

# Coop Group Sustainability Progress Report

**A report for sustainability experts, our stakeholders and  
our partners**

All the information about Coop's commitment to sustainability  
can be found at [www.actions-not-words.ch](http://www.actions-not-words.ch)

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Sustainability Progress Report 2019

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

German



English



French



Italian



## Sustainability at Coop: actions, not words



Sustainability has constituted an integral part of Coop's business activity for decades. We work on sustainable product innovations, establishing and raising the minimum standards in our standard range and protecting the environment in our manufacturing companies and sales outlets. As a sustainability pioneer, we always try to take the first step and, together with our partners, champion sustainable consumption. The world and the society in which we live is constantly changing. Coop therefore seeks to identify and systematically tackle all the key sustainability issues, such as the current issue of reducing plastic, for example. Coop has evaluated the associated fields of action, selects the most environmentally meaningful packaging option in each instance and reviews new options for materials critically and with regard to all the relevant aspects. We do not feel that making rash promises without an overall strategy is a sustainable approach.

With its commitment to sustainability, Coop wants to assume responsibility within its sphere of influence and make an active contribution towards conserving resources. In doing so, we are concentrating on those processes that we can directly and immediately influence, but we are also working with partners to expedite sustainability projects along the entire length of our value chains. Our efforts are focused on maintaining biodiversity, using regenerative and renewable resources and materials, avoiding deforestation, reducing our energy consumption and CO<sub>2</sub> emissions, consistently applying sustainability standards for critical raw materials in our own-label ranges and promoting recycling. We are also investing in sustainable human resources management and exercising our social responsibility through a variety of projects and undertakings.

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## About this report

Sustainability is part of everyday life throughout the Coop Group and is integral to our business activities. Consequently, we also highlight 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 involved. 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 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 380 specific actions, we are demonstrating on a daily basis our commitment to increasing sustainability and comprehensively documenting 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, Chief Executive Officer*

## Sustainability at Coop

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

### Excerpt from the Coop Group Cooperative's Articles of Association

#### Art. 2 Purpose

1 The company's purpose [...] includes the promotion of its members' economic and social interests through mutual self-help as well as those of its consumers. Coop takes the necessary steps to safeguard its ongoing competitiveness and thus 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 the areas in which we can achieve the most leverage. We firmly enshrine sustainability in our core business and line management. Reflecting this, sustainability is incorporated in all relevant Coop Group strategies through our Sustainability Strategy, which we revised at the end of 2017. More information about the strategy 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 an 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. We have therefore been committed to sustainability for over 25 years. In order to consolidate 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 2014-2020 multi-year sustainability targets for the entire Coop Group. More information about these targets and the target development process can be found [here](#).

## Sustainable Development Goals

The United Nations Agenda 2030, which was adopted in September 2015, is a global action plan for sustainable development. At the heart of this plan are the [Sustainable Development Goals](#) (SDGs). The purpose of these goals is to safeguard sustainable development at an economic, social and environmental level. Through our business activities, we contribute to a number of these goals, while others lie within the sphere of influence of other industries or the public sector. The matrix on page 40 of this report illustrates which multi-year sustainability targets impact on which SDGs. To give one example, SDG 12, to ensure responsible consumption and production patterns has an immediate bearing on Coop's core business. With the objective of remaining the most expert provider of particularly sustainable ranges (Project 1.1) and establishing transparent and sustainable product chains (Project 1.2) by 2020, as well as our commitment to society, a total of 13 multi-year targets contribute to this important UN sustainability goal.

## Internal and external stakeholders

For Coop, regular discussions on sustainability issues inside and outside the company are vitally important. Internal discussion forums and coordination meetings are institutionalized and are held regularly. Coordination across all areas is important here – retail formats, manufacturing companies and wholesale need to be considered and involved in the discussions.

In order to develop relevant and ambitious targets, discussions with external stakeholders are also central for Coop. Viewing the company from a critical external standpoint generates important dialogues and valuable outputs. So in autumn 2019 we held a Coop stakeholder forum, inviting external experts from NGOs, scientific institutions and our partners who operate in the areas of sustainability that are relevant for us. The aim was to jointly define new, ambitious and pioneering targets for the period 2021 to 2025 based on our existing multi-year targets.

The foundation for the discussions at the stakeholder forum were the findings of a survey that had previously been conducted. This survey gathered information on the existing multi-year targets, important future issues and additional expectations relating to the next target period. Key findings were:

- All the subject areas covered by Coop in its multi-year sustainability targets were classed by stakeholders as being important or quite important.
- Some missing subject areas were noted, such as environmental responsibility in supply chains and social responsibility standards.
- Pillar 1, sustainable products, particularly needs some modification in terms of target formulation and measurement; the targets and target formulation in pillar 2, environmental and climate protection, and in pillar 3, employees and social involvement, can remain unchanged by and large, according to stakeholders.
- Multiple requests were made to define certain terms more precisely (e.g. what is included in sustainable product sales) and, where meaningful, to quantify targets.

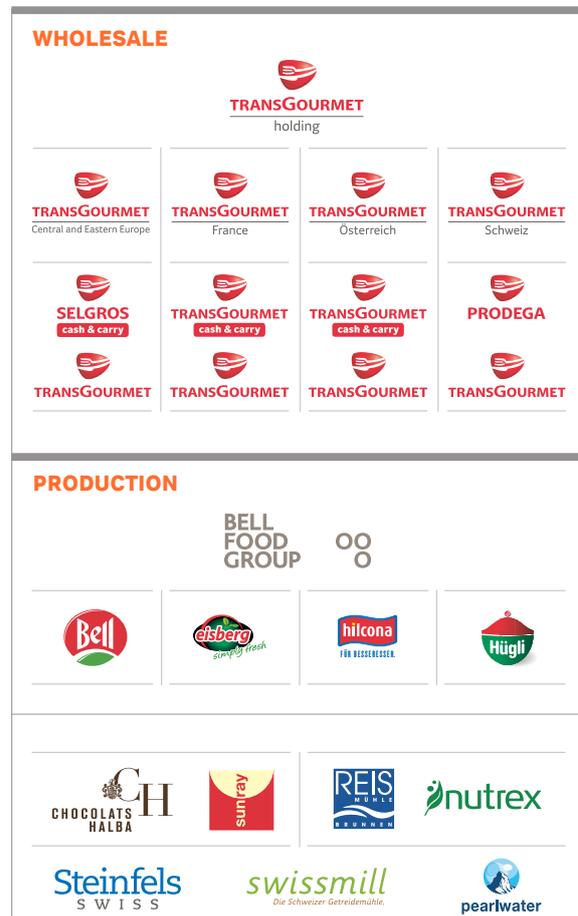
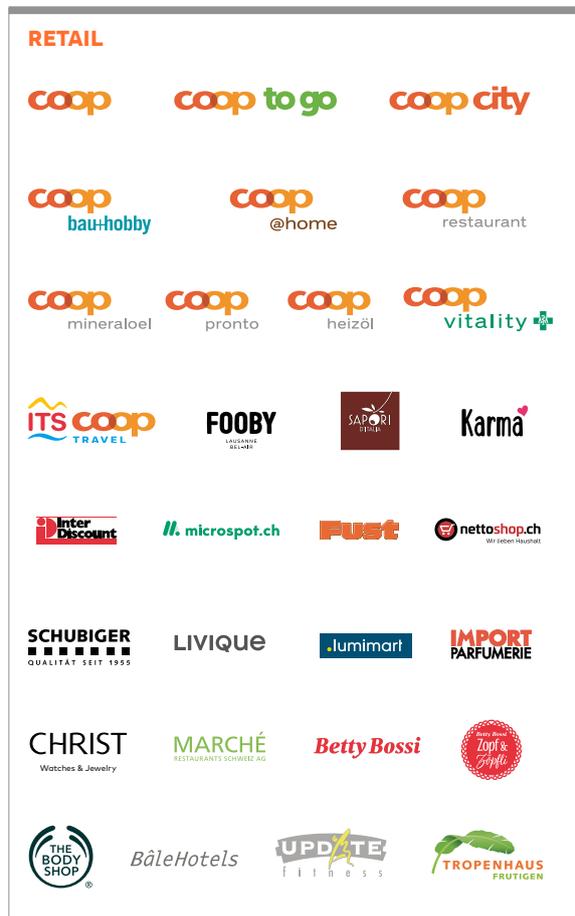
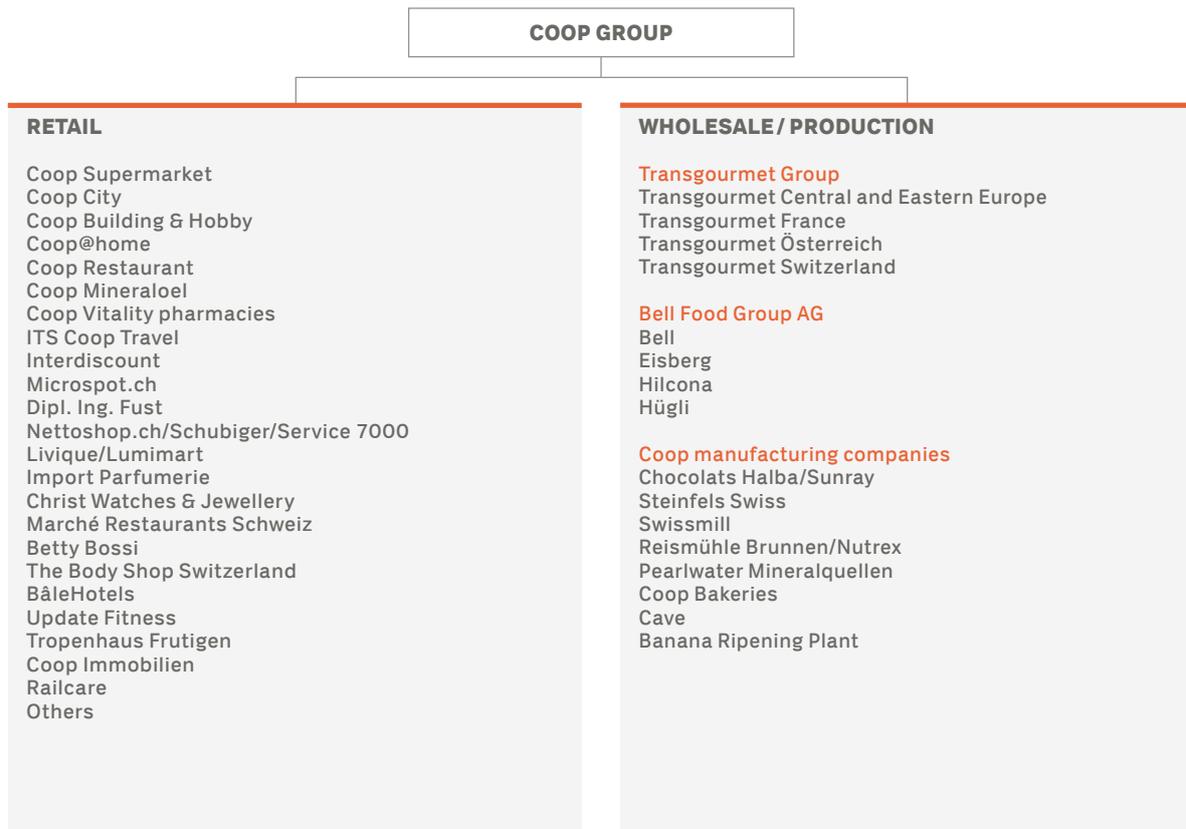
All the feedback received provided Coop with a sound basis for the current process of renewing the sustainability targets for 2021-2025.

## Reporting

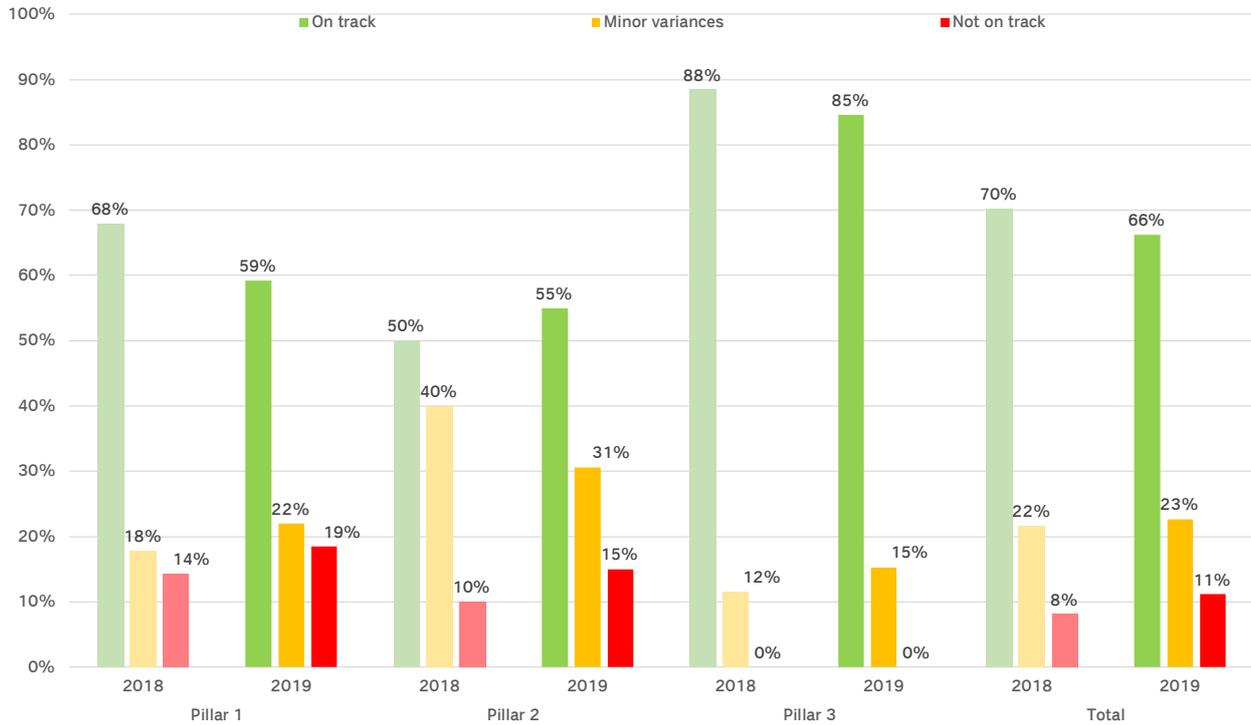
Below we report on the degree of attainment for the multi-year sustainability targets for 2014-2020 and the medium-term developments associated with these targets, and additional key figures on the Coop Group's commitment to sustainability. The report is broken down into the three business segments Retail, 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 its subsidiary Bell Food Group. A detailed breakdown of the business divisions is shown on page 7.

The following principles apply:

- Unless otherwise indicated, the report relates to the year 2019, the reference date being 31.12.2019.
- In order to review target attainment, progress for each target has been broken down into one-year periods.
- The following colour coding scheme is used when assessing the quantitative targets:
  - If higher is better: green  $\geq$  100 %, yellow 98.1-99.9 %, orange  $\leq$  98 %.
  - If lower is better: green  $\leq$  100 %, yellow 100.1-101.9 %, orange  $\geq$  102 %.
- 
- Qualitative targets are assessed by the appropriate specialists. Certain key performance indicators are also recorded, and are mentioned in this report.
- Der Status des Ziels folgt folgender Farbcodierung (qualitative und quantitative Ziele):
- The status of each target is depicted using the following colour coding scheme:
  - Green: on track.
  - Yellow: minor variances.
  - Orange: not on track.
- 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.
- Im Bericht werden meistens gerundete Zahlen verwendet, wobei prozentuale Veränderungen, wie etwa Wachstum, mit nicht gerundeten Zahlen berechnet worden sind.



### Summary of status for multi-year sustainability targets by pillar



year. This trend is most noticeable for pillar 1. Within pillar 1, the targets for increasing organic sales, sales of regional products and reducing packaging were not achieved. Several measures are being planned for 2020, particularly with regard to reducing packaging. The trend in sustainable product sales in pillar 1 is extremely positive, as is the rate for critical raw materials in Retail, and in pillar 2, the quota of reusable materials and the reduction in CO<sub>2</sub> emissions is most encouraging. The latter still constitute a challenge for the manufacturing companies. In pillar 3, employees and society, the trend in key figures has continued to be largely positive. Particularly encouraging are the many projects that are being implemented by Transgourmet national subsidiaries.

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

## Project 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, socially responsible and humane cultivation, production, processing and provision of goods and services. In this way, we reduce any negative impact on soil, 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:

- Expanding high-profile own-label sustainability brands subject with 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 and Max Havelaar).
- Promoting externally certified, sustainable standards with maximum credibility such as the Bio Suisse bud, Organic, Fairtrade Max Havelaar and FSC by expanding and marketing the relevant ranges
- Collaborating with research institutions and business partners to develop new ranges, including through the Coop Sustainability Fund.

### Degree of target attainment including trend in 2019

		Targets for Retail		Targets for Production		Targets for Wholesale	
		Trend	Description	Trend	Description	Trend	Description
1. Ranges with special added sustainability value	1.1 Coop is the most expert provider of particularly sustainable ranges.	↑	1.1.1 R We are increasing the percentage of our sustainability sales to 20.9 %. 21.1 %.	↑	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 1 663 million from organic products.	↑	1.1.2 P We are increasing turnover of organic products to CHF 318 million.	↓	1.1.2 W We are increasing turnover of organic products to CHF 82 million.
		↓	1.1.3 R We are increasing turnover of products bearing the Fairtrade Max Havelaar label 2.7-fold (compared with 2012).	↑	1.1.3 P We are quadrupling sales of products with the Fairtrade label to CHF 125 million (compared with 2012).	↓	1.1.3 W We are increasing turnover of products that offer social added value to CHF 40 million.
		↓	1.1.4 R We are increasing turnover of regional products to CHF 500 million	→	1.1.4 P We promote the use of Swiss raw materials.	↑	1.1.4 W We offer our customers an expert range of regional and local products
		↑	1.1.5 R We are increasing turnover of environmentally friendly products in the non-food segment to CHF 650 million.				

### Highlights of 2019

#### Retail:

- Coop renewed its partnership with Bio Suisse, and together we committed ourselves to the «Bio-Land Schweiz» (Organic Switzerland) vision, including a target of CHF 2 billion of organic sales by 2025.
- The Demeter range was expanded by around 40 products (total 160 products).
- We expanded the range of products that use Fairtrade source ingredients (FSI) even further.
- Hochstamm Suisse reported sales growth of 5.2 %.
- The Karma own-label brand is showing gratifyingly strong growth. A large number of new products were launched in 2019.
- Naturaline Cosmetics celebrated its 20th birthday:
  - There are now a total of 123 Naturaline cosmetics products on the market.
  - Gratifying sales growth of 18.6 % compared with the previous year 2018.

- The Oecoplan own-label brand celebrated its 30th anniversary:
  - The [Linthebene donation-funded project](#) was implemented in conjunction with WWF Switzerland. This project involves the ecological upgrading and networking of the Linthebene habitat for animals, plants and humans
  - Oecoplan recorded encouraging sales growth in its anniversary year.

#### Production:

- At Bell Switzerland, work began on the construction of the new «BTS+»<sup>1</sup> poultry house in Zimmerwald. The «Original Simmentaler» project was also successfully launched, with the aim of promoting the traditional dual-purpose [Simmentaler Fleckvieh](#) breed with the sale of high-quality dairy and meat products.
- Chocolats Halba introduced Bio bud Fairtrade Brazil nuts and Swiss sugar of Bio Suisse quality.
- Reismühle Brunnen succeeded in increasing its sales of sustainable rice to 60 %.
- Nutrex increased sales of sustainable vinegar to 30 %.

#### Wholesale:

- Transgourmet Germany launched the “Crowd Farming” project in conjunction with the Ursprung own-label sustainability brand – customers can acquire their own fish stocks and watch them being reared.
- Transgourmet Österreich defined clear guidelines and no-gos for the entire product range.
- Transgourmet France introduced a geolocation system for places where products are manufactured or produced. Customers can access the system via the Transgourmet France [website](#). Work is also underway on a range of regional products.
- Transgourmet Romania expanded its range of new regional and local products.
- A positive trend in organic products is discernible at Transgourmet Poland.

#### Challenges in 2019

##### Retail:

- Further growth was a huge challenge for Naturaplan following its anniversary year (+17.2 %). This challenge was successfully met with additional growth of 2.2 %.

##### Wholesale:

- At Transgourmet Russia and also in Romania and Poland, ensuring traceability and sustainability standards for raw materials, particularly in meat production, is proving challenging.

## Multi-year targets 1.1.1 Sales from sustainable products

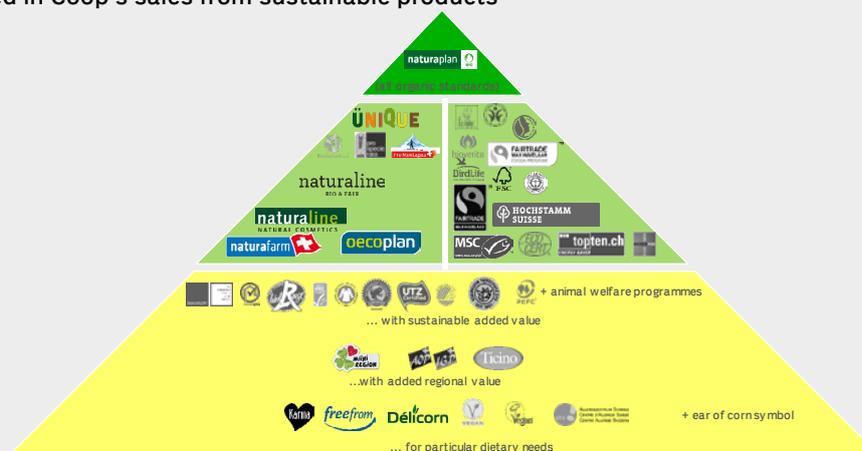
### Share of sales from sustainable products in total sales

As a percentage	2015	2016	2017	2018	Actual 2019	Target 2019	Target 2020
● Retail	20.2	21.8	23.2	24.1	25.0	20.9	21.1
● Wholesale	1.6	2.3	2.9	3.1	3.5	2.8	3.0
● Production	21.5	19.7	25.9	26.3	28.3	26.4	26.6

All business areas are on track. Growth of almost 5 % was achieved in Retail. There is a positive trend in particular for vegetarian, vegan and allergy ranges and the niche sectors of Heumilch, Demeter, Ünique, Solidarité and Hochstamm Suisse. Wholesale posted a positive increase of 0.4 percentage points and has exceeded the 2020 target a year early.

<sup>1</sup> Particularly animal-friendly housing. Additional information can be found [here](#).

## What's included in Coop's sales from sustainable products



- Own-label brands and quality seals that 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 that satisfy basic sustainability standards and have added environmental or social value compared with conventionally produced products. We therefore support them chiefly in brand ranges and in Wholesale.
- Regional products that 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 the increasing demand in areas including vegetarian/vegan diets and the rise in food intolerances and allergies.

## Breakdown of sales of sustainable products

### Sales of sustainable products in Retail

CHF millions	2016	2017	2018	2019
Naturaplan	1 049	1 091	1 279	1 307
Naturafarm	456	459	473	476
Heumilch			4	5
Oecoplan	148	153	145	149
Naturaline (textiles and cosmetics)	59	57	55	55
Others (Pro Montagna, Unique, Pro Specie Rara, Slow Food, Fairtrade Max Havelaar, Bio, MSC, ASC, FSC, Topfen, Hochstamm Suisse, Schweizer Pärke, Miini Region, Heumilch, Karma, Natrue, BDIH, Ecocert, Cosmos Blauer Engel, Bird Life, EU Ecolabel, GOTS) <sup>a)</sup>	875	1 492	1 563	1 246
<b>Sales of own-label brands and quality seals subject to the most stringent sustainability standard<sup>b)</sup></b>	<b>2 586</b>	<b>2 923</b>	<b>2 951</b>	<b>3 233</b>
<b>Sales of quality seals with sustainable added value (UTZ, Rainforest Alliance, Animal welfare programmes, PEFC, Natureplus, Nordic Swan, Label Rouge, Bluesign, Solidarité)<sup>b)</sup></b>	<b>371</b>	<b>404</b>	<b>425</b>	<b>445</b>
Regional organic products (Naturaplan Bio-Region, Oecoplan Bio-Region)	40	45	47	61
Miini Region	170	178	187	188
Others (Pro Montagna, Schweizer Pärke, AOP, Marchio Ticino)	181	192	178	182
<b>Sales of own-label brands and quality seals with added value for the region<sup>b)</sup></b>	<b>348</b>	<b>369</b>	<b>361</b>	<b>362</b>
Special products for allergy sufferers (Freefrom, Aha, ear of corn symbol, Milchkrug, sulfitefrei)	168	199	230	258
Products for vegetarians and vegans (Karma, Délicorn, V-Label)	287	364	402	479
Calorie-reduced products	53	57	69	72
<b>Sales of own-label brands and quality seals for special dietary and consumer needs<sup>b)</sup></b>	<b>468</b>	<b>559</b>	<b>634</b>	<b>710</b>

<sup>a)</sup> From 2016, the labels have been recorded individually and are no longer shown only as a difference.

<sup>b)</sup> No double counting.

**Share of sales of sustainable products in Production**

As a percentage	2017	2018	Actual 2019	Target 2019	Target 2020
Swissmill (Coop Naturaplan, Bio Knospe)	26.4	27.5	27.7	27.5	28.0
Chocolats Halba (Coop Naturaplan, Bio Knospe, Fairtrade Max Havelaar)	78.2	79.0	76.6	77.7	77.5
Reismühle Brunnen (Coop Naturaplan, Bio-Knospe, Fairtrade Max Havelaar)	50.3	57.4	60.3	51.7	52.3
Nutrex (Coop Naturaplan, Bio-Knospe)	26.7	26.5	29.9	27.9	28.5
Sunray (Coop Naturaplan, Bio-Knospe, Fairtrade Max Havelaar)	27.9	32.2	36.3	28.0	28.0
Steinfels Swiss (Coop Oecoplan, Coop Naturaline Natural Cosmetics, Maya)	32.4	34.1	37.0	33.0	33.3
Bell Food Group	23.7	24.0	25.9	24.1	24.3
<b>Share of sales from sustainable products at manufacturing companies</b>	<b>25.9</b>	<b>26.3</b>	<b>28.3</b>	<b>26.4</b>	<b>26.6</b>

**Share of sales from sustainable products in Wholesale**

As a percentage	2017	2018	Actual 2019	Target 2019	Target 2020
Transgourmet Switzerland	4.3	5.6	5.9	4.2	4.6
Transgourmet Germany	3.6	3.6	3.9	3.2	3.5
Transgourmet Poland	0.5	0.6	0.8	0.2	0.2
Transgourmet Romania	0.2	0.2	0.7	0.1	0.1
Transgourmet Russia	0.0	0.0	0.0	0.0	0.0
Transgourmet France	2.8	2.4	2.7	2.8	3.0
Transgourmet Austria	4.3	4.8	5.6	4.4	4.7
<b>Share of sales from sustainable products at Transgourmet</b>	<b>2.9</b>	<b>3.1</b>	<b>3.5</b>	<b>2.8</b>	<b>3.0</b>

**Sales of sustainable products by business area**

CHF millions	2015	2016	2017	2018	2019
Sales of sustainable products in Retail (incl. all retail subsidiaries) <sup>a)</sup>	3 319	3 528	3 810	4 084	4 221
Sales of sustainable products in Wholesale <sup>a)</sup>	128	193	257	291	342
Sales of sustainable products in Production <sup>a)</sup>	204	279	304	1 242	1 322
<b>Coop Group sales of sustainable products (consolidated)</b>	<b>3 543</b>	<b>3 855</b>	<b>4 256</b>	<b>4 671</b>	<b>4 711</b>

<sup>a)</sup> No double counting

**Multi-year target 1.1.2 Organic products****Sales of organic products**

CHF millions	2016	2017	2018	Actual 2019	Target 2019	Target 2020
● Retail	1 181	1 255	1441	1 475	1549	1 663
● Wholesale	46	57	66	70	74	82
● Production	274	304	432	483	313	318
<b>Coop Group (consolidated)</b>	<b>1 255</b>	<b>1 389</b>	<b>1939</b>	<b>1 793</b>	<b>—</b>	<b>—</b>

Retail is not on track. It was nevertheless able to record sales growth of 2.2 % following strong growth in Naturaplan's anniversary year in 2018. Whereas organic sales in Switzerland account for just under 10 %, they have reached a healthy 14 % at Coop.

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

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

#### Sales of products with added social value

CHF millions	2016	2017	2018	Ist 2019	Ziel 2019	Ziel 2020
● Retail, of which	578	679	733	741	-	-
Fairtrade Max Havelaar	397	436	494	488	420	441
Naturaline products made from fairly traded organic cotton	54	50	48	46	-	-
Pro Montagna	40	57	44	44	-	-
Other quality seals with social added value (Rainforest Alliance, UTZ)	88	152	147	163	-	-
● Wholesale, of which	18.1	42	46	49	35	40
Fairtrade Max Havelaar	14	18	32	17	-	-
● Production, of which	a)	a)	a)	a)	a)	-
Fairtrade Max Havelaar	97	114	138	151	121	125

a) Social added value not calculated.

All business areas are on track. Retail was unable to maintain its high 2018 figure. This was due to several new products in the Prix-Garantie range, such as pineapples. Coop also seeks to define and implement minimum standards for Prix-Garantie ranges. In 2019, Production was able to exceed its target for 2020 by CHF 26 million.

#### Fairtrade and added social 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 lies at home: the raw materials originate from, and are processed in, Swiss mountain regions. Not only does this keep the added value in the mountain regions, but a portion of the sale price also goes to the Zewo-certified Coop Aid for Mountain Regions. This supports the families of mountain farmers with investment credit and funding for projects in mountain and Alpine regions. In addition, the Coop Group 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<sup>a)</sup>

#### Sales of regional products

CHF millions	2015	2016	2017	2018	Ist 2019	Ziel 2019	Ziel 2020
● Retail, of which	322	348	369	361	362	467	500
Regional organic products	15	40	45	59	61	-	-
Miini Region	140	170	178	187	188	-	-
Others <sup>b)</sup>	185	181	192	178	182	-	-
● Wholesale							qualitativ
● Production							qualitativ

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

b) Pro Montagna, Schweizer Pärke, AOP, Marchio Ticino

In Retail, we were unable to meet the target for regional products, with growth in this area proving difficult. Wholesale was able to meet its targets. However, the demand for regional products is still very low in Wholesale. The manufacturing companies are also on track overall, thanks primarily to product ranges switching to Swiss raw materials for sugar, juices and powdered milk.

### Sustainability of regional products

In Retail and Wholesale, we provide a sales channel for regional producers and are increasing added regional value. For the Miini Region own-label retail brand, for instance, at least two-thirds of the added value must be created regionally. This benefits both structurally weak regions and smaller, artisanal producers. Regional products travel shorter distances but, because of their small quantities, they are logistically more time-consuming to handle and necessitate exacting quality control. Retaining traditional recipes and craftsmanship is in line with social expectations. The Bio-Regio product line provides a retail range of regional organic products that satisfy the most stringent Bio Suisse bud requirements. In Wholesale, the Origine/Ursprung/Vonatur own-label brand is defining basic requirements for origin, animal welfare and the environment. In Production, the focus is on using Swiss raw materials that meet the strict 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

CHF millions	2016	2017	2018	Actual 2019	Target 2019	Target 2020
● Retail, of which	494	634	632	672	620	650
Oecoplan	148	153	145	149	–	–
Naturaline textiles and cosmetics	59	57	55	55	–	–
FSC	225	231	231	237	–	–
Topten	149	145	154	157	–	–

This 2020 target was already exceeded in the year under review. With over 2,500 products, Oecoplan increased sales by CHF 4 million, in part thanks to its 30th anniversary. Huge efforts in various product ranges meant that some products were switched to FSC, and some non-certified products were replaced with ones that are FSC-certified. However, a significant increase in FSC sales will become increasingly difficult because there is only limited availability of branded articles with the FSC label in particular. Coop will be discussing this trend with brand manufacturers in 2020. Naturaline textiles generated sales worth CHF 38 million with further growth of 5 % expected next year (25<sup>th</sup> anniversary). In its 20th anniversary year, Naturaline cosmetics posted growth of 18.6 %.

## Project 2.1 Sustainable product chains



By 2020, Coop intends to have created transparent value chains that 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:

- Promoting transparency and traceability as a prerequisite for the effective optimization of product chains.
- Defining and enforcing minimum sustainability standards with the emphasis on recognized external standards and industry standards such as amfori BSCI and GLOBAL G.A.P.
- Systematically implementing minimum sustainability standards for critical raw materials right through to primary production.
- Committing to the development and refinement of relevant standards through active involvement in the appropriate bodies.
- Promoting and implementing more stringent animal welfare standards for meat, milk and eggs.
- Reducing and optimizing packaging material along the product chain.

### Degree of target attainment including trend in 2019

		Targets for Retail	Targets for Production	Targets for Wholesale		
2. Sustainability throughout the range 2.1 Coop has transparent product chains which take account of people, animals and the environment.	→	2.1.1 R We are creating transparency / traceability of ownlabel brands along the production and supply chain.	↑	2.1.1 P We are able to transparently illustrate the product chain for all products and trace products through each production stage.	→	2.1.1 W We are able to transparently illustrate the product chain for own-label products and trace products through each production stage.
	↓	2.1.2 R We apply at least minimum sustainability standards to 93.3 % of critical raw materials used in our own-label brands.	↓	2.1.2 P We apply minimum sustainability standards to 95.0 % 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 of 2019

#### Retail:

- Coop successfully implemented the SPRING water standard in Spain, Italy and Morocco and also for avocado producers in Chile and Peru.
- Coop became the first retailer to meet all of its soya requirements for own-label brands with responsible soya in line with the highest standards.

- We included organic PiWi<sup>2</sup> -wines in the Coop range.
- For the sixth time, Coop led the field in the animal welfare ratings produced by the Business Benchmark for Farm Animal Welfare.
- Around 275 tonnes of packaging material were saved or optimized

#### **Production:**

- Sunray/Chocolats Halba recorded an increase in the sales of labelled products amounting to CHF 69.5 million.
- Reismühle Brunnen succeeded in winning new customers for sustainable products in Europe.

#### **Grosshandel:**

- The Transgourmet national subsidiaries in Germany, France, Austria and Switzerland adopted a sustainability standard for the joint international purchasing of own-label brand products.
- Transgourmet Germany defined guidelines for own-label brands for palm oil and fish/seafood, and is testing the sale of loose fruit and vegetables in five stores.
- Transgourmet Switzerland took the first steps towards reducing plastic packaging in its fruit and vegetable range and was able to save around 31 tonnes of plastic packaging in the year under review.

### **Challenges in 2019**

#### **Retail:**

- Many new packaging materials are appearing on the market, which are being extolled by their manufacturers as sustainable. For Coop, switching packaging only makes sense if the environmental footprint of the new packaging is at least as good as that of the existing packaging. It is vital to carry out a case-by-case review, taking account of all the relevant aspects. Organic plastics made from starch and maize usually have a poor environmental footprint, compete with food production and generally originate from monocultures. So at Coop, they are by and large banned.
- Coop has a large water and CO<sub>2</sub> footprint in its supply chain (94 million cubic metres of fresh water and 3.53 million tonnes of CO<sub>2</sub>eq). Reducing water and CO<sub>2</sub> emissions is one of the key challenges we face in the years to come.
- The new «DETOX and Naturaline supply chain» safeguarding strategy is intended to ensure that chemicals are used in the textile manufacturing process in a way that is environmentally and socially acceptable.
- Pilot audits and waste-water testing at a wet process level have been carried out in the textile value creation chain for our own-label brands. The results show that there is still room for improvement in the implementation of DETOX requirements.

#### **Wholesale:**

- Transgourmet Germany is experiencing increased pressure from customers and marketing with regard to sustainable packaging, plastic-free packaging and reusable solutions.

#### **Production:**

- Many rice farmers had to increase their prices due to poor harvests, and this also had an impact on consumer prices. Securing long-term supplies of raw materials bearing the bio bud label is also seen by Reismühle Brunnen as a challenge.

## Multi-year target 2.1.1 Transparency and traceability

### Transparency and traceability of own-label brands

2019

#### ● Retail

- With the successful implementation of the [EcoVadis](#) pilot project, Coop has identified a suitable tool for monitoring duty of care and transparency in the supply chain. In this pilot project, the commitment to sustainability of 52 suppliers was evaluated. The evaluations were of a high quality and are suitable for fulfilling the Coop procurement strategy 2020+. The request to roll out EcoVadis was postponed in 2019. Coop does not currently have a tool with which it can evaluate direct business partners in a standardized way.
- A successful supply chain analysis was conducted for coffee, processed tomatoes and eggs for use in food processing. Thanks to this analysis, it has been possible to extrapolate and implement improvement measures. The entire supply chain for own-label brands was also analysed right through to the final step that added value. This will enable social responsibility standards (such as amfori BSCI) to be efficiently addressed and implemented in the food sector.

#### ● Wholesale

- At Transgourmet Germany, traceability is only possible within the scope of legal obligations.
- At Transgourmet Poland, suppliers have accepted the guidelines on sustainable sourcing. This represents an important step towards traceability.
- Transgourmet France took part in the EcoVadis pilot project initiated by Coop.

#### ● Production

- Chocolats Halba is able to trace cocoa back to the cooperative. This is only partially possible for cocoa butter.
- Swissmill is able to trace its raw materials back to the first stage of processing, but often not back to their source.
- Steinfels Swiss can ensure the traceability of chemical ingredients.
- At Reismühle Brunnen, transparency is guaranteed and monitored using spot checks for all its principal raw materials.

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

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

As a percentage	2016	2017	2018	Actual 2019	Target 2019	Target 2020
● Retail	81.3	88.1	89.3	91.0	90.0	93.3
● Wholesale						qualitative
● Production	86.9	91.2	88.0	87.9	93.5	94.9

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	Actual 2019	Target 2019	Comment	Target 2020	Unit
<b>Meat</b>						
<i>Animal welfare in husbandry, slaughter and transport</i>						
Percentage of fresh meat at least in accordance with the requirements of Swiss animal welfare legislation	Bio Suisse, Suisse Garantie, Natura farm, BTS, RAUS, Natura Beef, Natura Veal, imports in accordance with Swiss animal welfare legislation or stricter	87.3 %	92.7 %	See also MYT 2.1.4	95.0 %	CHF (procurement turnover)
<b>Milk</b>						
<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, BTS, RAUS, imports in accordance with Swiss animal welfare legislation or stricter	100.0 %	100.0 %	See also MYT 2.1.4	100.0 %	CHF (procurement turnover)
Percentage of own-label cheese at least in accordance with the requirements of Swiss animal welfare legislation	Bio Suisse, Suisse Garantie, BTS, RAUS, imports in accordance with Swiss animal welfare legislation or stricter	85.8 %	81.2 %	See also MYT 2.1.4	85.0 %	CHF (procurement turnover)
Percentage of other milk-based own-brand products at least in accordance with the requirements of Swiss animal welfare legislation	Bio Suisse, Suisse Garantie, BTS, RAUS, imports in accordance with Swiss animal welfare legislation or stricter	99.7 %	93.3 %	See also MYT 2.1.4	95.0 %	CHF (procurement turnover)

Critical raw materials	Accepted standards	Actual 2019	Target 2019	Comment	Target 2020	Unit
<b>Eggs</b>						
<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, BTS, RAUS, imports in accordance with KAT or stricter	93.6 %	97.0 %	Other areas of animal welfare currently need to be prioritized.	100.0 %	CHF (procurement turnover)
Percentage of processed eggs in own-label brands at least in accordance with the requirements of Swiss animal welfare legislation	Bio Suisse, Suisse Garantie, Naturafarm, BTS, RAUS imports in accordance with KAT or stricter	99.7 %	83.3 %	See also MYT 2.14	90.0 %	Tonnes
<b>Fruit and vegetables</b>						
<i>Working conditions, water, soil conservation, pesticide use</i>						
Percentage of fresh fruit and vegetables 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	99.6 %	99.3 %		100.0 %	CHF (procurement turnover)
Percentage of fresh fruit and vegetables from countries/regions of high water stress grown in accordance with a water standard	SPRING, EWS, AWS	40.4 %	65.5 %	Roll-out of the SPRING water standard is currently underway, but it is not yet sufficiently implemented.	75.0 %	CHF (procurement turnover)
Percentage of fresh fruit and vegetables from risk countries grown in accordance with social responsibility standards	Fairtrade, Rainforest Alliance, SA8000, IMO Fair for Life, BSCI PP, GRASP, Sedex/SMETA, SIZA	97.0 %	90.8 %		95.0 %	CHF (procurement turnover)
Percentage of processed own-label fresh fruit and vegetables 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	88.2 %	90.8 %	DGlobalG.A.P. / SwissG.A.P. are not common standards for processed fruit and vegetables.	95.0 %	CHF (procurement turnover)
Percentage of processed own-label fresh fruit and vegetables from risk countries grown in accordance with social responsibility standards	Fairtrade, Rainforest Alliance, SA8000, IMO Fair for Life, BSCI PP, GRASP, Sedex/SMETA, SIZA	84.1 %	64.2 %		75.0 %	CHF (procurement turnover)
<b>Flowers and plants</b>						
<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 Global G.A.P. as equivalent	83.3 %	92.2 %	Important supplier with a low GlobalG.A.P. percentage	95.0 %	CHF (procurement turnover)
Percentage of flower 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	91.3 %	81.0 %	Suppliers from the Netherlands with a low GlobalG.A.P. percentage	90.0 %	CHF (procurement turnover)
<b>Fish and seafood</b>						
<i>Overfishing, bycatch, working conditions, antibiotic and pesticide use in farming, land usage</i>						
Percentage of sustainable fish and sustainable seafood (brands and own-label brands including restaurant)	According to WWF from recommended and accepted sources (scores 1 and 2 = recommended, score 3 = accepted)	100.0 %	100.0 %		100.0 %	CHF (procurement turnover)
<b>Coffee</b>						
<i>Working conditions, water, pesticide use, child labour</i>						
Percentage of own-label coffee meeting a sustainability standard	Fairtrade, Bio Suisse, UTZ, Rainforest Alliance, 4C	95.5 %	99.3 %	Prix-Garantie coffee capsules were switched to UTZ	100.0 %	CHF (procurement turnover)
<b>Cocoa</b>						
<i>Deforestation, working conditions, child labour, pesticide use</i>						
Percentage of own-label cocoa products meeting sustainability standard	Fairtrade, Bio Suisse, UTZ, Rainforest Alliance	97.6 %	98.7 %	Target 020 is difficult to achieve due to various special items.	100.0 %	CHF (procurement turnover)
<b>Rice</b>						
<i>Deforestation, working conditions, child labour, methane emissions</i>						
Percentage of own-label rice from risk countries meeting sustainability standard	Fairtrade, Bio-Suisse	99.2 %	99.9 %	Sadri Fine Food rice from Iran does not meet the sustainability standard	100.0 %	CHF (procurement turnover)

Critical raw materials	Accepted standards	Actual 2019	Target 2019	Comment	Target 2020	Unit
<b>Palm oil</b>						
<i>Deforestation, water, working conditions</i>						
Percentage of physically sustainable palm oil in own-label food	RSPO IP, RSPO Segregated, Bio Suisse	99.8 %	97.7 %		100.0%	Tonnes
Percentage of sustainable palm oil in own-label non-food	RSPO IP, RSPO Segregated, RSPO Mass Balance, Bio Suisse	74.3 %	77.7 %		80.0%	Tonnes
<b>Soya</b>						
<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	95.5 %	94.7 %	Survey by Soy Network Switzerland	95.0%	Tonnes
<b>Hazelnuts</b>						
<i>Working conditions, child labour</i>						
Percentage of hazelnuts in own-label brands meeting sustainability standard for cultivation	Bio-Suisse, UTZ	84.9 %	68.8 %	UTZ is already widely implemented	80.0%	Tonnes
<b>Wood and paper products</b>						
<i>Abholzung, Arbeitsbedingungen</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	94.3 %	95.7 %		98.0 %	CHF (procurement turnover)
<b>Cotton</b>						
<i>Water, pesticide use, child labour</i>						
Anteil Baumwolle mit Nachhaltigkeits-Standard im Eigenmarkenbereich	Fairtrade, Bio Suisse, bioRe Standard, Better Cotton Initiative (BCI), Cotton Made in Africa (CmiA), Organic Cotton Standard (OCS)	71.0 %	72.2 %	Broad implementation of BCI cotton only from 2019	80.0 %	CHF (Beschaffungsumsatz)

#### Percentage of critical raw materials meeting a sustainability standard<sup>a)</sup> at the manufacturing companies

As a percentage	2017	2018	Actual 2019	Target 2019	Target 2020
<b>Bell Switzerland</b> <i>Meat, milk, eggs, fruit and vegetables, fish and seafood, palm oil, soya</i>	92.6	89.6	88.1	94.2	95.3
<b>Coop bakeries</b> <i>Milk, eggs, fruit and vegetables, cocoa, hazelnuts, palm oil</i>	96.7	95.8	99.2	98.1	98.5
<b>Chocolats Halba</b> <i>Milk, cocoa, hazelnuts</i>	92.0	99.0	96.2	97.3	98.7
<b>Nutrex</b> <i>keine kritischen Rohstoffe</i>	–	–	–	–	–
<b>Reismühle Brunnen<sup>b)</sup></b> <i>Rice</i>	94.6	88.8	93.3	87.5	95.0
<b>Steinfels Swiss</b> <i>Palm oil</i>	81.1	83.7	87.0	82.5	82.5
<b>Sunray<sup>c)</sup></b> <i>Fruit and vegetables, cocoa, hazelnuts</i>	58.3	41.9	66.8	66.4	75.4
<b>Swissmill<sup>d)</sup></b> <i>Milk</i>	100	81.7	86.2	80.0	80.0

<sup>a)</sup> Minimum standards as in Retail.

<sup>b)</sup> Reismühle Brunnen target modified from 95 % to 90 %.

<sup>c)</sup> Target modified for Sunray: old 81.2 %, new 75.4 %.

<sup>d)</sup> Swissmill target modified from 100 % to 80 %.

Overall, the manufacturing companies are not on track to meet their targets. Bell Switzerland will have to take action, particularly for meat, in order to meet the 2020 target. Achieving this target is directly related to achieving the target for Retail. The assumption that Retail sales would increase led to Bell's target being raised in 2018. This assumption proved to be false, so the target for the next period had to be corrected. Coop bakeries exceed their target by 0.3 percent. Chocolats Halba narrowly missed its target. One reason for this was uncertified cocoa beans from producers in Honduras who are currently undergoing the organic certification process, and small cooperatives that are also not certified. Steinfels Swiss has already exceeded its target for 2020. This was due to various instances of switching over to RSPO-certified palm oil. Despite a large year-on-year increase and a target that had been modified downwards, Sunray was unable to achieve that target.

## Multi-year target 2.1.3 Sustainable sourcing of important raw materials

### Situation with regard to sustainable sourcing of important raw materials

2019

#### ● Retail

- The range of teas meeting sustainability standards is being steadily and systematically expanded.
- Various [fund projects](#) were implemented or launched.

#### ● Production

- Chocolats Halba is promoting the cultivation of [sustainable premium cocoa in Madagascar](#) in a dynamic agro-forestry system to protect the ecosystem and the neighbouring national park.
- Reismühle Brunnen is continuing to implement [sustainability projects in India and Thailand](#).

### Additional key figures for Retail

#### Implementation of the amfori Business Social Compliance Initiative (BSCI)<sup>a)</sup> in 2019

Suppliers	Percentage of suppliers with valid accepted amfori BSCI status <sup>b)</sup>		Percentage of suppliers undergoing the amfori BSCI process		Percentage of suppliers not within the process	
	2018	2019	2018	2019	2018	2019
Bau & Hobby	85	84	7	4	8	12
Non/Near Food	90	82	3	1	7	17
Food	78	74	0	0	22	26
<b>Total</b>	<b>82</b>	<b>78</b>	<b>2</b>	<b>1</b>	<b>16</b>	<b>21</b>

<sup>a)</sup> The Business Social Compliance Initiative (BSCI) is a supply chain management system that helps companies observe social standards and promote improvements in factories and agricultural businesses within their global supply chains. More information about amfori BSCI can be found [here](#).

<sup>b)</sup> Coop accepts all valid audits with an overall result of A, B or C. If this level is not achieved, the suppliers are re-audited and actions specified. Additional information can be found [here](#).

Overall, the proportion of suppliers with valid, accepted BSCI status fell by 4%. In the food sector, this decline is due to improved data collection methods. In general, implementing amfori BSCI is a challenge for suppliers, and this will be systematically addressed in 2020. As well as the amfori BSCI audit, Coop also accepts the Sedex audit (SMETA), which is particularly widespread in the agricultural supply chain.

### Anteil Torf im Gesamtsortiment Erden

As a percentage	2016	2017	2018	Actual 2019	Target 2019	Target 2020
● Peat						
Share of peat in composts across the entire range	4.8	2.7	0.6	0.0	0.0	0.0

Target attainment is on track, and the final bags of flower and plant compost that contain peat are currently being sold off. As its next step, Coop has undertaken to gradually reduce the use of peat in substrates used in plant production and to reduce the number of pot plants that contain peat. The peat content is to be reduced by 30 % by 2020 and by 50 % by 2025, falling to a level of 5 % by 2030.

## Multi-year target 2.1.4 Animal welfare

### Implementation of animal welfare standards throughout the range

2019

#### ● Retail

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

- The «Wiesenschwein» free-range pigs pilot project incorporating the very highest animal welfare standards was successfully launched. It is a unique undertaking. The pigs have round-the-clock access to an exercise yard with a rummaging area, daily access to a large free-range area with wallowing pool, and are able to access a meadow in good weather.
- All our labels are ranked in the two best classes, making Coop the retailer with the highest percentage of meat in the top-classed labels.

### ● Wholesale

- Transgourmet Germany is increasingly working with NGOs and associations such as the Albert Schweitzer Foundation in the field of animal welfare.
- Transgourmet Romania is discontinuing all shell eggs and egg products (e.g. liquid egg, whole eggs, cooked and shelled eggs) from caged birds (including those reared in small groups) for all labels by 2025, as is Germany by the end of 2021.
- All Transgourmet national subsidiaries in Eastern Europe have undertaken to discontinue all shell eggs from caged birds for all labels by the end of 2025.

### ● Production

#### Bell Food Group/Bell Switzerland:

- Bell Switzerland supplies grass-fed cattle from humane and natural suckler cow husbandry to Transgourmet Switzerland for the Origine programme.
- Bell Switzerland is closely involved in implementing and achieving the targets for the industry solution to prevent the slaughter of pregnant cows.
- Since 2015, Hubers Landhendl has been expanding its poultry production in line with the model of the Swiss BTS standard for supplying the Swiss market. The idea of animal welfare has found favour in the Austrian retail sector, and products have been sold all over Austria since 2015.

## Additional key figures for Retail

### Sales of products with added value in regard to animal welfare

CHF millions	2014	2015	2016	2017	2018	2019
Naturafarm	435	443	457	460	473	476
Naturaplan (meat, eggs, milk <sup>a)</sup> )	105	107	113	292	322	322
Animal welfare programmes	-	160	181	213	250	236
<b>Sales of products with added value in regard to animal welfare</b>		<b>710</b>	<b>751</b>	<b>965</b>	<b>1 045</b>	<b>1 034</b>

<sup>a)</sup> Until 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 article manufacturers

2019

### ● Retail

- 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.
- Suppliers of branded articles were also included in the EcoVadis pilot project. More information on the subject of transparency can be found [here](#).

## Multi-year target 2.1.6 Packaging material

### Reduction and ecological optimization of packaging material (cumulative, 2012 baseline)

in tonnes	2015	2016	2017	2018	Actual 2019	Target 2019	Target 2020
● Retail	2 415	2 675	2 820	3 128	3 402	3 683	4 000
● Wholesale							qualitativ
● Production	1 448	1 905	2 510	3 155	3 345	2 648	3 191

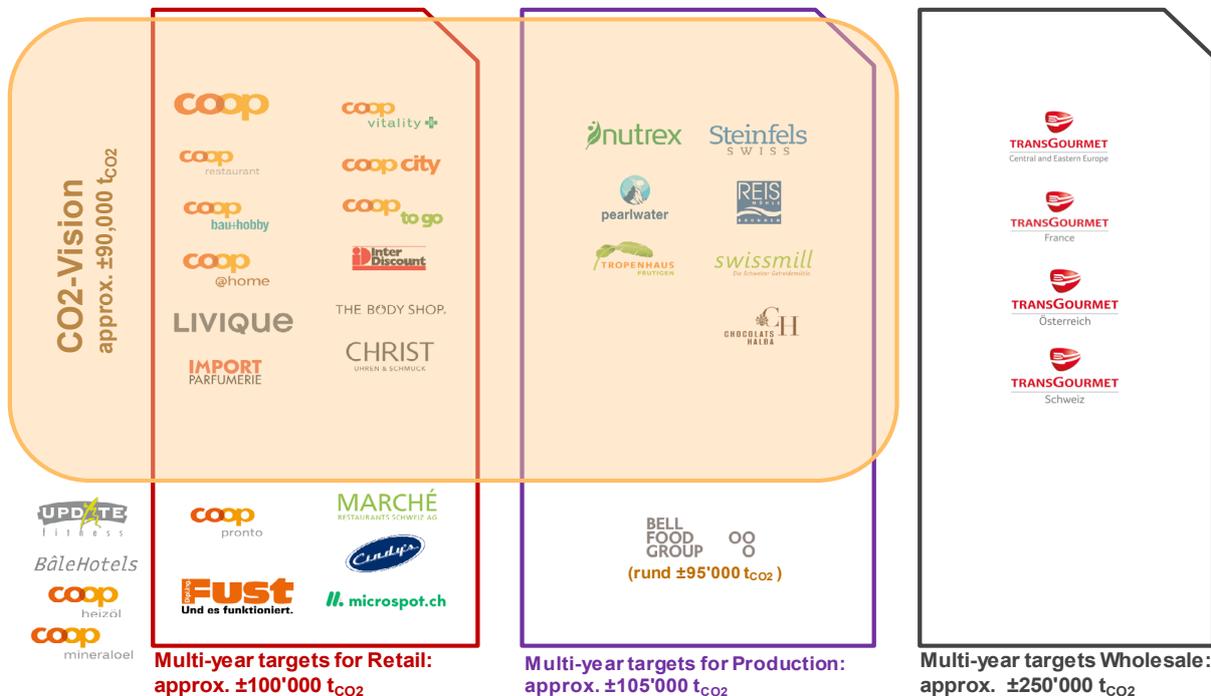
The reduction target was not met in Retail, despite reducing and optimizing around 275 tonnes of packaging material in 2019. Thanks to an expansion in the range of unpackaged vegetables and the new labelling system with stickers and elastitags, it was possible to save 5.7 tonnes of plastic. The bottle for our own-label brand Fox Ultra washing-up liquid is now manufactured entirely from 100% recycled PET. This switch has resulted in annual savings of 17 tonnes of new PE. Cakes and tart slices are now packaged in cardboard packaging with a PET window, saving 28 tonnes of plastic per year. The reCIRCLE reusable cutlery introduced in all Coop restaurants received positive feedback from staff and customers alike. The reCIRCLE system is working well, both technically and in terms of content, and is becoming widely accepted. Despite many innovative packaging solutions, Coop did not achieve its reduction target in 2019.

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 through to 2020 and protecting the climate by systematically lowering CO<sub>2</sub> 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 «CO<sub>2</sub>-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. The average annual emissions are specified in accordance with the multi-year target and the CO<sub>2</sub> vision. The emissions reported in the Annual Report and the CO<sub>2</sub> Vision relate to CO<sub>2</sub> and not CO<sub>2</sub> equivalent (CO<sub>2</sub>eq). This means that the greenhouse gas emissions generated by goods (e.g. the Coop member press) and coolant consumption (in our shops) are not included. The scope of this vision is delineated as follows:



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

#### Our key starting points:

- Implementation of the vision of being «CO<sub>2</sub>-neutral by 2023» at the business units of the Coop Cooperative and measures to reduce energy consumption and increase the share of renewable energy throughout the Coop Group, especially in new and upgraded buildings
- Systematic conversion to LED lighting
- Use of natural refrigerants such as CO<sub>2</sub> and ammonia
- Use of waste heat from cooling systems
- Switzerland: construction in accordance with the Minergie standard
- Schweiz: Bauen nach Minergie-Standard
- Low-CO<sub>2</sub> electricity generation (100% hydropower at the business units and Bell Switzerland)
- Use of renewable energy for heating
- Promotion of innovative transport systems based on renewable energy (see Project 4.2)

## Degree of target attainment including trend in 2019

3. Energy / CO <sub>2</sub>		Targets for Retail		Targets for Production		Targets for Wholesale	
3.1 CCoop is significantly reducing its own energy consumption and protecting the climate by systematically reducing CO <sub>2</sub> emissions.	↓	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 <sup>2</sup> 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 60.4 %.			
	↑	3.1.4 R We are reducing CO <sub>2</sub> emissions in absolute terms by 19.2 % compared with 2012.	↑	3.1.4 P We are reducing CO <sub>2</sub> emissions in absolute terms by 21.2 % compared with 2015.	↑	3.1.4 W We are reducing specific CO <sub>2</sub> emissions per m <sup>2</sup> 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 <sub>2</sub> emissions per tonne of delivered goods by 18.7 % (compared with 2015).	

## Highlights of 2019

## Retail:

- The carbon offsetting agreement with WWF Switzerland has been extended.
- The downturn in air freight continued once again in 2019. Emissions from air freight fell by 6,619 tonnes compared with the previous year.
- The «CO<sub>2</sub>-neutral by 2023» vision was updated.
- A ban on the use of fossil fuels for heating new and upgraded buildings was introduced with immediate effect

## Production:

- At Bell Switzerland, a preliminary project for a new high-pressure heat pump (at Bell Switzerland's Zell site) was completed in 2019. Installation is set to take place in 2020. This new heat pump is likely to save around 1,900 MWh of fossil fuel per year.
- Chocolats Halba has completely stopped using oil as a fuel, and was therefore able to cut its CO<sub>2</sub> emissions by over 50 % compared with the previous year.

## Wholesale:

- Transgourmet Österreich achieved carbon neutrality for all the products in the organic own-label brand «natürlich für uns».
- Transgourmet France achieved significantly better results in the fields of energy consumption and CO<sub>2</sub> emissions. This was thanks to ongoing efforts to reduce energy consumption in its warehouses.

## Challenges in 2019

## Production:

- For Transgourmet Poland, the increased use of electricity generated from coal in the national energy mix is a problem.

## Wholesale:

- The combination of energy efficiency and major growth is proving a challenge for Reismühle Brunnen.

## Multi-year target 3.1.1/2 Reduction in energy consumption

### Reduction in absolute and relative energy consumption<sup>a)</sup>

	2016	2017	2018	Ist 2019	Ziel 2019	Ziel 2020
● Retail (MWh)	1 134 156	1 167 296	1 149 450	1 115 000	-8.6 %	-8.6 % <sup>b)</sup>
● Wholesale – West <sup>d)</sup> (kWh/m <sup>2</sup> )	293	295	294	274.7	-5.3 %	-5.3 % <sup>c)</sup>
● Wholesale – East <sup>e)</sup> (kWh/m <sup>2</sup> )	530	530	530	529.8	-1.3 %	-1.3 % <sup>c)</sup>
● Wholesale – Supply (kWh/tonne)	283	280	280	253.9	-20.4 %	-20.4 % <sup>c)</sup>
● Produktion (MWh)	596 647	660 390	726 794	592 509	576 133	-2.7 % <sup>c)</sup>

<sup>a)</sup> Reading aid for table: The aim is to cut energy consumption (kWh/m<sup>2</sup>) by 5.3 % in Wholesale – West by 2020 (compared to 2015). In absolute terms, this means consuming a maximum of 274.7 kWh/m<sup>2</sup> in 2019. This figure was exceeded by the Wholesale – West region (286.5 kWh/m<sup>2</sup>), meaning that the region is not on track to meet its target.

<sup>b)</sup> Reference year 2012.

<sup>c)</sup> Reference year 2015.

<sup>d)</sup> Wholesale – West: Transgourmet Switzerland, Germany, France and Austria.

<sup>e)</sup> Wholesale – East: Transgourmet Russia, Romania and Poland.

In Retail, energy consumption fell by a further 1.8 % compared with the previous year. Despite this, the target was not achieved due to growth and increasing requirements for refrigeration, especially of fresh convenience products. In Wholesale, there was an encouraging fall in energy consumption. The manufacturing companies were unable to achieve their target due to acquisitions and growth.

## Additional key figures

### Electricity, heat, fuel and total energy consumption

Energieverbrauch in MWh	2014	2015	2016	2017	2018	2019
Retail	707 931	716 643	725 772	740 035	737 521	727 643
Wholesale	414 458	409 791	425 430	429 565	432 488	447 866
Production	253 760	307 374	324 429	333 092	344 346	329 910
<b>Electricity consumption</b>	<b>1 376 149</b>	<b>1 433 808</b>	<b>1 475 631</b>	<b>1 502 692</b>	<b>1 514 355</b>	<b>1 505 419</b>
Retail	200 084	196 977	195 681	211 104	195 691	160 673
Wholesale	103 806	119 413	134 288	149 774	145 813	144 723
Production	149 457	219 064	219 330	252 007	267 088	253 783
<b>Energy consumption for heating purposes</b>	<b>453 347</b>	<b>535 455</b>	<b>549 299</b>	<b>612 885</b>	<b>608 592</b>	<b>559 179</b>
Retail	208 374	213 878	212 703	215 128	216 238	237 508
Wholesale	279 875	292 573	289 378	313 769	312 784	350 343
Production	54 554	93 771	134 980	125 283	144 943	83 581
<b>Fuel consumption</b>	<b>542 803</b>	<b>600 223</b>	<b>637 060</b>	<b>654 180</b>	<b>673 965</b>	<b>671 432</b>
Retail	1 116 389	1 127 499	1 134 156	1 167 296	1 149 450	1 125 824
Wholesale	798 139	821 778	849 095	893 108	891 046	942 931
Produktion	457 771	620 209	678 739	710 382	756 377	667 275
<b>Total energy consumption<sup>a)</sup></b>	<b>2 372 299</b>	<b>2 569 485</b>	<b>2 661 990</b>	<b>2 769 757</b>	<b>2 796 872</b>	<b>2 736 030</b>

<sup>a)</sup> New data recording system from 2018 onwards

### Multi-year target 3.1.3 Share of renewable energy

#### Share of renewable energy

As a percentage	2015	2016	2017	2018	Actual 2019	Target 2019	Target 2020
● Retail	66.8	68.0	68.5	69.5	71.1	71.6	72.7
● Production	51.6	53.5	58.0	54.2	64.0	58.6	60.4
Coop Group (consolidated)	50.1	49.8	51.8	51.2	51.6	–	–

The switch to renewable energy in Retail is taking place slowly but steadily. During the revision of the CO<sub>2</sub> vision in the year under review, additional measures were agreed, such as the further expansion of photovoltaic arrays and the systematic conversion of heating to renewable energy in new and upgraded buildings. The manufacturing companies have already reached their target for 2020. 64 % of their energy requirements are covered from renewable sources.

### Multi-year target 3.1.4/5 Carbon dioxide emissions

#### Reduction in absolute and specific CO<sub>2</sub> emissions

	2015	2016	2017	2018	Ist 2019	Ziel 2019	Ziel 2020
● Retail (tonnes CO <sub>2</sub> ) <sup>a)</sup>	107 135	103 849	105 751	101 697	88 600	100 234	–19.2 % <sup>b)</sup>
● Wholesale – West <sup>d)</sup> (kg CO <sub>2</sub> /m <sup>2</sup> )	41.4	36.7	21.1	24.8	24.0	39.5	–5.7 % <sup>c)</sup>
● Wholesale – East <sup>e)</sup> (kg CO <sub>2</sub> /m <sup>2</sup> )	306.5	297.3	242.7	261.9	294.0	290.7	–6.3 % <sup>c)</sup>
● Wholesale – Supply (kg CO <sub>2</sub> /tonne)	70.5	58.6	58.4	55.9	52.7	64.4	–18.8 % <sup>c)</sup>
● Production (tonnes of CO <sub>2</sub> )	93 558	97 142	76 289	91 767	59 233	73 940	–21.2 % <sup>c)</sup>

<sup>a)</sup> New data recording system from 2018 onwards.

<sup>b)</sup> Reference year 2012.

<sup>c)</sup> Reference year 2015

<sup>d)</sup> Wholesale – West: Transgourmet Switzerland, Germany, France and Austria.

<sup>e)</sup> Wholesale – East: Transgourmet Russia, Romania and Poland.

Despite more products that require constant refrigeration, and also extended opening hours in some cases, CO<sub>2</sub> emissions in Retail fell once more thanks to the increased proportion of renewable energy used. The trend in Wholesale is very different. Although energy consumption fell in Wholesale – East, CO<sub>2</sub> emissions rose once again due to the higher percentage of electricity generated from coal in the energy mix of the countries concerned. The manufacturing companies succeeded in significantly reducing their CO<sub>2</sub> emissions.

#### Additional key figures

##### Carbon offsetting

In tonnes of CO <sub>2</sub> equivalent	2013	2014	2015	2016	2017	2018	2019
Air freight	81 181	84 605	81 260	86 255	80 187	76 892	70 271
Business travel by road	5 461	5 192	5 066	4 928	4 961	4 775	4 599
Business travel by air	1 902	3 824	4 126	5 832	5 235	5 589	6 192
Coop@home deliveries	1 614	1 616	1 633	1 794	1 953	2 149	2 103
Overall offsetting of carbon dioxide emissions	90 158	95 237	92 085	98 809	92 340	89 471	83 236

CO<sub>2</sub> emissions due to air freight fell by 6,621 tonnes in 2019 compared with the previous year. Alternatives to air transport are constantly being evaluated, for example by sourcing products that can be transported by rail and/or road instead. In the year under review, the decision was also made to stop air-freighting fresh herbs during the summer months.

## Project 4.1 Waste management and construction



Coop is continually increasing its quota of reusable materials until 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 interests of a circular economy, we are contributing towards collecting various types of reusable material to obtain secondary raw materials, some of which we use. In its new and upgraded buildings, Coop takes account of sustainability standards that, as well as energy efficiency and climate protection, also include social aspects (quality of life, variable usage potential, etc.).

### Unsere wichtigsten Ansatzpunkte:

- Collecting a total of 32 types of reusable material
- Developing our own strategy for sustainable construction

### Degree of target attainment including trend in 2019

4. Resource consumption 4.1 Coop is reducing and optimizing specific use of materials and substances and waste.	Targets for Retail		Targets for Production		Ziele Grosshandel	
	↑	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 76.2 %.
↑	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 of 2019

#### Retail:

- Coop won the Eco Performance Award for its pioneering work in the field of hydrogen mobility .
- Coop received the EHI Award for «Innovative energy efficiency technology» for its ice store.
- Over 20,000m<sup>2</sup> of photovoltaic arrays were installed on Coop buildings.

#### Wholesale:

- Transgourmet Germany and Austria are increasingly using «mobile side walls». These are replacing the traditionally used stretch wrap for deliveries on trolleys, generating savings of up to 50% in plastic wrapping.

### Challenges in 2019

#### Retail:

- There is a huge surplus of waste materials in Europe due to a decision by the Chinese government and other Far Eastern governments to close their borders to imported mixed plastics (2018) and waste cardboard (2019). In the year under review, this led to a massive drop in prices for recyclable materials such as plastic bottles, plastic foil, cardboard and wood, which are collected in Coop's distribution centres.
- Young climate campaigners are calling on various industries to push forward with more measures to reduce CO<sub>2</sub> emissions and make a substantial contribution towards curbing climate change.
- Society is increasingly demanding a fundamental reduction in the use of plastic. Some of these demands conflict with the actual environmental damage done by different types of plastic and they fail to recognize the disadvantages of some well-known alternatives, such as bioplastics. Coop believes that plastic should not fundamentally be dismissed, since it is often the most acceptable packaging option from an environmental point of view. The environmental footprints of alternatives need to be assessed and reductions on packaging (less material overall) must be promoted.

- Raising an awareness of the choice of materials with regard to their «grey energy» is difficult.
- Systematically minimizing the use of fossil fuels in new heating systems is challenging.

#### Wholesale:

- At Transgourmet Poland, constantly changing waste management regulations are proving bothersome

### Multi-year target 4.1.1

### Reusable materials quota

As a percentage	2014	2015	2016	2017	2018	Actual 201	Target 2019	Target 2020
● Retail	80.9	80.4	80.2	80.7	80.5	81.1	82.7	83.3
● Wholesale	61.6	65.8	70.2	68.8	69.6	69.5	70.7	76.2
● Production	–	80.3	77.3	84.6	83.1	85.9	78.7	79.0

The recent allocation of the Pratteln production and quality centre to the manufacturing companies is also having an impact on recycling rates. Although the rate increased slightly overall in Retail, it remained below target. It has become apparent that the intended recycling rate of 83.3 % by the end of 2020 is extremely ambitious. In Wholesale too, the target recycling rate of 76.2 % by 2020 has proved too ambitious. One main reason for this is the lack of recycling infrastructure in the Eastern European markets.

Further information on waste management at Coop can be found [here](#).

#### Additional figures

Volume of waste	2013	2014	2015	2016	2017	2018	2019
Retail	125 494	126 595	129 875	134 065	139 445	134 732	132 474
Wholesale	37 112	42 783	46 739	45 536	49 588	51 897	51 329
Production	20 414	21 424	18 670	38 544	59 963	73 664	88 747
<b>Coop Group</b>	<b>183 021</b>	<b>190 802</b>	<b>195 284</b>	<b>218 145</b>	<b>248 996</b>	<b>260 293</b>	<b>272 550</b>

The total volume of waste in the Coop Group has increased again due to growth. Some of the decrease in Retail and the increase in Production is due to the re-allocation of corporate entities. The production and quality centre in Pratteln was allocated to the manufacturing companies in 2019 for the first time.

### Multi-year target 4.1.2

### Sustainable construction

#### Progress made with sustainable construction

2019

#### ● Retail

- 23,379 m<sup>2</sup> of photovoltaic cells were installed in the year under review.
- Six store locations were awarded the Minergie label.

#### ● Grosshandel

- Transgourmet Switzerland built the new store and regional warehouse in Kriens in line with the requirements of the 2000-Watt zone there. Its heating requirements will be entirely covered by waste heat from the environmentally-friendly CO<sub>2</sub> cooling systems, meaning that no additional heat will need to be generated. The whole building is fully equipped with LED lighting.
- Transgourmet Germany has completed its new logistics centre in Cologne:
  - The Transgourmet Cologne Langel solar plant (0.6MW) with automatically controlled LED lighting is now operational
  - CO<sub>2</sub> cooling system
  - Waste heat used for heating
  - Liquid and gas ejector
  - Air-conditioned offices

## Project 4.2 Transport



Coop is committed to innovative and environmentally friendly logistics solutions. The aim is to increase our efficiency in logistics and minimize the impact on the environment and society of our goods transport and business travel. Further information can be found [here](#).

### Our key starting points:

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

### Degree of target attainment including trend in 2019

4. Resource consumption	4.2 Coop has innovatively and environmentally friendly mobility and logistics solutions.	Ziele Detailhandel	Ziele Produktion	Ziele Grosshandel
		<ul style="list-style-type: none"> <li>→ 4.2.1 R For goods transport in excess of 90 km from the national distribution centres, we are switching from road to rail.</li> <li>→ 4.2.2 R We are trialling and implementing innovative mobility solutions.</li> </ul>		

### Highlights of 2019

#### Retail:

- In Retail, a further shift of transport operations from road to rail is difficult due to a lack of rail transport capacity at SBB.

#### Wholesale:

- Transgourmet Romania is equipping all new delivery vehicles (over 3.5 tonnes) ordered from 2019 onwards with orthopaedic driver’s seats.
- Almost 50 % of all the commercial vehicles at Transgourmet Germany were equipped with blind spot assist by the end of 2019.

### Challenges in 2019

#### Retail:

- In Retail, the hydrogen filling station infrastructure was not expanded any further in 2019. The hydrogen-powered truck and company cars were not used in 2019. Projects are being planned for 2020.

#### Wholesale:

- At Transgourmet Germany, route planning is important due to the small number of natural gas filling stations for trucks. It is also currently unclear whether and to what extent alternative technologies such as gas-powered trucks will continue to be supported by the Federal government.

## Multi-year target 4.2.1 Shifting freight to rail

2019

### ● Retail

At RailCare, savings of around 10 million truck kilometres were achieved by using unaccompanied combined transport which equates to a reduction of around 8,383 tonnes of CO<sub>2</sub>. A fully electric vehicle was also commissioned at Schafisheim for the fully automatic transshipment of containers. Checks will be undertaken in 2020 to ascertain how many suppliers will be able to switch to combined transport.

## Multi-year target 4.2.2 Innovative mobility solutions

### Progress with trials of innovative mobility solutions

2019

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#### ● Retail

- The five e-trucks that are in use covered a total distance of more than 200,000 kilometres.
- Having been trialled in operations and on various test trips, the hydrogen-powered truck is providing important information on configuring the hydrogen truck that is going to be delivered in large numbers to Coop and major Swiss freight companies in 2020.
- More than four million litres of biodiesel were used in 2019. 44 % of Coop's own truck fleet already run on biodiesel.

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#### ● Wholesale

- At Transgourmet Switzerland, the E-truck is now in regular use.
  - Transgourmet Germany is expanding its fleet of gas-powered trucks and starting to use biogas. The testing of cargo bikes to cover the r «last mile» being expanded further.
-

## Project 5.1 Fair employer



Coop is a progressive and fair employer that offers its employees attractive employment conditions and development opportunities. Of its 90,000 or so employees, just over a third work for the Coop Group abroad. With a forward-looking and motivational HR policy, Coop is responding to demographic change and the ongoing digitalization of the world of work. Uniquely among Swiss retailers, Coop has a collective employment agreement, which was concluded with five social partners.. Further information on waste management at Coop can be found [here](#).

### 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
- Integration of people with disabilities into everyday working life
- Integration of refugees
- Opportunities for pre-apprenticeships and placements to help people get started in a career
- Support for single parents for the funding of childcare

### Degree of target attainment including trend in 2019

5. Sustainable HR Management	5.1 CCoop 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.	5.1.1 W We are an exemplary provider of training.
		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 of 2019

- The Coop Group employs a total of 3,455 trainees. This is about the same as the figure for 2018.

#### Retail:

- Retail employed 2,459 trainees in 2019. That is twelve more than in the previous year.
- Leonie Nöpflin, a Coop trainee at Building & Hobby, designed her own [Naturaline textile collection](#), which is available in Coop branches. She won the Coop Future Workshop in 2017 and was subsequently able to pursue her ideas.
- Four new successful trainees embarked up their second year of [rotating placements](#). During this year, they will discover what career opportunities Coop has to offer by spending time in different locations. nen.

#### Production:

- The Bell Switzerland and Hilcona manufacturing companies won the «Friendly Work Space» award.

### Challenges in 2019

- The number of women in top management increased only slightly. Various measures are lined up as part of the Equal Opportunities@Coop project.
- The subject of work-life balance is becoming increasingly important for employees. Coop is currently reviewing additional measures to meet these challenges in a wide variety of different professional environments.
- It is not always easy to maintain a high level of employee motivation. With this in mind, Coop is committed to leadership and uses line managers as multipliers, for example when signing up for internal training courses, which can be an important motivational factor.

## Multi-year target 5.1.1 Exemplary provider of apprenticeships

2019

### ● Retail/Coop manufacturing companies (excluding Bell Food Group)

- 98.6% of interns successfully passed their final apprenticeship exams, while 8.6% of interns dropped out of their apprenticeships.
- 69.8% of apprentices were offered a job at the company.
- 40 young people started preliminary integration apprenticeships at Coop in 2019.

### ● Bell Food Group

- 98% of trainees successfully passed their final apprenticeship exam.
- Bell Food Group offers 21 different apprenticeship trades and courses of study.
- A new apprentice campaign was launched in 2019. This includes a cross-divisional trainee event to facilitate concepts for the sustainable and modern training of young people.
- 129 trainees and students were employed as part of dual training programmes.
- A total of 8,132 days of training took place in 2019.

### ● Wholesale

- At Transgourmet Switzerland, 28 trainees successfully completed their apprenticeships, and 16 of these were offered a job.
- Transgourmet France continued its partnership with Tremplin, an association that encourages students with disabilities to continue their path to university education and prepares them for the world of work.
- Transgourmet Romania launched the “Junior Buyer” programme for promising young staff and introduced a new leadership programme.
- Transgourmet Austria:
  - Offers six different apprenticeship trades.
  - Is increasing its commitment to job rotation in order to ensure high-quality training. Is also regularly revising its training schedules.
  - Has an internal selection of seminars specially tailored to meet the needs of nters.
  - Has an internal selection of seminars specially tailored to meet the needs of trainees.

See also the [Annual Report](#).

## Multi-year target 5.1.2 Professional development opportunities

2019

### ● Retail/Coop manufacturing companies (excluding Bell)

- As part of the Coop Campus, around 350 different internal courses are supported, worth CHF45 million per year. Over 4,200 internal training events were held, equating to 422,000 hours of training. External training worth CHF3.8 million was also provided.
- 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.
- Regular midday meetings are held to encourage a mutual exchange of views and promote the corporate culture.

### ● Bell Food Group

- 8,132 days of training were carried out.
- An HR strategy for the entire Group was drawn up.
- In-house language courses are being provided.

### ● Wholesale

- Transgourmet Switzerland provided 42,000 hours of training (23 hours per employee) and 52 different courses. 65% of management vacancies were filled by internal staff.
- Transgourmet Germany:
  - The «Transgourmet Campus» employee platform for career development and e-learning was launched.
  - One pilot project for the newly established e-learning system is called «Saving energy in the office».
- At Transgourmet Österreich, 0.12% of turnover is invested in employee training, such as the provision of courses in various skills, for example doing your own job professionally, expanding management skills, knowledge transfer and development, and innovation and project development. Over 77% of management vacancies were filled by promising young internal staff.
- Transgourmet France is continuing to expand its e-learning training platform and is committed to continuing the E-Move programme to develop functional, leading-edge and geographical mobility within the Transgourmet Group.

See also the [Annual Report](#).

## Multi-year target 5.1.3 Respect, appreciation and equal opportunities

2019

### ● Retail/Coop manufacturing companies (excluding Bell)

- 17.5 % of management (MS 0–3) are women.
- 1.77 % of employees have a mental or physical disability.
- The turnover rate for hourly-paid workers is increasing. The problem is being analysed and appropriate actions identified.

### ● Bell Food Group

- The Bell Food Group defined its corporate culture in the form of a mission statement and code of conduct, amongst other things, from which business practices and targets are being identified.

### ● Wholesale

- At Transgourmet Germany, 27 % of the women employed are in management positions.
- Transgourmet Switzerland is committed to an internal programme to reduce absences (illness/accidents).
- Transgourmet France is promoting equal opportunities for men and women. A budget has been drawn up with which to offset any salary differences that may arise.

## Additional key figures

### Diversity within the Coop Group

Share as a percentage (as at 31 Dec.)	2014	2015	2016	2017	2018	2019
Retail	63.2	62.9	62.6	62.3	62.3	62.3
Wholesale and Production	45.2	43.9	43.6	42.7	42.6	42.1
<b>Workforce who are women</b>	<b>56.0</b>	<b>54.8</b>	<b>54.0</b>	<b>53.3</b>	<b>53.0</b>	<b>52.7</b>
Retail	45.5	45.4	44.8	44.0	44.0	43.9
Wholesale and Production	40.8	39.8	39.3	38.3	42.6	37.3
<b>Full-time staff who are women</b>	<b>43.2</b>	<b>42.5</b>	<b>41.8</b>	<b>40.9</b>	<b>40.6</b>	<b>40.1</b>
Retail	13.4	13.7	13.7	13.6	13.9	13.8
Wholesale and Production	30.1	32.0	35.8	37.4	36.7	37.5
<b>Part-time staff who are men</b>	<b>16.5</b>	<b>17.4</b>	<b>19.2</b>	<b>19.9</b>	<b>20.1</b>	<b>20.5</b>
Retail	24.9	25.6	25.9	26.3	26.6	25.7
Wholesale and Production	24.1	24.3	24.3	24.9	26.6	27.1
<b>Percentage of staff over 50 years of age</b>	<b>24.6</b>	<b>25.0</b>	<b>25.2</b>	<b>25.6</b>	<b>26.6</b>	<b>26.4</b>
Percentage of women in the Delegate Assembly	50.8	51.7	50.8	51.0	50.0	50.0
Women on the Board of Directors	40.0	40.0	40.0	50.0	50.0	50.0
Retail	12.4	11.3	11.8	13.8	12.5	12.9
Wholesale and Production	16.1	15.7	14.2	12.5	15.6	14.1
<b>Women on the Executive Committee and in upper management</b>	<b>14.6</b>	<b>14.1</b>	<b>13.3</b>	<b>12.9</b>	<b>14.6</b>	<b>14.37</b>
Retail	41.4	41.4	41.9	42.3	42.9	43.1
Wholesale and Production	31.9	32.0	26.9	26.7	26.8	27.8
<b>Women in middle management and departmental management</b>	<b>38.1</b>	<b>37.8</b>	<b>38.2</b>	<b>36.8</b>	<b>37.0</b>	<b>37.4</b>

**Health management**

As a percentage of all working days	2014	2015	2016	2017	2018	2019
Sickness rate in Retail	3.8	4.0	4.1	4.1	4.1	4.4
Sickness rate in Wholesale and Production	4.1	4.2	4.3	4.1	4.2	4.2
Occupational accident rate in Retail	0.3	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	0.6
Occupational accident rate in Wholesale	0.4	0.5	0.5	0.5	0.5	0.4
Non-occupational accident rate in Wholesale Switzerland <sup>a)</sup>	0.5	0.4	0.6	0.5	0.4	0.4
Occupational accident rate in Production	0.6	0.5	0.7	0.6	0.6	0.6
Non-occupational accident rate in Production Switzerland <sup>a)</sup>	0.6	0.6	0.6	0.6	0.6	0.6

<sup>a)</sup> Can only be recorded for Switzerland. Under EU law, non-occupational accidents are paid for by the health insurance provider not the employer.

See also the [Annual Report](#).

## Project 6.1 Social responsibility



Coop recognizes its social responsibility as a Swiss cooperative. 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 activities, focuses on areas including «People and the environment» as one of four main pillars. More information can be found [here](#).

### Degree of target attainment including trend in 2019

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

### Highlights of 2019

#### Retail:

- Thanks to the «Grittibänz» fund-raising initiative for the Swiss Red Cross, Coop collected CHF108,000 for needy families in Switzerland.
- Since 2016, over 4,650 school classes from all over Switzerland have taken part in the «Schools in bloom» project. Across 64,000 square metres, around 67,000 children, young people and teachers have sown seeds, thereby creating school gardens.
- Hundreds of thousands of volunteers got involved in the «Tag der guten Tat» project.
- As part of a disaster relief initiative, Coop donated CHF100,000 each for Malawi und Albania.
- Another successful joint initiative is the bioRe Foundation in Tanzania and India. The existing school camp was renovated and extended in 2019, and work continued on other bioRe Foundation projects such as the health bus, well construction and agricultural consultancy. This commitment benefits the producers of Naturaline organic cotton and their families. Furthermore, after years of research, our own GM-free<sup>6</sup> organic seed adapted to local conditions was introduced in India.

#### Wholesale:

- Transgourmet Germany is continuing with its “From cost factor to happiness factor” senior-citizen project, and is supporting the “Organic snack box” project – pupils in year one are given healthy, sustainable food on their first day at school. The aim is to raise their awareness of healthy breakfasts and sustainably produced food.

<sup>6</sup> Organism that has not been genetically modified

## Challenges in 2019

Coop is already accomplishing a lot in the field of food waste, is working closely with charitable organizations, has optimized the ordering process for individual branches in recent years and systematically recycles any food that still ends up being left over. In this way, the amount of waste that ends up being incinerated is 0.2%. Over the next few years, Coop therefore wants to work more closely with its partners in upstream processes to tackle the issue of food loss, in order to take another step forward despite the huge commitment that already exists in this field.

## Multi-year target 6.1.1 Basic supplies

2019

### ● Retail

- Coop has a network of 931 supermarkets (13 more than the previous year), which supply the whole of Switzerland.
- The first Fooby store was also opened in the year under review.

### ● Production

- The Bell Food Group is Switzerland's leading vegetable and convenience salad company.
- Hilcona is the biggest manufacturer of long-life and fresh convenience foods.
- Eisberg is Switzerland's leading vegetable/convenience salad company.
- Steinfels Swiss produces high-quality, basic own-label products such as laundry
- Reismühle Brunnen supplies around 30% of the Swiss population with rice.
- All Coop manufacturing companies have high market shares in Switzerland and are committed to production in Switzerland.

### ● Wholesale

- Transgourmet Switzerland promotes the Economy own-label brand, which offers a comprehensive selection of low-price products.

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. With their compulsory reserves (e.g. grain, oil, sugar, etc.), the Coop manufacturing companies also ensure supplies are available in Switzerland in times of crisis.

Further information about the social commitment can be found [here](#).

## Multi-year target 6.1.2 Quality-driven agriculture

2019

### ● Retail

- Coop is a member of the Quality Strategy Association, and is committed to a strategy of added value within the Swiss agricultural and food sectors.
- Through joint ventures with ETH Zurich and the Research Institute of Organic Agriculture (FiBL), Coop is investing in improving varieties (e.g. soya, stone fruit, potatoes, onions and forage), sustainable cultivation and processing methods and animal welfare issues.
- 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 therefore the local population in other countries, particularly developing countries.

### ● Wholesale

- With their own-label brands Ursprung, Origine and Vonatur, the Transgourmet national subsidiaries in Germany, France and Austria are facilitating the processing of regional meat products.
- Transgourmet Switzerland is promoting small-scale producers thanks to high-quality products in small production volumes, which are marketed under the Origine own-label brand.

### ● Production

- Sunray produces sugar for the retail trade and industry, and also Swiss rapeseed oil.
- Swissmill is a substantial processor of domestic bread grain.
- Nutrex has a 66 % share of the Swiss vinegar market.
- Swissmill has a 30 % share of the Swiss bread-grain market.
- Reismühle Brunnen supplies around 30 % of the Swiss population with rice.
- Bell Switzerland is a major processor of meat products in Switzerland.

### Multi-year target 6.1.3 Sustainability Fund

In accordance with its social responsibilities, Coop sees the Sustainability Fund as a tool for enabling projects within all three pillars. The Fund is therefore listed as a tool in the target area of social responsibility.

2019

#### ● Retail

The Fund invests around CHF16.85 million per year, enabling numerous projects to be successfully conducted and concluded. You can find more information about the Fund [here](#).

#### ● Wholesale

- At Transgourmet Switzerland, the Fund is financing an energy management project at five pilot Transgourmet sales outlets.
- Transgourmet Germany has launched a «Sustainable packaging» project.
- In conjunction with Transgourmet France, the Fund is supporting an international project on sustainable fishing and aquaculture.

#### ● Production

- At Chocolats Halba, a cocoa project is being supported in [Ghana](#), which is establishing a sustainable value chain and also facilitating carbon offsetting
- Sunray is being supported to carry out a project to establish organic bean producers in North Macedonia and evaluate hazelnut and dried fruit suppliers.
- The Fund is supporting Reismühle Brunnen's Fair & Good project in India and Thailand.
- Swissmill is receiving assistance from the Fund to carry out the high-quality recycling of milling by-products.

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

### Multi-year target 6.1.4 Promoting a sustainable and healthy lifestyle

2019

#### ● Retail

- We are employing various measures as part of our strategic partnerships, for example with the WWF and the Swiss Red Cross. More information about the partnerships can be found [here](#).
- Coop is working on implementing its revised nutritional strategy.

#### ● Grosshandel

- Transgourmet Germany is committed to a catering strategy for schools and expanding the «whats EAT» quality label for healthy and tasty school food with 44 items.
- Transgourmet Poland is sponsoring a children's fruit race for 1,000 children and young people, with the motto «apples not crisps».
- In 2019, Transgourmet Romania continued with its» programme, with cooks providing 10,000 children with healthy school meals.

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 ranged from campaigns in schools and regular contributions in the Coop member press (two pages per week) to individual promotions at individual sales outlets, such as tasting sessions. In the wholesale sector, Transgourmet is also undertaking various measures and staging a number of events to raise awareness of the importance of nutrition, particularly in schools

### Multi-year target 6.1.5 Reduction in food waste

2019

#### ● Retail

- Thanks to the expansion of up-front sorting in sales outlets, the amount of food donated to Tischlein deck dich was increased.
- «Too good to go» was launched in the Karma Shop and in Coop Pronto shops.

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**● Grosshandel**

- Transgourmet Switzerland is donating products to Tischlein deck dich and getting involved on the committee of UAW (United Against Waste).
- Transgourmet Germany is taking part in the nationwide expansion of a strategy to reduce food waste.
- Transgourmet Poland is regularly donating perfectly edible food and beverages to charitable groups.
- Transgourmet Romania is donating food to “a Bucuriei” (the Romanian equivalent of Schweizer Tafel).

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**● Production**

- Production waste at Chocolats Halba/Sunray is used in the flavourings industry and in feedstuffs, or donated to Caritas.
  - Nutrex does not generate any waste products. Any excess vinegar is used in the animal feedstuff industry, and equates to less than 1 % of the annual production volume.
  - At Reismühle Brunnen, the yield was improved by 2 % in the year under review thanks to improved sorting. Any milling by-products are used as animal feed.
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More information on this topic can be found [here](#).

## Project 7.1 Management approach



Through the sustainability strategy, sustainability is incorporated into all relevant corporate strategies at Coop. Building on this, the individual divisions adopt specific sustainability strategies and concepts that meet the special needs of their customers or their market and, in some cases, generate supplementary reports. In doing so, the divisions are guided by the company-wide objectives in the multi-year sustainability targets. Details of Coop's approach to sustainability can be found [here](#).

### Degree of target attainment including trend in 2019

7. Sustainability Management	Targets for Retail		Targets for Production		Targets for Wholesale	
	7.1 Sustainability is integral to all business activities throughout the Coop Group Cooperative.	→	7.1.1 R Wir realisieren Strategiekonzepte Nachhaltigkeit und stellen die Verankerung der Nachhaltigkeits-Organisation im gesamten Detailhandel der Coop-Gruppe sicher.	↑	7.1.1 P Wir realisieren Strategiekonzepte Nachhaltigkeit in allen Produktionsbetrieben und stellen die Verankerung der Nachhaltigkeits-Organisation sicher.	↑

### Highlights of 2019

#### Retail:

- Coop once again achieved a top place in the [2018 WWF environmental rating](#), which were published in 2019. Coop showed improvements in virtually every field of action
- The [strategic partnership](#) with WWF Switzerland was extended in November.

#### Wholesale:

- Transgourmet Germany once again received the EcoVadis silver award.

### Challenges in 2019

- Drawing up the multi-year sustainability targets for 2021-2025 across the entire Coop Group

## Multi-year target 7.1.1 Sustainability Management

2019

#### ● Retail

A stakeholder forum was held on developing the multi-year sustainability targets.

#### ● Grosshandel

- The Sustainability Competence Team for the Transgourmet Group meets regularly for discussions and holds strategy meetings (twice yearly) to compare and adjust approaches to sustainability within the Transgourmet Group.
- Transgourmet Germany: A strategic stakeholder management process including a stakeholder dialogue was launched.
- Transgourmet Romania is developing a sustainability strategy.

#### ● Production

- At the Bell Food Group, the integration of Hügli into the sustainability management framework was completed and sustainability targets have been formulated. An e-learning tool for sustainability was also created for the whole Bell Food Group in collaboration with students as part of a seminar held by the Centre for Corporate Responsibility at the Zurich University of Applied Sciences.
- The Chocolats Halba 2017/2018 [Sustainability Report](#) was published.
- At Reismühle Brunnen, work commenced on drawing up the 2025+ strategy for sustainability projects in India and Thailand.

## Annex

### Coop multi-year targets and Sustainable Development Goals matrix

MYT	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
2.1.3	X					X	X		X		X				X	X	X
2.1.4																	X
2.1.5	X					X	X		X	X	X			X	X	X	X
2.1.6			X												X		X
3.1.1			X										X				
3.1.2													X				
3.1.3		X	X										X				
3.1.4													X				
4.1.1																	
4.1.2				X									X				
4.2.1													X				
4.2.2													X				
5.1.1								X									
5.1.2								X									
5.1.3	X																
6.1.1				X								X					
6.1.2										X					X		X
6.1.3	X						X	X		X		X					X
6.1.4							X			X			X				X
6.1.5																	X
7.1.1					X												
<b>Impact</b>	Little impact				Slight impact				relevant impact				high Impact				

### Outlook

Due to the unprecedented coronavirus situation, Coop has decided not to start the new multi-year target period until 2022, and to operate in 2021 with transitional targets based on the existing targets for 2014 to 2020. The plan for 2022 is to include new sustainability aspects in the multi-year targets, make these even more measurable, and increasingly use quantitative targets and clearly defined KPIs.

Plans already exist to relaunch the progress report for the 2020 reporting year. The intention is to align it with international reporting standards and make it more visually appealing