

Coop Group Sustainability Progress Report

report for sustainability experts,
our stakeholders and our partners

More information about Coop's commitment
to sustainability can be found at actions-not-words.ch

2020



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Further information on Coop's commitment to sustainability can be found here:

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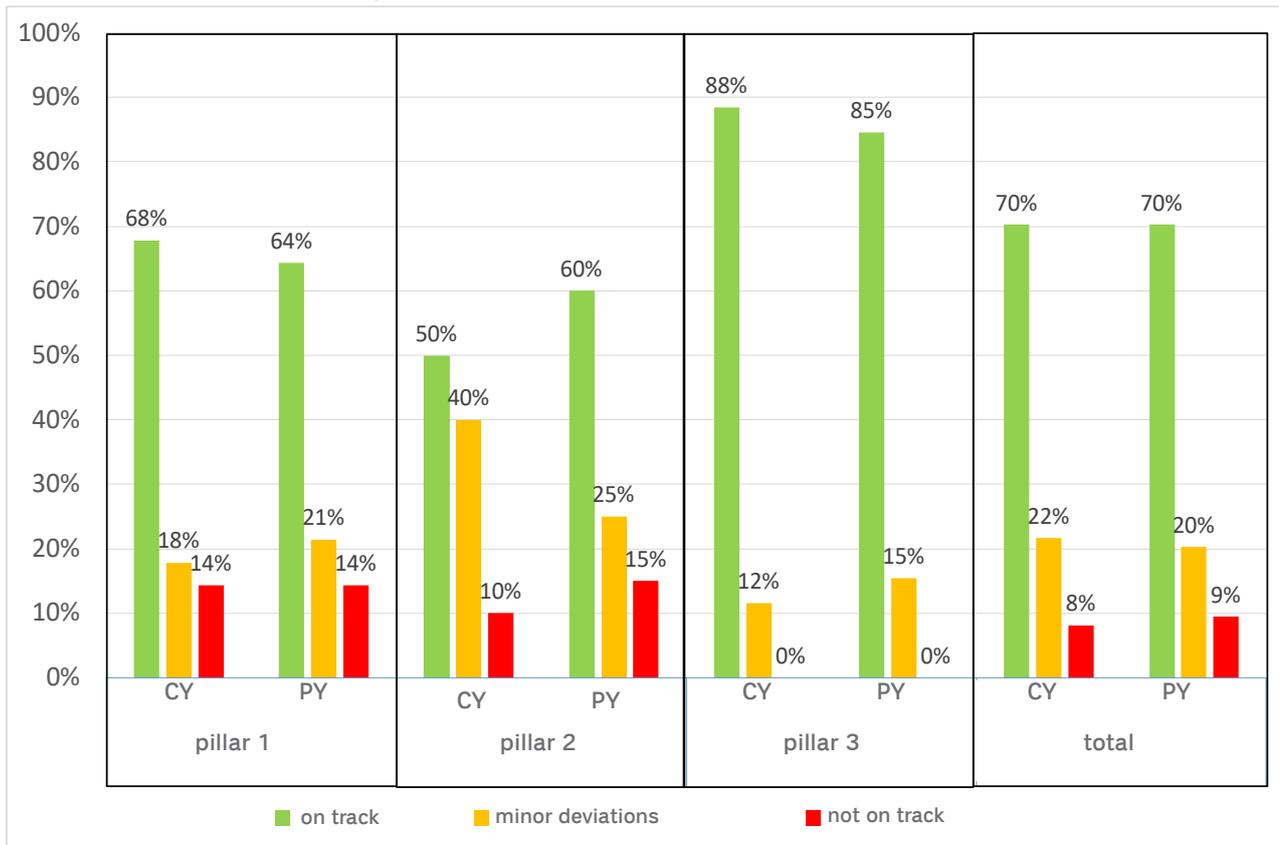
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Übersicht Stand Mehrjahresziele nach Säulen



The high level of attainment of the multi-year sustainability targets is still intact. 70% of the targets are on track. Only 9% of the targets are not on track (Red) and require special measures. This good result was achieved despite some significantly more stringent targets and a more rigorous evaluation process for the qualitative targets. In Pillar 1 (sustainable products) 68% are now on track (previous year 64%). This is chiefly due to the 25th anniversary of Naturaplan, despite the fact that some of the organic targets are also considerably more stringent (see also Updating the multi-year sustainability targets). In Production, the successful expansion of business with third-party customers for organic and Fairtrade products and the expansion at the Bell Food Group in particular impacted positively on targets. In Pillar 2 (Environment and climate protection), there has been a slight deterioration in target attainment compared with the previous year. The main reason is the considerable expansion of production which was not taken into account in the targets. As the energy and CO₂ targets are defined in absolute terms, this also leads indirectly to even higher targets. The large-scale new-build projects in Schafisheim and Pratteln also resulted in a short-term increase in energy consumption and CO₂ emissions. Until the new locations are operating smoothly, the old sites will still be partially functional, which means additional energy requirements and CO₂ emissions. At the retail and wholesale sales outlets the reduction in energy consumption arising from higher demand for refrigerated and processed products and the longer opening hours remains a major challenge. More frequent and longer hot-weather periods also push up electricity consumption at the sales outlets. Target attainment in Pillar 3 (Employees and social commitment) remains high, in spite of a more rigorous evaluation practice for qualitative targets.

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 the area of sustainability 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](#). This report, together with the Annual Report, is designed to fulfil the reporting requirement under the UN Global Compact.

“Sustainability is part of our corporate DNA. Through more than 370 specific actions, we demonstrate on a daily basis our commitment to increasing sustainability and comprehensively document this at [actions-not-words.ch](#). and weekly in the Coop member press. In this report, we go into even greater depth and provide you with transparent and detailed information about the progress of our commitment“

Joos Sutter, Vorsitzender der Geschäftsleitung

Sustainability strategy

As a Swiss cooperative with a tradition stretching back more than 150 years, 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.

Auszug aus den Statuten der Coop-Gruppen-Genossenschaft

Art. 2 Zweck

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

More about the corporate profile can be found [here](#).

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 at the end of 2017. More information about the strategy concept can be found in the [Annual Report](#).

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 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](#). 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, while others are within the sphere of influence of other industries or of the public sector. The [matrix](#) on page 38 of this report illustrates which multi-year sustainability targets impact on which 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 2.1.](#)) 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

In 2018, we invested a lot of time and energy in implementing and communicating the new sustainability strategy concept and the new guiding principles. Dialogue with our stakeholders was always two-way. Direct and intensive dialogue with our stakeholders will continue in 2019, at the Coop stakeholder forum. The forum is an opportunity to evaluate the current multi-year targets 2014–20 with stakeholders and to make a start on formulating with them the sustainability targets for the period 2021–25.

Updating the multi-year sustainability targets (MYT)

Targets must be regularly reviewed and adjusted, particularly when those targets are overtaken or derailed by, for example, technical innovations, a new data situation, incorrect estimates or adjustments to ranges. In order for the multi-year targets to fulfil their purpose as a management tool, it may sometimes be necessary to also revise the multi-year targets within the target period.

The following changes were made during the year under review for the Wholesale and Production areas:

- Multi-year target 1.1.1 P We are increasing the percentage of our sustainability sales: the target has been raised from 24.3 % to 26.6 %, as the target was reached in 2017, at 25.9 %
- Multi-year target 1.1.2 P We are increasing turnover of organic products: the target has been raised from CHF 242 million to CHF 318 million, as turnover of organic products was already CHF 304 million in 2017
- Multi-year target 1.1.3 P We are increasing turnover of products bearing the Fairtrade label 4-fold (compared with 2012): increased 2.7-fold so far. The target is being raised because the target for 2020 was exceeded in 2017
- Multi-year target 2.1.2 P We apply minimum sustainability standards to our critical raw materials: the target has been raised from 84.5% to 95%, as the target was exceeded in 2017, at 91.7 %
- Multi-year target 4.1.1 G We are increasing the quota of reusable materials: the target has been lowered from 76 % to 73 %. This is because the waste from Transgourmet Germany, which was delivered to waste incineration plants, has been erroneously counted towards reusable materials, in line with standard practice in Germany. This has a considerable impact on the amount of the quota of reusable materials, hence the need for the revision

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. Unless indicated otherwise, Production encompasses Coop's manufacturing companies and subsidiary Bell Food Group.

The following principles apply:

- Unless otherwise indicated, the report relates to the year 2018, the reference date being 31.12.2018
- 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 [here](#).

Projekt 1.1 Sustainable products & services



Going forward, Coop aims to remain the most expert provider of particularly sustainable ranges. 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 including trend 2018

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 Production	
	↑	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 26.6 %.	↑	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 quadrupled sales of Fairtrade label products to CHF 125 million (compared to 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 2018

- 25 years of Naturaplan with an increase in turnover of over 17 %
 - More than 200 new products were launched
 - Launch of Bio Campiuns, a Swiss superfood that conforms to Bio Suisse quality standards
 - Expansion of Demeter range under Naturaplan
 - The “Naturaplay” roadshow, an interactive model landscape all about farming, visited 21 shopping centres across Switzerland %
 - Coop employees celebrated Naturaplan’s birthday with a special event attended by over 1,100 people

- Naturaplan celebration attended by 260 invited guests from the world of politics and government as well as Coop business partners and other like-minded business associates. As part of the event, the Coop Natura Prize was awarded to long-standing Coop business partner Andermatt Group (a producer of organic pesticides) and Le Domaine des Coccinelles (a wine producer for their for their commitment to Naturaplan.
- Launch of the Coop Milk sustainability standard
- Launch of own-label sustainability brands Heumilch and Solidarité
- Coop and Chocolats Halba receive the Swiss Ethics Award for Coop Naturaplan Fairtrade chocolate from the Ecuador project
- Start of an organic line at Bell France
- Expansion of the ranges of Transgourmet own-label sustainability brands Origine/Ursprung/Vonatur

Multi-year targets 1.1.1 Sales from sustainable products

Share of sales from sustainable products in total sales

as a %	2015	2016	2017	2018	Target 2020
● Retail	20.2	21.8	23.2	24.1	21.1
● Wholesale	1.6	2.3	2.9	3.1	3.0
● Production	21.5	19.7	25.9	26.3	24.3

All business areas have exceeded the proportionate targets and the previous year and reached the target for 2020 during the year under review. The main engines of growth in retail were the Naturaplan anniversary, the systematic implementation of the Max Havelaar growth strategy and the expansion of ranges of vegetarian and vegan products. In Wholesale, all national subsidiaries aside from France achieved their targets and did better than the previous year. Measures for 2019 have already been identified in France. In Production, almost all companies have improved on the target for the year, and on the previous year's performance. Nutrex is the only, minor exception, due to the expansion of third-party business which involves a smaller percentage of sustainable products.

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, 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 m	2014	2015	2016	2017	2018
Naturaplan	954	987	1 049	1 091	1279
Naturafarm	435	443	456	459	473
Heumilch					4
Oecoplan	142	139	148	153	145
Naturaline (textiles and cosmetics)	59	60	59	57	55
Other (Pro Montagna, Ünique, Pro Specie Rara, Slow Food, Fairtrade Max Havelaar, Bio, MSC, ASC, FSC, Topten, Hochstamm Suisse, Schweizer Pärke, Miini Region, Heumilch, Karma, Natrue, BDIH, Ecocert, Cosmos Blauer Engel, Bird Life, EU Ecolabel, GOTS) ²	662	823	875	1 492	1 563
Sales of own-label brands and quality seals subject to the most stringent sustainability standard¹	2 252	2 454	2 586	2 923	2951
Sales of quality seals with sustainable added value (UTZ, Rainforest Alliance, animal welfare programmes, PEFC, Natureplus, Nordic Swan, Label Rouge, Bluesign, Solidarité)³	–	209	371	404	425
Regional organic products (Naturaplan Bio-Regio, Oecoplan Bio-Regio)	–	15	40	45	47
Miini Region	–	140	170	178	187
Others (Pro Montagna, Schweizer Pärke, AOP, Marchio Ticino)	–	185	181	192	178
Sales of own-label brands and quality seals with added value for the region¹	–	322	348	369	361
Special products for allergy sufferers (Freefrom, Aha, ear of corn symbol, milk jug, sulphite-free)	–	135	168	199	230
Products for vegetarians and vegans (Karma, Délicorn, V-Label)	–	193	287	364	402
Low-calorie products	–	40	53	57	69
Sales of own-label brands and quality seals for special dietary and consumer need¹	–	403	468	559	634
Sales from sustainable products in Retail¹	–	3 319	3 528	3 810	4084
Sales from sustainable products in Wholesale¹		128	193	257	291
Sales from sustainable products in Production¹		204	279	304	432
Sales of the Coop Group from sustainable products (consolidated)		3 543	3 855	4 256	4 671

Share of sales from sustainable products in Production

as a %	2015	2016	2017	2018	ZTarget 2020
Swissmill (Coop Naturaplan, Bio Knospe)	25.8	25.9	26.4	27.5	28.0
Chocolats Halba (Coop Naturaplan, Bio Knospe, Fairtrade Max Havelaar)	57.6	75.5	78.2	79.0	77.5
Reismühle Brunnen (Coop Naturaplan, Bio-Knospe, Fairtrade Max Havelaar)	48.0	50.8	50.3	57.4	52.3
Nutrex (Coop Naturaplan, Bio-Knospe)	16.9	26.5	26.7	26.5	28.5
Sunray (Coop Naturaplan, Bio-Knospe, Fairtrade Max Havelaar)	24.5	25.8	27.9	32.2	28.0
Steinfels Swiss (Coop Oecoplan, Coop Naturaline Natural Cosmetics, Maya)	31.9	32.7	32.4	34.1	33.3
Bell Food Group	18.5	16.8	23.7	24.0	24.3
Share of sales from sustainable products at manufacturing companies	21.2	21.5	25.9	26.3	26.6

Share of sales from sustainable products in Wholesale

as a %	2015	2016	2017	2018	Target 2020
Transgourmet Switzerland	2.5	3.9	4.3	5.6	4.6
Transgourmet Germany	1.7	2.6	3.6	3.6	3.5
Transgourmet Polska	0.1	0.1	0.5	0.6	0.2
Transgourmet Romania	0.1	0.1	0.2	0.2	0.1
Transgourmet Russia	0.0	0.0	0.0	0.0	0.0
Transgourmet France	1.9	2.1	2.8	2.4	3.0
Transgourmet Austria	3.0	4.3	4.3	4.8	4.7
Share of sales from sustainable products at Transgourmet	1.6	2.3	2.9	3.1	3.0

¹ From 2016, the labels were recorded individually and no longer shown only as a difference

² Totals without double counting

³ Heumilch and Solidarité since 2018

Multi-year target 1.1.2 Organic products

Sales of organic products

Sales of organic products	2014	2015	2016	2017	2018	target 2020
● Retail	1 082	1 104	1 181	1 255	1441	1 660
● Wholesale	–	28	46	57	66	82
● Production	181	204	274	304	432	242
Coop Group (consolidated)	–	1 174	1 255	1 389	1939	–

With massive growth of 15% (which is an increase of 186 million!), the target for 2018, which was derived on a linear basis, was met in Retail. The 25-year anniversary of Naturaplan was a major driver in this. Naturaplan alone grew by 17%. The high growth rate of 21% in Wholesale is also gratifying. We are also on target at the manufacturing companies, in spite of the targets being revised upwards in 2018. Growth compared with the previous year is an incredible 42%. Here too, the Naturaplan anniversary was the biggest driver, as a substantial portion of Naturaplan products are manufactured by Coop Group manufacturing companies. However, expansion and acquisitions were another major contributory factor.

Further information about our commitment to organic can be found [here](#).

Multi-year targets 1.1.3 Fairtrade products/products with social added value

Sales of products with social added value

in CHF m	2014	2015	2016	2017	2018	Ziel 2020
● Retail, of which:	–	515	578	679	733	–
Fairtrade Max Havelaar	260	334	397	436	494	441
Naturaline products made from fairly traded organic cotton	56	56	54	50	48	–
Pro Montagna	38	40	40	57	44	–
Other quality seals with social added value (RA, UTZ)	–	84	88	152	147	–
● Wholesale, of which:	–	12	18.1	42	46	40
Fairtrade Max Havelaar	–	12	14	18	32	–
● Production, of which:	60	85	4)	4)	4)	–
Fairtrade Max Havelaar	60	74	97	114	138	125

⁴ Social added value not calculated

All business areas are on course. The “Max Havelaar growth strategy” continued to make an impact in the year under review. Sales of Fairtrade Max Havelaar products almost doubled in Wholesale. Sales of Naturaline products in the textiles segment decreased slightly compared with the previous year. This is due in the main to the difficult market situation for textiles. However, sales were also affected by the restructuring of the range, moving away from higher-end fashion to a range of fashion basics.

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 Mountain Areas Sponsorship Programme](#). 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 fair-trade ranges and also cover countries/areas that cannot be certified under Fairtrade Max Havelaar (such as hazelnuts from Turkey).

Multi-year target 1.1.4 Regional products/raw materials from Switzerland

Umsatz mit regionalen Produkten

in Mio. CHF	2015	2016	2017	2018	Ziel 2020
● Detailhandel, davon:	322	348	369	361	500
regionale Bio-Produkte	15	40	45	47	–
Miini Region	140	170	178	187	–
Weitere ⁵	185	181	192	178	–
● Grosshandel					qualitativ
● Produktion ⁶					qualitativ

⁵ Pro Montagna, Schweizer Pärke, AOP, Marchio Ticino

⁶ In Production, there is no multi-year target for regional products, but there is one for the use of Swiss raw materials.

Retail is falling just short of the derived annual target. This is partly to do with the very ambitious target, and partly with more stringent requirements. 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.).

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 2/3 of added value must be created regionally ((Link RL Miini Region)). 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 bud requirements ((Link)). In Wholesale, the Origine/Ursprung/Vonatur own-label brand formulates basic requirements for both origin and 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	2014	2015	2016	2017	2018	Ziel 2020
● Detailhandel, darunter:	–	501	494	634	632	650
Oecoplan	142	139	148	153	145	–
Naturaline textiles and cosmetics	59	60	59	57	55	–
FSC	–	227	225	231	231	–
Topten	–	148	149	145	154	–

Despite the difficult situation on the non-food market and the introduction of more stringent Topten requirements, sales of sustainable non-food products just about held steady. Retail is therefore on track. The slight decline at Oecoplan is due almost entirely to the rebranding of seedlings displaying the Oecoplan organic bud label to Naturaplan. Were it not for the bankruptcy of a big, key FSC supplier to Livique, FSC sales would also have increased. The increase at Topten is due to more targeted promotion at Fust and Interdiscount. This meant that, despite the more stringent requirements, sales of energy-efficient appliances grew in the household appliances segment. The measures as part of the 30 years of Oecoplan and 10 years of Naturaline Cosmetics anniversaries, along with targeted measures in the area of wood and textiles at Livique, should pave the way for further growth in 2019.

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, GLOBAL G.A.P. etc.
- Systematic implementation of minimum sustainability standards for critical raw materials right through to primary production
- Promotion and implementation of more stringent animal welfare standards in the meat, milk and eggs range
- Commitment to the development and refinement of relevant standards through active involvement in the appropriate bodies
- Reduction and optimization of packaging material along the product chain

Degree of target attainment including trend 2018

		Ziele Detailhandel	Ziele Produktion	Ziele Grosshandel		
		→	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. Sustainability throughout the range 2.1 Coop has transparent product chains which take account of people, animals and the environment.	↑	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 95 % 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 safeguard 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 2018

- Coop has adopted a new vision for palm oil and, in future, will also use Bio Suisse-certified palm oil in conventional own-label food brands or, where possible and feasible, stop using palm oil entirely

- Coop supports the Cerrado Manifesto. Cerrado is the Brazilian savanna, an eco-system with huge biodiversity. At present, vast swathes of it are being cleared for cattle farming and soya production. By signing the Cerrado Manifesto, Coop has committed to protecting this unique habitat ([link](#))
- Together with Chocolats Halba, Coop is co-founder of the Swiss platform for sustainable cocoa ([Link](#))
- In cooperation with the WWF and Global G.A.P, Coop developed the water standard [SPRING](#) (Sustainable Program for Irrigation and Groundwater Use). The standard governs the sustainable use of water in the production of fruits and vegetables and can be read by the public
- Coop helped Bio Suisse to integrate the SPRING requirements into its own standard
- Coop is the first retailer in Switzerland to introduce the FSI label (Max Havelaar Fairtrade Sourced Ingredient)
- Establishment of a basis for a minimum requirement for all countries in key areas of sustainability at the Transgourmet national subsidiaries in western Europe
- Expansion of ranges with a sustainability label, such as Regional
- Increase in the proportion of such labels in all business areas, thereby improving transparency in the product chains

Challenges 2018

- Implementing an industry agreement (MoU) on sustainable palm oil for the Swiss market is difficult, due to resistance among key players (important for branded products)
- Implementing water standards like SPRING in the production of fresh fruits and vegetables in countries/regions with high water stress is not easy. So far, Coop is the only retailer that is tackling this issue on a broad front
- Defining requirements and starting measures in the area of wine
- Despite an increase in sales of label meat, demand for pork is less than rising supply. Because of this, much of the meat with sustainable added value has to be sold as conventional meat. Together with producers and the Swiss Farmers' Union, measures had to be taken to get supply and demand back on an equal footing and secure the production of label meat for the long term
- Implementation of common minimum requirements for critical raw materials in the Transgourmet Group

Multi-year target 2.1.1 Transparency and traceability

Transparency and traceability of own-label brands

2018

● Retail

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 at the counter. All other detailed information is available from sales staff.

Pilot project: A transparency and traceability project has been launched for own-label coffee and eggs for processing.

Harmonisierung Sozialstandards: Coop setzt sich für die Harmonisierung von Sozialstandards ein und ist Mitbegründerin der Sustainable Supply Chain Initiative (SSCI).

● Wholesale

Transgourmet national subsidiaries: The Transgourmet national subsidiaries agreed on RSPO Mass Balance as the common minimum standard for palm oil and other sustainability requirements for the western European national subsidiaries.

Transgourmet France: Performance of producer audits to review compliance with sustainability criteria of the Origin brand in regard to breeding or cultivation methods.

● Production

Bell Germany: Successful completion of a project to increase the traceability of fresh meat.

Chocolats Halba: 100 % of cocoa beans can be traced back to the cooperative. Supply chains are short, and a significant proportion of the cocoa beans are sourced directly from the cooperatives. Its own subsidiary company was founded in Honduras for this purpose: Chocolats Halba Honduras. In Ghana, the political environment precludes direct purchasing, so Chocolats Halba works closely with the Kuapa Kokoo Farmer Union partner cooperative there.

Further information on transparency in the product chain can be found [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	2018	target 2020
● Retail	78.6	81.3	88.1	89.3	93.3
● Wholesale					qualitative
● Produktion	79.6	86.9	91.2	88.0	84.5

Across all 14 critical raw materials combined, Retail is on target. A huge leap was achieved with own-label hazelnuts, from 13 % in 2016 to 85 % in 2018, thanks to the switch to UTZ. As regards fresh meat, despite the improvement year-on-year Coop is not quite on track, as around 10 % of beef and lamb in particular is still sourced abroad, where some requirements of the Swiss Animal Protection Act, in particular regarding castration, cannot be implemented. As a rule, however, these animals are reared using extensive farming methods, which is good for animal welfare. Wholesale is not yet on course. Additional efforts are needed here, particularly in regard to the implementation of minimum standards. The foundation for this was laid in 2018, when common minimum standards were defined.

Further information about the handling of critical raw materials at Coop can be found [here](#).

Additional key figures for Retail

Percentage of critical raw materials meeting a sustainability standard

Critical raw materials	Accepted standards	2017	2018	Comment	Ziel 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	86.0 %	87.1 %	see also MYT 2.1.4	95.0 %	CHF (Procurement value)
Milk						
<i>Animal welfare in husbandry</i>						
Percentage of own-label 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 (Procurement value)
Percentage of own-label 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	85.1 %	84.8 %	see also MYT 2.1.4	85.0 %	CHF (Procurement value)
Percentage of other milk-based own brands 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	98.9 %	99.7 %	see also MYT 2.1.4	95.0 %	CHF (Procurement value)
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	93.1 %	93.4 %	see also MYT 2.1.4	100.0 %	CHF (Procurement value)
Percentage of processed eggs in own brands 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	99.6 %	98.5 %	see also MYT 2.1.4	90.0 %	Tonnes
Fruit and vegetables						
<i>Working conditions, water, soil conservation, pesticide use</i>						
Percentage of fresh fruit & vegetables at least certified to GlobalGAP or SwissGAP	GlobalG.A.P., SwissG.A.P. or standards regarded by GlobalG.A.P. as equivalent	98.6 %	98.8 %		100.0 %	CHF (Procurement value)
Percentage of fresh fruit & vegetables from countries/regions of high water stress grown in accordance with a water standard	SPRING, EWS, AWS	16.1 %	33.5 %	Rollout des Coop GlobalGAP Water Add-on (SPRING) im 2019 in Spanien und Italien geplant	75.0 %	CCHF (Procurement value)

Critical raw materials	Accepted standards	2017	2018	Comment	target 2020	Unit
	Fairtrade, Rainforest Alliance, SA8000, IMO Fair for Life, BSCI PP, GRASP, Sedex/SMETA, SIZA	92.0 %	92.5 %		95.0 %	CHF (Procurement value)
	GlobalGAP, SwissGAP oder von GlobalGAP als äquivalent betrachtete Standards	90.7 %	84.7 %	Rückgang aufgrund strengerer Prüfung der Angaben der Lieferanten	95.0 %	CHF (Procurement value)
	Fairtrade, Rainforest Alliance, SA8000, IMO Fair for Life, BSCI PP, GRASP, Sedex/SMETA, SIZA	76.7 %	79.0 %		75.0 %	CHF (Procurement value)
Flowers and plants						<i>SPRING, EWS, AWS</i>
<i>Working conditions, water, soil conservation, pesticide use</i>						
Percentage of flowers and plants at least certified to GlobalG.A.P. or SwissG.A.P.	GlobalG.A.P., SwissG.A.P. or standards regarded by GlobalG.A.P. as equivalent	81.9 %	83.3 %		95.0 %	CHF (Procurement value)
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	82.6 %	83.9 %		90.0 %	CHF (Procurement value)
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)	100 %	100 %		100.0 %	CHF (Procurement value)
Coffee						
<i>Working conditions, water, pesticide use, child labour</i>						
Percentage of own-label coffee meeting sustainability standard	Fairtrade, Bio Suisse, Utz, Rainforest Alliance, 4C	89.3 %	89.8 %	Prix Garantie capsules still don't have a minimum sustainability standard; but will be switched to UTZ in 2019	100.0 %	CHF (Procurement value)
Cocoa						
<i>Deforestation, working conditions, child labour, pesticide use</i>						
Percentage of own-label cocoa products meeting sustainability standard	Fairtrade, Bio Suisse, Utz, Rainforest Alliance	94.2 %	97.2 %		100.0 %	CHF (Procurement value)
Rice						
<i>Deforestation, working conditions, child labour, methane emissions</i>						
Percentage of own-label rice from risk countries meeting sustainability standard	Fairtrade, Bio Suisse	100.0 %	100.0 %		100.0 %	CHF (Procurement value)
Palm oil						
<i>Deforestation, child labour, land use conflict</i>						
Percentage of physically sustainable palm oil in own-label food	RSPO IP, RSPO Segregated, Bio Suisse	95.7 %	99.4 %		100.0 %	Tonnes
Percentage of sustainable palm oil in own-label non-food	RSPO IP, RSPO Segregated, RSPO Mass Balance, Bio Suisse	88.0 %	87.4 %		80.0 %	Tonnes
Soya						
<i>Deforestation, water, working conditions</i>						
Percentage of soya imported into Switzerland for feed meeting sustainability standard for cultivation	Standards accepted by the Switzerland Network for Sustainable Soy: Bio Suisse, Pro Terra, Danube Soya, Europe Soya, RTRS Non-GM	96.0 %	90.0 %	Survey of Soy Network Switzerland	95.0 %	Tonnes
Hazelnuts						
<i>Working conditions, child labour</i>						
Percentage of hazelnuts in own-label brands meeting sustainability standard for cultivation	Bio-Suisse, UTZ	78.7 %	85.1 %	UTZ already implemented	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	94.8 %	95.4 %		98.0 %	CHF (Procurement value)
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)	55.0 %	59.7 %	Breite Umsetzung BCI Baumwolle erst ab 2019	80.0 %	CHF (Procurement value)

Additional key figures for Production

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

as a %	2016	2017	2018	Target 2020
Bell <i>Meat, milk, eggs, fruit & vegetables, fish & seafood, palm oil, soya</i>	88.1	92.6	89.6	83.3
Coop bakeries <i>Milk, eggs, fruit & vegetables, cocoa, hazelnuts, palm oil</i>	95.0	96.7	95.8	98.5
Chocolats Halba <i>Milk, cocoa, hazelnuts</i>	93.5	92.0	99.0	98.7
Nutrex <i>no critical raw materials</i>	–	–	–	–
Reismühle Brunnen <i>Rice</i>	96.8	94.6	88.8	85.0
Steinfels Swiss <i>Palm oil</i>	44.0	81.1	83.7	80.0
Sunray <i>Fruit & vegetables, cocoa, hazelnuts</i>	48.8	58.3	41.9	72.3
Swissmill <i>Milk</i>	100.0	100	81.7	100.0

⁷ Minimum standards as in Retail

At the manufacturing companies, the targets for 2020 were raised considerably in 2018 (see page 6). In some instances, there has been a slight deterioration compared with the previous year, meaning that some of the manufacturing companies are no longer quite on track. Action is needed in particular at Reismühle Brunnen (lower quantity of rice meeting the standard) and at Bell (imported meat satisfying Swiss Animal Protection Acts). An action plan is being prepared for achieving the 2020 target.

Multi-year target 2.1.3 Sustainable sourcing of important raw materials

Situation with regard to sustainable sourcing of important raw materials

2018

▲ Retail

amfori BSCI-Umsetzung (Business Social Compliance Initiative): Turnover-wise, around 93% of non-food suppliers from risk countries are in the BSCI process. At the specialist formats Interdiscount, Fust, Christ and Livique, the rate of implementation of BSCI was substantially increased. At Livique, in the year under review 90% are in the process, compared with only around 65% in 2017.

Detox Textilien (Commitment gegenüber Greenpeace): A transparent product chain has been put in place, right through to wet processes. Furthermore, parties involved in wet processes have received intensive training. Waste water checks were carried out in factories, with very good results. However, the chemical management audits found room for improvement at most factories. Measures have been identified for 2019.

Sustainability Fund innovation projects: The fund is a key instrument, with a host of projects to safeguard a sustainable supply of important raw materials. Cocoa is one example; following on from Honduras, Peru and Ecuador, a project is now underway in Ghana (link to Fund).

Cotton: Increase in share of organic cotton and start on implementation and use of first Better Cotton Initiative cotton in own-label brands, albeit in very small quantities at this stage (LINK to BCI).

▲ Produktion

Bell Gruppe: integrated poultry production.

Hügli: Use of alternatives to palm oil, such as sunflower oil or shea butter, and local support with sustainability.

Hilcona: Hilcona: Swiss vegetables from more than 350 Swiss farmers. A large proportion of meat and milk products are Swiss-produced.

Steinfels Swiss: Palm oil for raw materials 100% RSPO.

Sunray: Expansion of direct partnerships (France, Serbia, Macedonia, Benin) for the sourcing of nuts, pulses and mushrooms.

Additional key figures for Retail

Implementation of the amfori Business Social Compliance Initiative (BSCI) 2018

Suppliers	BSCI-Status «ok» in %		With ongoing BSCI process in %		Other (not in process) in %	
	2017	2018	2017	2018	2017	2018
Bau & Hobby	88	85	4	7	7	8
Non/Near Food	82	90	10	3	13	7
Food	77	78.1	1	0	22	21.9
Total	79	82.0	2	1.7	19	16.3

Share of peat in entire compost range

as a %	2014	2015	2016	2017	2018	Target 2020
● Peat						
Share of peat in composts across whole range	8.0	5.4	4.8	2.7	0.6	0.0

The target is on course. The last product has been discontinued and no new ones will be purchased. In 2019, only a handful of products that are still in POS will be sold off. Next on the agenda is the launch of the Less Peat when Planting project. For this, feasibility projects were carried out with the Research Institute for Organic Agriculture (FiBL) during the year under review. Furthermore, the percentage of peat has been significantly reduced in recent years. Long-term targets and measures are being identified for 2019 and there are plans to sign an industry-wide agreement under the lead of the FOEN.

Multi-year target 2.1.4 Animal welfare

Implementation of animal welfare standards throughout the range

2018

● Retail

see key figures relevant to animal welfare (meat, eggs, milk) under 2.1.2 critical raw materials

BBFAW: Coop was the only retailer in Switzerland to obtain the highest rating in the [Business Benchmark on Farm Animal Welfare \(BBFAW\)](#).

Animal welfare: The key figures relevant to animal welfare were again improved slightly year-on-year. There was also a further rise in sales of products with added value in regard to animal welfare. The sub-target Percentage of fresh meat meeting minimum Swiss animal welfare standard was not quite reached, despite an increase of 1.1 % points to 90.3 %. At this stage, it isn't possible to obtain all the figures on lamb and beef, for instance, from overseas. However, these sources deserve recognition for their extensive free-range animal husbandry.

Natura-Veal: In Retail, the expansion of Natura veal, the only veal label which guarantees field exercise and suckler cow husbandry, is being strategically driven forward.

● Wholesale

All Transgourmet national subsidiaries: Promotion of products for which the animal welfare standards exceed the legal requirements via Origine/Ursprung/Vonatur. In addition, a joint project has been launched to drive forward the harmonization of standardized minimum requirements.

Transgourmet Switzerland: Launch of fresh and processed products made from pork under Origine, to Coop Naturafarm standard.

Transgourmet Germany: Sales of products which meet animal welfare standards were increased by 5 %.

Transgourmet Polska: Decision to eliminate from the range all eggs from caged hens by 2025. Additionally, the decision was made to discontinue the sale of live carp in six stores. Sales of eggs from organic and free-range husbandry were expanded.

Transgourmet Romania: In cooperation with Romanian farmers, eggs, milk and meat from organic agriculture and from access-to-range and free-range animals were sold. Increase in sales compared with previous year: eggs +45.7 %, milk +50.1 % and meat + 117 %.

Transgourmet France: Commitment to gradually gear the range of eggs to alternative rearing methods (off-cage, outdoor, free-range) for all brands (third-party and own-label brands).

● Production

Bell Food Group: Continuation 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: Start of Simmental project (promotion of Simmental dual-purpose cows) and implementation of imports of PAS poultry for Coop's sourcing from foreign suppliers.

Bell und Hubers Austria established poultry production which meets tougher animal welfare requirements in accordance with Swiss PAS guidelines.

Eisberg Switzerland: Eggs 100 % from Swiss free-range production.

Additional key figures

Sales of products with added value in regard to animal welfare

in CHF m	2013	2014	2015	2016	2017	2018
Naturafarm	453	435	443	457	460	473
Naturaplan (meat, eggs, milk ⁹)	102	105	107	113	292	322
Animal welfare programmes	-	-	160	181	213	250
Sales of products with added value in regard to animal welfare			710	751	965	1 045

⁹Until 2016 eggs and meat only, from 2017 including dairy products

Further information on Coop's commitment to animal welfare can be found [here](#).

Multi-year target 2.1.5 Branded articles

Implementation of sustainability standards for branded articles

2018

● Retail

Critical raw materials: Definition of internal target values for critical raw materials for branded articles (coffee, cocoa, palm oil); 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.

Multi-year target 2.1.6 Packaging material

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

in tonnes	2013	2014	2015	2016	2017	2018	target 2020
● Retail	1285	2330	2415	2675	2820	3128	4000
● Wholesale							qualitative
● Production	–	–	1448	1905	2510	3155	2700

In Retail, new projects to reduce packaging were implemented in 2018. The «[bio unverpackt](#)» project in particular made for a number of improvements, helping reduce packaging materials in general and plastic specifically. Coop decided to devise a comprehensive set of measures. Among other things, corresponding targets have been set for the range managers. Since efforts to tackle packaging are still in their infancy in Wholesale, the area is not yet on course. Internal workshops were held in Wholesale to identify optimization potential. The subject will be analysed afresh for 2019 and measures will be identified and implemented through various channels, including Fund projects. Production is on target, thanks primarily to Bell. Following on from the packaging improvements in Coop's channels in previous years, packaging for third-party customers has now also been optimized. At Reismühle Brunnen, the switch from primary fibre to recycled materials for all rice packaging enabled large quantities of packaging to be environmentally optimized.

More information about reducing and optimizing packaging can be found [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 (Scope 1 and 2). Measures are also being taken within the ranges (soya, 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.

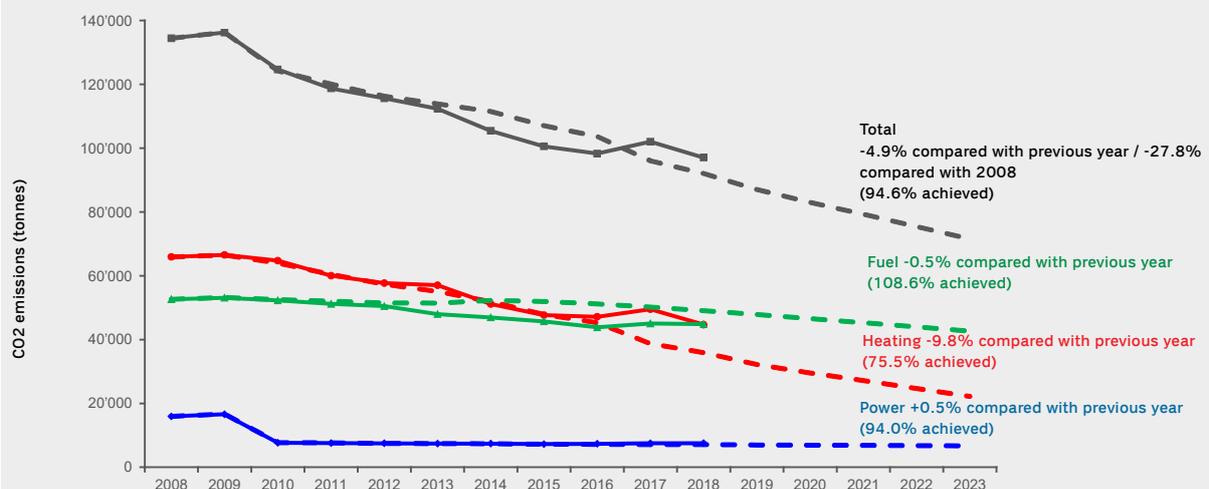
Our key starting points:

- Implementation of the vision of being “CO₂-neutral by 2023” at the business units of the Coop Cooperative and measures to reduce energy consumption and increase the share of renewable energies throughout the Coop Group, especially in new and upgraded buildings
- Systematic switchover to LED lighting
- Use of natural refrigerants such as CO₂ and ammonia
- Use of waste heat from cooling systems
- Switzerland: Construction in accordance with the Minergie standard
- Low CO₂ electricity generation (100% hydropower at the business units and Bell Switzerland)
- Use of renewable energies for heating
- Promotion of innovative transport systems using renewable energies (see Project 4.2)

Vision «CO₂-neutral bis 2023»

Bis 2023 sollen alle direkt beeinflussbaren Bereiche wie Coop Produktionsbetriebe, die Verteilzentralen, Warentransporte, die Verkaufsstellen und Administration CO₂-neutral sein. Dabei werden nicht nur direkte, sondern auch indirekte und vorgelagerte Emissionen einbezogen. Mit technisch möglichen und finanziell zweckmässigen Massnahmen soll der absolute CO₂-Ausstoss so weit wie möglich reduziert werden. Dabei berücksichtigt Coop im Rahmen der CO₂-Vision einen internen CO₂-Preis von CHF 150 pro Tonne bei Investitionsentscheidungen. Diejenigen Emissionen, die nur mit unverhältnismässigen Kosten oder gar nicht zu vermeiden sind, sollen über externe Projekte kompensiert werden.

Absenkpfad des CO₂-Ausstosses im Rahmen der Vision «CO₂-neutral bis 2023»⁹



⁹ Limits of the CO₂ vision: manufacturing companies, distribution centres, goods transport, sales outlets and

Despite growth and expansion, a 27.8 % reduction has been achieved since 2008. The concurrent operation of Pratteln and Schafisheim (Coop manufacturing companies/distribution centres) and the old locations since 2017 caused an increase in emissions. These sites will no longer be operating in tandem from 2019 onwards, so the overall emissions trend will fall again. As well as impacting positively on the climate, the reduction in CO₂ emissions also means lower energy costs and CO₂ charges. Savings of CHF 150 million have been made since 2008. As well as being invested in more projects, these savings are passed on to our customers, in the shape of lower prices.

Degree of target attainment including trend

3. Energy / CO ₂	Targets for Retail		Targets for Production		Targets for Production	
	↓	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 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 sources to 60 %.		
	↓	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 6.0 % 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 2018

- 497 points of sale comply with Minergie standard (+ 41)
- 488 points of sale use CO₂ to refrigerate products (+ 46)
- 528 points of sale have LED lighting (+ 114)
- Twelve new photovoltaic systems covering 25 000 m² now in operation, with total output of 3300 kWp. The total installed surface area is now around 40 000 m²; 5 773 353 kWh of electricity generated
- Already, our own fleet of trucks is 45% reliant on biodiesel
- Construction of an ice store at the Etagnières sales outlet. As a result, the store's own use of the PV system can be increased from 60% to over 90%. Financed through the Coop Sustainability Fund
- Construction by Bell of the first chicken coop according to Minergie standard, financed through the Coop Sustainability Fund
- Introduction of energy management at Transgourmet in accordance with ISO 50001

Challenges in 2018

- Ongoing expansion of sales and refrigerated areas, extended opening hours and expansion of production and convenience food ranges at points of sale/cash & carry stores result in higher energy consumption. This wipes out some of the energy savings from the reduction measures.
- Switch to fossil-free heating at properties which Coop rents, meaning it has limited influence
- New Schafisheim and Pratteln sites making transition to normal operation, with some concurrent operation with the old locations

MYT 3.1.1/2 Reduction in energy consumption

Reduction in absolute and relative energy consumption

	2014	2015	2016	2017	2018	target 2020
● Retail (MWh)	1116 389	1127 499	1134 156	1 167 296	1 149 450	-8.6% ¹⁰
● Wholesale – West (kWh/m ²)	–	287	293	295	294	-5.3% ¹¹
● Wholesale – East (kWh/m ²)	–	544	530	530	530	-1.3% ¹¹
● Wholesale – Supplies (kWh/tonne)	–	303	283	280	280	-20.4% ¹¹
● Production (MWh)	457 771	620 209	596 647	660 390	726 794	-2.7% ¹¹

¹⁰ Reference year 2012

¹¹ Reference year 2015

Despite a reduction in absolute terms of 5.4 %, Retail is not quite on track. This is due mainly to the Schafisheim and Pratteln distribution centres operating in tandem at the old and new location. Furthermore, rising demands on refrigeration and longer opening hours are driving up electricity consumption at the sales outlets. Longer heating periods are another factor in the increased energy consumption. Achieving the targets is proving challenging in Wholesale, due to the much greater demand for refrigeration. Wholesale East is on course. In Production, the concurrent operation of the new Pratteln site (Coop manufacturing company) and the old location is temporarily increasing energy consumption. The main reason for this is the expansion at the Bell Food Group. As the absolute targets set are no longer attainable, relative targets are to be defined for the new 2021–2025 target period, which take account of production volumes. The CO₂ vision will be overhauled in 2019. This will include identifying new measures for Retail and the Coop manufacturing companies.

Additional key figures

Electricity, heat, fuel and total energy consumption

Energy consumption in MWh	2013	2014	2015	2016	2017	2018
Retail	710 659	707 931	716 643	725 772	740 035	737 521
Wholesale	408 942	414 458	409 791	425 430	429 565	432 488
Production	245 802	253 760	307 374	324 429	333 092	344 346
Electricity consumption	1 365 402	1 376 149	1 433 808	1 475 631	1 502 692	1 514 355
Retail	223 296	200 084	196 977	195 681	211 104	195 691
Wholesale	131 989	103 806	119 413	134 288	149 774	145 813
Production	153 412	149 457	219 064	219 330	252 007	267 088
Energy consumption for heating purposes	508 697	453 347	535 455	549 299	612 885	608 592
Retail	212 756	208 374	213 878	212 703	215 128	216 238
Wholesale	274 336	279 875	292 573	289 378	313 769	312 784
Production	37 619	54 554	93 771	134 980	125 283	144 943
Energy consumption for heating purposes	524 711	542 803	600 223	637 060	654 180	673 965
Retail	1 146 711	1 116 389	1 127 499	1 134 156	1 167 296	1 149 450
Wholesale	815 267	798 139	821 778	849 095	893 108	891 046
Production	436 833	457 771	620 209	678 739	710 382	756 377
Energy consumption for heating purposes	2 398 810	2 372 299	2 569 485	2 661 990	2 769 757	2 796 872

Multi-year target 3.1.3 Share of renewable energy sources

Share of renewable energy sources

as a %	2014	2015	2016	2017	2018	target 2020
● Retail	66.6	66.8	68.0	68.5	69.5	72.7
● Production	47.0	51.6	53.5	58.0	54.2	60.4
Coop Group (consolidated)	48.9	50.1	49.8	51.8	0	-

The target isn't quite on track in Retail. The switch to renewable energies is proving particularly difficult in rented properties and, in the case of heating projects in Coop's own properties, is susceptible to delays. The share of biodiesel from waste has been further increased. Production is not on course, due in no small measure to the still ongoing large-scale renewable heat generation projects in Schafisheim and Pratteln and, to an even greater extent, the expansion of the Bell Food Group abroad.

Multi-year target 3.1.4/5 Carbon dioxide emissions

Reduction in absolute and specific CO₂ emissions

in Prozent	2014	2015	2016	2017	2018	target 2020
● Retail (tonnes of CO ₂)	106 356	107 135	103 849	105 751	101 697	-19.2 % ¹²
● Wholesale – West (g CO ₂ /m ²)	–	41.4	36.7	21.1	24.8	-5.7 % ¹³
● Wholesale – East (g CO ₂ /m ²)	–	306.5	297.3	242.7	261.9	-6.3 % ¹³
● Wholesale – Supplies (g CO ₂ /tonne)	–	70.5	58.6	58.4	55.9	-18.8 % ¹³
● Production (tonnes of CO ₂)	93 664	93 558	97 142	76 289	91 767	-21.2 % ¹³

¹² Reference year 2012

¹³ Reference year 2015

All business areas are on course. The decline in Retail is due to reduced energy consumption for heating purposes and the further increase in the share of renewable energy sources. Wholesale is benefiting from reduced energy consumption for heating purposes and the ongoing switch to renewable electricity. At the manufacturing companies, the lion's share of the massive CO₂ reduction is down to the switch to renewable electricity. Because of this, despite the large-scale expansion, the increase in CO₂ emissions can be kept in check.

Additional key figures

Carbon offsetting

in tonnes of CO ₂ equivalent	2013	2014	2015	2016	2017	2018
Air freight	81 181	84 605	81 260	86 255	80 187	76 892
Business travel by road	5 461	5 192	5 066	4 928	4 961	4 775
Business travel by air	1 902	3 824	4 126	5 832	5 235	5 589
Coop@home deliveries	1 614	1 616	1 633	1 794	1 953	2 149
Total carbon dioxide (CO₂) emissions offset	90 158	95 237	92 085	98 809	92 340	89 471

Since 2007, emissions from air freight have been fully offset by projects launched in partnership with the WWF within Coop's value chain. The reduction is due to reduced air freight.

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 categories 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 categories
- Sustainable construction

Degree of target attainment

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	
	↑	4.1.1 R We are increasing the quota of reusable materials to 83.3 %.	↑	4.1.1 P We are increasing the quota of reusable materials to 79.0 %.	↓	4.1.1 W We are increasing the quota of reusable materials to 73.0 %.
↑	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.			→	4.1.2 W We take account of sustainability standards in our new buildings and when renovating existing buildings.	

Highlights 2018

- New timber-built store with innovative PV façade and the use of ice storage to store electricity
- New warehouse built at Transgourmet France according to the BREEAM standard (Building Research Establishment Environmental Assessment Method)

Challenges in 2018

- Enforcing Coop’s requirements for sustainable construction, because of additional cost
- 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
- Ensuring transparency in the recycling of collected plastic fractions

Multi-year target 4.1.1 Reusable materials quota

as a %	2014	2015	2016	2017	2018	target 2020
● Retail	80.9	80.4	80.2	80.7	81.1	83.3
● Wholesale	61.6	65.8	70.2	68.8	69.6	76.2
● Production	–	80.3	77.3	84.6	83.1	79.0

In Retail, the reusable materials quota was increased by a further, albeit marginal 0.4 %. Despite this, the target (broken down linearly) cannot quite be reached. The measures taken to increase the reusable materials quota are not having a sufficient impact. It will be very difficult to raise this quota much above 80 %. The poor market situation for secondary raw materials further compounds the situation. A detailed analysis will highlight the alternative recycling options for these fractions. In Wholesale, the reusable materials quota was increased by nearly 1 %. Taken together, the manufacturing companies are also on track. With a quota of 81.3 %, Bell in particular has far exceeded the target.

You will find more information about waste management [here](#).

Additional figures

Waste volume	2013	2014	2015	2016	2017	2018
Retail	125 494	126 595	129 875	134 065	139 445	134 732
Wholesale	37 112	42 783	46 739	45 536	49 588	51 897
Production	20 414	21 424	18 670	38 544	59 963	73 664
Coop Group	183 021	190 802	195 284	218 145	248 996	260 293

Although the waste volume was reduced overall in Retail, there is no clearly discernible trend. The total volume in 2018 was significantly lower than the previous year and has now reverted to the 2016 level. The sharp rise in waste volumes in Production is explained by the further expansion of, and acquisitions by, the Bell Food Group.

Multi-year target 4.1.2 Sustainable construction

Progress made with Sustainable Construction

2018

● Retail

Photovoltaic systems: 25 000 m² of photovoltaic systems were installed.

Minergie Bauten: 41 new sales outlets to Minergie standard.

● Wholesale

Transgourmet Österreich: Installation of PV systems on all new buildings.

Transgourmet Romania: All stores refitted with LED lighting.

Transgourmet Germany: Conversion to LED lighting and CO₂-based cooling systems at seven and five locations respectively. Introduction of energy management in accordance with ISO 50001.

Transgourmet Polska and Romania: ongoing conversion to LED lighting.

Transgourmet France: New warehouse was rated very good by BREEAM (Building Research Establishment Environmental Assessment Method). In addition, gradually switching entirely to LED. Furthermore, two warehouses were fitted with a system for improving monitoring and optimization of energy consumption.

Projekt 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. Further information can be found here (www.coop.ch/transport Link to AnW).

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 including 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 2018

- Reduction of NO_x pollution by a further 17 %. Over the last few years, therefore, absolute annual emissions of NO_x have been more than halved, despite the huge growth in tonne-kilometres transported
- since March 2018, frozen products delivered from central point in Schafisheim
- The hydrogen project set up by Coop will be extended to all interested partners in Switzerland as an industry-wide solution and be reorganized within a nationwide association
- Delivery of five IVECO natural gas trucks at the Ulm site and another six SCANIA natural gas trucks to the Hildesheim (5) and Herford (EGV) (1) sites at Transgourmet Germany

Challenges in 2018

- Shifting transport from road to rail, due to lack of SBB rail transport capacity
- Evaluating and troubleshooting hydrogen-fuelled trucks
- Preserving the conditions demanded by politicians for exemption from mineral oil tax for alternative fuels

Multi-year target 4.2.1 Shifting goods transport to rail

2018

● Retail

RailCare: Saving of around 10.3 million truck kilometres by using unaccompanied combined transport (link to AnW), which equates to a reduction of 12,437 tonnes of CO₂.

Schafisheim: Full takeover of frozen product storage and distribution to Retail and Pronto sales outlets by RailCare and, locally, by road.

Multi-year target 4.2.2 Innovative mobility solutions

Progress with trials of innovative mobility solutions

2018

● Retail

Electric trucks: The five e-trucks covered a total distance of more than 200,000 km.

Hydrogen-fuelled mobility: As of December 2018, the H₂ Hyundai ix35 had travelled more than 700,000 kilometres. Thanks to Project Neptune, a partnership was launched with Hyundai which, over the next few years, will bring up to 1,000 trucks to Switzerland.

Biodiesel: Over 4 million litres of biodiesel used.

Alternative cooling for superstructures: In 2018, the decision was made to test alternative chiller units (e-cooling, gas etc.), leading to a crucial decision being made for sourcing in 2020.

● Wholesale

Transgourmet Germany: veloCARRIER (cargo bike) pilot project in Stuttgart (Ulm site) for “last mile” deliveries since 2017. Eleven gas trucks and two StreetScooters have been purchased.

Transgourmet France: Use of new truck models with alternative drive systems (fitted with hybrid drive system or fuelled with 100 % biodiesel from rapeseed, CNG/biogas) and electrically-powered delivery bikes for city traffic. Certification of Transgourmet Centre Est, Méditerranée, Rhône Gap to ISO 22000.

Transgourmet Polska: Purchase of 29 modern trucks with electrically-powered chiller units. The fleet now comprises around 200 trucks with electric cooling.

Project 5.1 Fair employer



Coop is a progressive and fair employer which offers its employees attractive employment conditions and development opportunities. Of the nearly 90,000 employees, just over 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.

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 including 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.
→	5.1.3 R We cultivate a culture of respect, appreciation and equal opportunities.	↑	5.1.3 P We cultivate a culture of respect, appreciation and equal opportunities.	→	5.1.3 W We cultivate a culture of respect, appreciation and equal opportunities.

Highlights 2018

- 3437 apprentices
- 50 % of employees and 80% of specialist staff moved from Wallisellen to Pratteln when Chocolats Halba relocated
- 30 young people with refugee status have started preliminary integration apprenticeships at Coop
- Of 114 apprentices who registered for the exam, 104 people passed the exam at Transgourmet Germany, with 41 receiving good or very good grades
- Apprentice quota of 4.6 apprentices in every 100 employees at Transgourmet Österreich. 79% of apprentices were offered a job at the company

Challenges in 2018

- Introduction of clocking in/out in for the whole of admin as, for legal reasons, the principle of trust-based working hours is no longer possible
- Switching increasingly to digital administrative processes
- Increase in percentage of women in upper management roles
- Recruitment of new employees due to very low unemployment of around 6.5% (in big cities below 4%) at Transgourmet Polska

Multi-year target 5.1.1 Exemplary provider of apprenticeships

2018

● Retail/Coop manufacturing companies (excluding Bell)

Success rate: 97 %.

Continued employment rate after apprenticeship: 67.7 %.

Apprentice ratio: 6.9 apprentices to 100 employees.

● Bell Food Group

Bell Switzerland: 100 % of apprentices successfully completed their apprenticeships and around 60% were offered continued employment.

Hilcona: 100 % of apprentices successfully completed their apprenticeships and 80% were offered continued employment.

● Wholesale

Transgourmet Switzerland: 21 apprentices completed their training, 16 of whom were offered continued employment.

Transgourmet Deutschland:

Social Day: Students on dual courses of study bake with residents of an old people's home. The ingredients are donated by Transgourmet.

Career guidance: Schülerpraktika, Boys- & Girlsday.

Social commitment: "Getting refugees into training" project in cooperation with the Chamber of Commerce and Industry (IHK) and the Agentur für Arbeit, training for disadvantaged young people and those with learning difficulties, introduction of the new e-commerce specialist training.

Transgourmet Russia: Dual butcher training is running at three stores in Moscow. Six apprentices are currently being trained. Internships were organized at all stores in Russia for college students. A total of around 90 students completed an internship at Transgourmet in 2018.

Transgourmet Romania: 12-month on the job training in various departments and training of the first fish sommelier..

Transgourmet Polska: 15 apprentice training programmes in the areas of logistics and HoReCa.

Transgourmet France: Renewal of sponsorship arrangement with the "Ecoles de la 2è chance" network, to make it easier for young people with no qualifications or job to enter the world of work.

Transgourmet Austria: Focus on further development of apprentices to the level of specialist and manager.

Multi-year target 5.1.2 Professional development opportunities

2018

● Retail/Coop manufacturing companies (excluding Bell)

Coop-Campus: 350 different internal courses offered and external training support worth CHF 3.9 million. Furthermore, the first pilot courses under the new Management and Leadership Courses programme (M&L, formerly LAK) at Professional and Expert level were successfully run

Share of managerial roles filled internally: 77.7 %.

Training days: 83,700 training days of internal training and development.

● Bell Food Group

Bell Switzerland: More than 60% of key positions were filled by internal candidates.

Hilcona: Range of business-specific training options. In addition, individual training and development is intensively supported. More than 50% of key positions are filled by internal candidates.

● Wholesale

Transgourmet Switzerland: 66% of vacant management posts filled internally. Over 36,500 hours of internal training took place, in 45 different courses.

Transgourmet Germany: Comprehensive seminar programme covering a broad spectrum of subjects and individual promotion through further training and study programmes (including cooperation with Mainz University of Applied Sciences).

Transgourmet Russia: Further training for employees in Central Administration on various subjects. 27 people attended a foreign language course.

Transgourmet Romania: New training concept for employees at all levels, to teach specialist knowledge and for personal development.

Transgourmet Polska: Training for employees in the basics of law, workplace bullying and discrimination, IT, language courses, personal development and management skills.

Transgourmet Österreich: Compulsory e-training for all employees on the subject of protecting the environment.

Multi-year target 5.1.3 Respect, appreciation and equal opportunities

2018

● Retail/Coop manufacturing companies (i.e. excluding Bell) have ironed out pay discrepancies.

Professional development opportunities: Coop offers every employee with a collective employment contract two training days and every management-level employee six training days (incl. goal-setting process and leadership) a year.

Trainees, language placements and practical training placements: Coop offers trainees language placements in other language regions, exchange programmes with partner firms (EDEKA) or practical training placements for academically weak school leavers.

Development of new management training courses in Retail: Interaction with employees, communication skills and personal development for managers.

Comparing notes: Meat and Eat (lunchtime events (in NWZZ regions e.g. Lunch and Learn)) to promote two-way sharing of ideas and the corporate culture.

2018

● Retail/Coop manufacturing companies (i.e. excluding Bell)

Integrating disabled people: With a share of 1.59 %, the internal target for employing people with a disability was exceeded by a significant margin. By awarding various contracts to sheltered workshops, Coop promotes the inclusion of handicapped people in the world of work. In 2018, Coop awarded contracts worth over 3.2 million francs to such institutions.

Women in management positions: Despite a substantial increase of 1.7 %, the internal target for the share of women in management positions was not met.

Hourly wage earners: Turnover rate among hourly wage earners is too high.

● Bell Food Group

Bell Food Group: Leadership principles were implemented for the whole Bell Food Group and target-setting workshops, change management and leadership workshops were run throughout the Group.

Bell Switzerland: Continuation of the "friendly work space" label.

Bell UHungary: Awarded the "Reliable Employer 2018" prize.

Hilcona: Training of managers in appreciative and healthy leadership (new management development programme).

● Wholesale

Transgourmet Germany: Between December 2017 and November 2018, twelve people with a disability were employed. Apprentices get involved in social projects such as the project to provide warmth for homeless people. Work colleagues donated clothing, which was used to assemble winter packages for the homeless.

Transgourmet Polska: Appointment of 50 people with a disability. Training held on preventive health measures and First Aid for more than 150 employees.

Transgourmet Österreich: Named a "Great Place to Work" based on a comprehensive survey and workshops at all locations. Measures are now being developed to address all the critical points. In addition, summer childcare is offered.

Diversity within the Coop Group

Share in percent (as at 31 Dec.)	2014	2015	2016	2017	2018
Retail	63.2	62.9	62.6	62.3	62.3
Wholesale and Production	45.2	43.9	43.6	42.7	42.6
Percentage of workforce who are women	56.0	54.8	54.0	53.3	53.0
Retail	45.5	45.4	44.8	44.0	44.0
Wholesale and Production	40.8	39.8	39.3	38.3	42.6
Percentage of workforce who are women	43.2	42.5	41.8	40.9	53.0
Retail	13.4	13.7	13.7	13.6	13.9
Wholesale and Production	30.1	32.0	35.8	37.4	36.7
Percentage of part-time staff who are men	16.5	17.4	19.2	19.9	20.1
Retail	24.9	25.6	25.9	26.3	26.6
Wholesale and Production	24.1	24.3	24.3	24.9	26.6
Percentage of staff over 50 years of age	24.6	25.0	25.2	25.6	26.6
Percentage of women in the Delegate Assembly	50.8	51.7	50.8	51.0	50.0
Percentage of women on the Board of Directors	40.0	40.0	40.0	50.0	50.0
Retail	12.4	11.3	11.8	13.8	12.5
Wholesale and Production	16.1	15.7	14.2	12.5	15.6
Percentage of women on the Executive Committee and in upper management	14.6	14.1	13.3	12.9	14.6
Retail	41.4	41.4	41.9	42.3	42.4
Wholesale and Production	31.9	32.0	26.9	26.7	26.8
Percentage of women in middle management and departmental management	38.1	37.8	38.2	36.8	36.6

Weiterführende Kennzahlen

Health management

as percentage of all working days	2014	2015	2016	2017	2018
Sickness rate in Retail	3.8	4.0	4.1	4.1	4.1
Sickness rate in Wholesale and Production	4.1	4.2	4.3	4.1	4.2
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 Wholesale	0.4	0.5	0.5	0.5	0.5
Non-occupational accident rate in Wholesale Switzerland ¹⁴	0.5	0.4	0.6	0.5	0.4
Occupational accident rate in Production	0.6	0.5	0.7	0.6	0.6
Non-occupational accident rate in Production Switzerland ¹⁴	0.6	0.6	0.6	0.6	0.6

¹⁴ Kann nur für die Schweiz erfasst werden. Nach EU-Recht werden Nichtberufsunfälle von der Krankenversicherung bezahlt und nicht vom Arbeitgeber

Projekt 6.1 Gesellschaftliche Verantwortung



Coop recognizes its social responsibility as a cooperative with Swiss roots. As a cooperative, sustainability is part of our daily business. Therefore, Coop is committed to sustainable consumption and to providing the population with high-quality basic supplies. It works with recognized and long-standing partners and, in its sponsorship, focuses on areas including „People and the environment“ as one of four main pillar.

Stand der Zielerreichung inkl. 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.
➔	6.1.2 R We are the main marketing plat-form 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 2018

- To promote hydrogen mobility, Coop formed the H2 Energy association together with other companies. The association’s goal is to create a nationwide network of hydrogen filling stations in Switzerland
- “Blühende Schulen“ flower planting initiative for schools successfully run. Since 2016, together with Bio Suisse we have helped school classes to design organic school gardens. More than 4,600 classes, with more than 65,000 pupils and teachers between them, have since taken part in the “Blühende Schulen“ flower planting initiative
- Renewal of the partnership with „Schweizer Tafel“ and „Tischlein deck dich“ food banks and pilot project undertaken in La Chaux-de-Fonds, to further reduce food waste by adopting pre-sorting in sales outlets.
- CHF 17.1 million deployed from the Sustainability Fund, with a high rate of success and impact
- In the year under review, Coop Aid for Mountain Regions supported 171 self-help projects with a total of around CHF 5 million

Challenges in 2018

- The issue of plastic is very much at the forefront of customers' minds and is the focus of much media and political attention and public awareness. It is pushing other issues to the sidelines, such as the requirements for the production of foods, an area in which Coop can achieve a much greater impact
- The issue of food waste is highly emotive and the focus of measures is in Retail, despite the fact that the latter is only responsible for a very small percentage of food waste. Further reductions at Coop can only be achieved through major changes to processes.

Multi-year target 6.1.1 Basic supplies

2018

▲ Retail

918 supermarkets, which ensure nationwide supply to the whole of Switzerland.

Diversity Opening of Italian delicatessen store Saponi.

Points of sale: 918 sales outlets (+10).

▲ Wholesale

Transgourmet Switzerland: The wide range of own-label brands and expanded Economy own-label brand offer keenly-priced solutions.

Transgourmet Romania: Range for institutional catering and expansion of Economy own-label brand.

Transgourmet Polska: Training and workshop on gluten-free diet/gluten-free desserts for students at Warsaw's catering college.

▲ Production

Bell: Switzerland's leading vegetable/convenience salad company.

Hilcona: Biggest manufacturer of long-life and fresh convenience foods.

Eisberg: Switzerland's leading vegetable/convenience salad company.

Steinfels Swiss: Production of high-quality, basic own-label products such as laundry detergent, liquid soap, shampoo and sun cream for home and professional use.

Reismühle Brunnen: Supplies around 30% of the Swiss population with rice.

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

2018

● 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.

Coop Naturaplan: The wide range of Coop Naturaplan products is a major opportunity for high-quality Swiss agriculture. However, the production of Naturaplan products also impacts positively on agriculture and the local population in other countries, particularly developing countries.

Coop Sponsorship: The "Casharia Val Müstair" project was one of the biggest to date and secured the processing of milk in the Münstertal for the long term.

● Wholesale

Transgourmet Switzerland: Targeted promotion of sustainable own-label brand Origine, with specific marketing opportunities for quality-focused agricultural products.

Transgourmet Germany: Cooperation with Demeter and participation in Demeter events to inform customers about own-label brand Ursprung and sustainable consumption.

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

● Production

Bell Switzerland: 100 % own slaughter of poultry with sustainable labels. By far the majority of products produced by Bell Switzerland are Suisse Garantie-certified. Moreover, products manufactured with labels such as Bio Suisse and Naturafarm and with regional labels are also manufactured in Switzerland. The companies have the corresponding certifications.

Hilcona: Around 70,000 tonnes of food processed each year, around 70 % of which is from Switzerland.

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

Multi-year target 6.1.3 Sustainability Fund

Coop sees the Fund as a social responsibility which enables projects in all three pillars. Therefore, the Fund is listed as an instrument under Social responsibility.

2018

● Retail

Investments in the fund: CHF 17.1 million; numerous projects successfully completed.

● Wholesale

Transgourmet Germany: Continuation of the project to improve standards at poultry farms, with FiBL Germany and customer Aramark.

● Production

Chocolats Halba/Sunray: Continuation of Ecuador project to promote Arriba varieties of fine cocoa, dynamic agroforestry and a higher income for the cocoa farmers involved. Roll-out of a pilot project for spice and cocoa production using agroforestry in Madagascar. Feasibility study carried out for the sourcing of hazelnuts in Moldova. Launch of a new sustainable cocoa farming project in Ghana, which involves dynamic agroforestry and CO2 offsetting and will improve the income of 2900 cocoa-farming families.

Reisemühle Brunnen: Continuation of the "Sustainable Rice" project in India and Thailand.

Swissmill: Project with FiBL to identify the key sources and causes of hydrogen phosphide contamination of organic crops. Project undertaken to make better use of milling by-products and close material cycles.

More detailed information about the Coop Sustainability Fund and the supported projects can be found [here](http://www.coop.ch/fonds) (link www.coop.ch/fonds).

Multi-year target 6.1.4 Promoting a sustainable and healthy lifestyle

2018

● 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 the 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, for example with the WWF or the Swiss Red Cross. More information about the partnerships can be found [here](#).

● Wholesale

European Sustainable Development Week: Participation by various Transgourmet national subsidiaries.

Transgourmet Germany: Nutrition knowledge seminar/workshop by the Competence Team as part of a project week at the Martin-Niemöller School. Participation in two school building exhibitions on sustainable planning and design of dining halls. In addition, catering concepts were created for schools and the "whats EAT" label for good, healthy school meals was expanded.

Transgourmet Polska: Attendance at the Blood Donation Day, including presentation of healthy dishes.

Transgourmet Romania: Continuation of the "Health starts on the plate" project, which involves chefs teaching children at schools about healthy nutrition.

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. Transgourmet takes various measures and stages a number of events to raise awareness of the importance of nutrition, particularly at schools.

Multi-year target 6.1.5 Reduction in food waste

2018

● Detailhandel

Food donations: Slight increase in foods donated to the organizations "Tischlein deck dich" and "Schweizer Tafel". Establishment of cooperation with "Aufgetischt statt weggeworfen", an organization which professionally collects food donations in the Lenzburg area and distributes them to people in need. Deployment of "too good to go" in Karma shops.

Pilot project: Pilot project run with "Tischlein deck dich" at the La Chaux-de-Fonds distribution centre: Fruit & vegetables that are still edible are sorted at the sales outlets and returned by Coop to the distribution centre, where "Tischlein deck dich" collects them. The project is to be rolled out to more regions in 2019.

Renewal of partnership with "Tischlein deck dich" and "Schweizer Tafel" (Foodbridge): In the year under review, under Coop's lead, the cooperation between members of the IG DHS Swiss retailers' organization, "Schweizer Tafel" and "Tischlein deck dich" was renewed for another three years. This means the members of IG DHS will continue paying a financial contribution of CHF 680,000 per year to enable this industry-wide solution.

● Wholesale

Transgourmet Switzerland: Food handed out to "Tischlein deck dich". Transgourmet Switzerland is also a member of the Board of „Tischlein deck dich“.

Transgourmet Germany: Food donations worth around 497,00 euros to various regional organizations (such as "Die Tafel") by the manufacturing companies and stores. Member of United Against Food.

Transgourmet Polska: regular donations of still edible foods to charitable organizations.

Transgourmet Romania: Food donations to "a Bucurie" (Romania's equivalent of „Schweizer Tafel“) to the value of around 750,000 euros.

Transgourmet Österreich: Donations in kind to social organizations; all locations have an obligation to pass on edible foods.

Transgourmet France: Food donations to national and local organizations, such as "Les Restos du Cœur", "La Banque alimentaire" and "Le Secours populaire".

● Produktion

Chocolats Halba: Use of more precisely adjustable technologies and use of pipeline inspection gauges (rubber plugs) throughout the pipe system. This reduces the occurrence of mixing and rejects.

Bell Germany: Food donations worth around 497,00 euros to various regional organizations (such as "Die Tafel") by the manufacturing companies and stores. Member of United Against Food.

Bell Switzerland: At the Cheseaux site, scrapping was reduced by around CHF 160,000 in 2018. **Nutrex:** Ausschussessig geht in die Tierfutterindustrie (jährlich weniger als 1 %).

Nutrex: Waste vinegar is sent to the animal feed industry (less than 1% each year).

Swissmill: Milling by-products are sent to the animal feed industry.

Reismühle: By-products are sold as animal feed.

More information on this topic can be found [here](#).

Projekt 7.1 Managementansatz



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 by the company-wide objectives in the multi-year sustainability targets. Details of the approach to sustainability can be found [here](#).

Stand der Zielerreichung inkl. 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
	↑ 7.1.1 D We create sustainability strategy concepts and ensure that the sustainability organization is firmly established throughout the Coop Group's retail segment.	↑ 7.1.1 P We create sustainability strategy concepts at all our production plants and ensure that the sustainability organization is firmly established.	→ 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.

Highlights 2018

- In the 2018 WWF Rating, Coop comes out as the best retailer and a pioneer. Compared with the 2015 WWF Rating, the evaluation was improved almost across the board
- Group-wide implementation of the new [Sustainability Principles](#)
- Transgourmet Germany nominated for the German Sustainability Award in the “Large corporations” category.
- Integration of Hügli into the Bell Food Group's sustainability strategy
- Development of the first uniform minimum requirements applicable to all countries for sustainability in wholesale

Challenges in 2018

- Implementation of the new organization at the Marketing/Purchasing Business Unit in the sphere of own-label sustainability brands and quality labels as part of the new brand management
- More new initiatives and ratings in the sphere of sustainability, putting a lot of pressure on resources and risk of tying up resources for largely ineffective measures
- Public and very negative debate about labels and certificates within environmental organizations, causing uncertainty among consumers

2018

● Detailhandel

Marketing/Purchasing : Development of bases for carrying out a business partner rating using EcoVadis system. Integration of sustainability meetings into the meeting of the organizational units. Review and optimization of processes for own-label sustainability brands and quality labels.

Implementation of sustainability management: The sustainability strategy concept for the Coop Group was overhauled in 2017 and was adopted by the Executive Committee at the end of 2017. In 2018, the new organizational components (such as Pillar 3 Sustainability Steering Committee), the Group-wide sustainability principles and various communication-related measures were implemented. Regular dialogue between the Coop Sustainability Team, the Bell Food Group and the various Transgourmet national subsidiaries is effective and helps implement sustainability in a more resource-efficient way, with wider reach. Strategic committees in particular, such as the various steering committees, are driving forces here. In addition, dialogue between the Sustainability Team and the categories/purchasing has been intensified, ensuring that sustainability requirements are brought to the table at the right time and are implemented more efficiently.

WWF Rating: In the 2018 [WWF environment rating](#) for Food and Near-Food, we again topped the table in retail and were rated as a pioneer overall. Moreover, Coop has risen further up the rankings since the last rating in 2015 in almost every area of action. Our commitment in research and development and in the sourcing of raw materials were singled out for particular praise. Therefore, our sustainability performance is classed as “trendsetting” and, in some areas, even “visionary”. The very good outcome of the rating is renewed, external confirmation that our approach to sustainability is the right one.

External verification of data: “As part of the limited assurance mandate in respect of environmental targets which are published in the WWF report on company partnerships, PwC also carries out audits at Coop. These audits assess data as well as the processes for collecting and aggregating data, on a rotating basis. In 2017, we looked at the issues of climate, palm oil and wood at Coop, whilst in 2018 the focus was on seafood, coffee, cocoa and fruit and vegetables.” Raphael Rutishauser, PwC | Senior Manager

● Wholesale

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

Transgourmet Switzerland: Two-month project undertaken to improve the efficiency and accuracy of data collection for reusable materials.

Transgourmet Germany: Implementation of sustainability through sustainability ambassadors. Team Sustainability is involved in the flow process for trainees at head office. DEUTSCHLAND TEST, a FOCUS-MONEY brand, awarded Transgourmet Germany the accolade “Germany’s most valuable company” for its commitment to sustainability.

German Sustainability Award: Transgourmet Germany has been nominated for the German Sustainability Award in the “Large corporations” category. The prize is awarded by the Stiftung Deutscher Nachhaltigkeitspreis e.V. foundation in cooperation with the federal government, local umbrella organizations, trade associations, civil society organizations and research institutions to small, medium and large enterprises in all sectors. Nomination alone confirms to the companies taking part their skill at not only solving the problems of the future, but also at turning sustainability in to a genuine competitive advantage.

Transgourmet France: Start of implementation of ISO 14001 certification process at head office. Participation in Anti-Waste Day 2018.

Transgourmet Polska: Guideline on Sustainable Sourcing adopted.

● Production

Bell Food Group: Hügli joined the Bell Food Group in 2018. Following this acquisition, work has begun on integrating Hügli in the sphere of sustainability and a great deal of progress has already been made. The sustainability officers hold regular meetings to discuss overarching issues, such as monitoring targets and topical issues, and to evaluate strategic issues.

Matrix Coop Mehrjahresziele und Sustainable Development Goals

MJZ	5 GENDER EQUALITY	7 AFFORDABLE AND CLEAN ENERGY	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	11 SUSTAINABLE CITIES AND COMMUNITIES	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	1 NO POVERTY	3 GOOD HEALTH AND WELLBEING	4 QUALITY EDUCATION	6 CLEAN WATER AND SANITATION	17 PARTNERSHIPS FOR THE GOALS	2 ZERO HUNGER	10 REDUCED INEQUALITIES	13 CLIMATE ACTION	14 LIFE BELOW WATER	15 LIFE ON LAND	8 DECENT WORK AND ECONOMIC GROWTH	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
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	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	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					relevante impact					strong impact	