of food waste is made at Selgros, waste management seminars are run and waste analysis carried out at the customer's premises, with a view to process optimization.

Transgourmet Romania: Support for Masa Bucuriei.

Transgourmet Poland: Selgros' sales outlets have supported local and public institutions with various products worth around 60,000 Polish zloty and were the main sponsor of the Christmas Eve for the Homeless and Needy event, which was organized by Poland's biggest charity CARITAS for some 10,000 people.

▲ Production

Bell DE: Development and sale of products in which a high percentage of offcuts can be reused. For example, Metro "unbranded" diced ham or Norma diced ham.

Hilcona: Improvements in the sales and operations planning (S&OP) process and searching for causes and measures to tackle surplus stocks (raw materials and end products).

More detailed information about Reduction of food waste you can find [here](#).

Project 7.1 Management approach



Through the sustainability strategy concept, sustainability is incorporated in all relevant corporate strategies at Coop. Building on this, the individual divisions adopt specific strategies and concepts on sustainability which meet the special needs of their customers or their market and, to a certain extent, yield supplementary reports. In this process, they are guided always by the company-wide objectives in the Multi-Year Sustainability Targets. Details of the approach to sustainability can be found [here](#).

Degree of target attainment and trend

7. Sustainability Management	7.1 Sustainability is integral to all business activities throughout the Coop Group Cooperative.	Targets for Retail	Targets for Production	Targets for Wholesale
		<p>▲ 7.1.1 R We create sustainability strategy concepts and ensure that the sustainability organization is firmly established throughout the Coop Group's retail segment.</p>	<p>▲ 7.1.1 P We create sustainability strategy concepts at all our production plants and ensure that the sustainability organization is firmly established.</p>	<p>▲ 7.1.1 W We create sustainability strategy concepts and ensure that the sustainability organization is firmly established at all the plants and companies that make up the Coop Group.</p>

2017

▲ Retail

Marketing/Purchasing: Greater responsibility in the area of own-label sustainability brands and quality labels, with new brand management approach as part of the restructuring of category management.

▲ Wholesale

Sustainability Competence Team for the Transgourmet Group: Constant dialogue and regular strategy meetings (twice yearly) to compare and adjust approaches to sustainability within the Transgourmet Group.

Transgourmet Germany: Involvement on various Coop committees (Sustainability STA, Pillar 1 STA). First-time signature of a Declaration of Conformity with the German Sustainability Code (GSC) and reporting on non-financial performance. Further information can be found [here](#). Excellent score in the EcoVadis rating (among the top 6% in the "Food, beverages and tobacco wholesale" sector. Among the top 14% across all sectors).

Transgourmet France: See also [Sustainability Report](#).

Transgourmet Poland: New sustainability manager.

▲ Production

Bell Food Group: New, comprehensive Group-wide sustainability strategy, which took effect in April 2017. For the first time, applies to all business areas of the Bell Food Group. It covers the relevant areas for action and topics, as well as the organizational framework for implementation and monitoring. Responsibilities are divided into the three pillars "Products and Purchasing", "Environment and Resources" and "Employees and Society".

Chocolats Halba: See also [Sustainability Report](#).

The sustainability strategy concept for the Coop Group was overhauled in the year under review. It is based on the existing concept and the pillar model. The new strategy concept illustrates how sustainability is derived from the Articles of Association, vision and missions and enshrined within the existing management system as an interdisciplinary task. It also defines the overarching sustainability goals as a contribution to the company's success and the common good. As part of the overhaul, the guiding principles, which are geared towards the multi-year sustainability targets, were reformulated. They are now described as short "We" statements that apply to the entire Coop Group. The new 3-pillar model provides a framework for the Coop Group's entire sustainability management, defining the tools on the basis of their sphere of action and their contribution to the overarching sustainability goals. More information about the approach to sustainability can be found [here](#) (Link GB).

The rating by oekonom Research, carried out in April 2017, illustrates how well sustainability is integrated as an interdisciplinary task within the company. Based on an analysis of over 100 sustainability indicators, Coop emerged from a group of 147 as the world's most sustainable retailer. All parts of the company, in Switzerland and abroad, were rated.

In March 2017, the WWF, in partnership with sustainability rating agency Inrate, investigated the environmental commitment of the 15 biggest food processors in Switzerland and Liechtenstein. In all categories, the Bell Food Group was well above the sector average and earned the rating “Ambitious”. Given that the Bell Food Group generates a significant portion of its business abroad and recently expanded, this result can be described as a great success.

Coop multi-year targets and Sustainable Development Goals matrix

MYT	SDG 5	SDG 7	SDG 9	SDG 11	SDG 16	SDG 1	SDG 3	SDG 4	SDG 6	SDG 17	SDG 2	SDG 10	SDG 13	SDG 14	SDG 15	SDG 8	SDG 12
1.1.1			X			X	X							X	X	X	X
1.1.2						X					X			X		X	X
1.1.3					X	X					X	X				X	X
1.1.4												X					X
1.1.5		X											X		X		X
2.1.1			X							X							X
2.1.2						X			X		X			X	X	X	X
2.1.3	X					X	X		X		X				X	X	X
2.1.4																	X
2.1.5	X					X	X		X	X	X			X	X	X	X
2.1.6			X												X		X
3.1.1			X										X				
3.1.2													X				
3.1.3		X	X										X				
3.1.4													X				
4.1.1																	
4.1.2				X									X				
4.2.1													X				
4.2.2													X				
5.1.1								X									
5.1.2								X									
5.1.3	X																
6.1.1				X									X				
6.1.2										X					X		X
6.1.3	X						X	X		X		X					X
6.1.4							X			X			X				X
6.1.5																	X
7.1.1					X												
Impact	little Impact					slight Impact					relevant Impact					strong Impact	