

# Coop Sustainability Progress Report 2016



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

### Joos Sutter, Chairman of the Chairman of the Executive Committee

◀ Sustainability is part of our corporate DNA. Through more than 300 specific actions, we demonstrate on a daily basis our commitment to increasing sustainability and comprehensively document this at [taten-statt-worte.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. ▶

## Sustainability strategy

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

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

#### Art. 2 Purpose

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

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

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

We concentrate on areas in which we can achieve significant leverage. We firmly enshrine sustainability in our core business and the line responsibility. Reflecting this, sustainability is incorporated in all relevant Coop Group strategies, through our [overarching concept of sustainability](#).

## Materiality analysis

As a producer and distributor of foods and non-food products, the Coop Group is closely involved in global goods flows. It is both affected by and exerts influence over worldwide environmental and social challenges. We want to make a positive contribution for people, animals and nature and avoid any negative impact our business activities may have. Therefore, we have been committed to sustainability for over 25 years. In order to unify our commitment within the Coop Group, in 2013 we conducted a comprehensive review and identified the main starting points. These form the basis for our specific multi-year sustainability targets 2014-2020 for the entire Coop Group. Find out more about the goals and the process of goal development [here](#). After the first two years, we have now taken stock of progress and reviewed whether we are indeed covering the main themes and whether our targets are sufficiently specific and ambitious.

## Sustainable Development Goals

The Agenda 2030 that has now been adopted by the United Nations is a global action plan for sustainable development. The Sustainable Development Goals (SDG) form the centrepiece. They are intended to overcome the biggest global challenges to reducing extreme poverty and achieving more sustainable development. Through our business activities, we contribute to a number of these goals, while others are within the sphere of influence of other industries or of the public sector. You find more information on our website [www.taten-statt-worte.ch](#). To give one example, «Ensure responsible consumption and production patterns» (SDG 12) 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 having established transparent

and sustainable product chains (Project 1.2.) by 2020, and with our commitment to society, a total of 12 multi-year targets contribute to this important area.

### Internal and external stakeholders

We have already closely involved our internal and external stakeholders in the development of multi-year sustainability targets. To review whether the targets adopted are indeed complete and relevant, in the run-up to the 2015 Stakeholder Forum we conducted an online survey. This revealed that our management approach, the range selection and the product chains are of paramount importance to our stakeholders. With just one exception, the additional targets cited related to more specific details about the requirements in the product chains. We incorporated this when revising the multi-year sustainability targets. For internal stakeholders, social responsibility and Coop's role as an employer were also very important. While the last point is covered by the comprehensive Personnel Strategy 2020+, the range-related targets were reviewed during the revision of the multi-year sustainability targets.

The Coop Group now embraces all the SDGs that are relevant to it. Consequently, there is no immediate need to adjust the multi-year targets.

### Updating the multi-year sustainability targets

When the multi-year sustainability targets were first adopted by the Coop Executive Committee and the Coop Board of Directors in 2013, the decision was made to review the multi-year targets in 2016. There were three main changes:

1. **Tighter target values:** For the sustainable ranges in particular, the target values were tightened in all three business areas. For instance, we raised the organic target in Retail by almost a fifth (from CHF 1,250 million to CHF 1,660 million). Coop is seeking to create a distinctive profile for itself in the area of sustainable products & services and has therefore set itself even more ambitious targets.
2. **Quantification of target values:** In a few areas and markets, sustainability efforts in range selection and in the structure of product chains are so far advanced that qualitative targets have been replaced with measurable quantitative targets. In Retail and Production, for example, the target for critical raw materials has been quantified; likewise, in Wholesale, a quantifiable target has been set for organic farming.
3. **Clarification of targets:** Particularly in Wholesale, but also in Production, the data basis has fundamentally changed in recent years as a result of acquisitions. Data gathering has also been optimized. Therefore, for the energy and CO2 reduction targets we have decided to relate the targets for 2020 to the reference year 2015, as there is a solid data basis for this. In Retail, these targets still relate to the original reference year 2012.

### Reporting

In the following section, we report on the degree of attainment of the multi-year sustainability targets for 2014–2020, the medium-term developments with regard to these targets, and additional key figures on the Coop Group's commitment to sustainability. The following principles apply:

- Unless otherwise indicated, the report relates to the year 2016, the reference date being 31.12.2016
- Prior-year figures have been adjusted in each case
- In order to review attainment, each target path has been broken down linearly, in one-year periods
- For quantitative targets, the colour coding is based on an attainment index: < 98% = or-ange / 98%–100% = yellow / > 100% = green; for qualitative targets, an assessment is performed by the respective technical specialists
- Further information and standpoints on Coop's long-term commitment to sustainability can be found [here](#)

## Project 1.1 Sustainable products & services



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

### Our key starting points:

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

### Degree of target attainment and trend

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

### Highlights and challenges in 2016

- Consolidated sales of the Coop Group from sustainable products = CHF 3,855 million, of which organic = CHF 1,255 million and fairtrade = CHF 476 million
- Adoption of a long-term strategy for sustainable own-label brands and quality seals in Retail by the Coop Executive Committee
- Establishment of the own-label sustainability brands Transgourmet (Germany) / Origine (France, Switzerland) / Vonatur (Austria, launch in 2017) with requirements relating to environment, society and animal welfare
- Switching ranges to Fairtrade Max Havelaar (e.g. dried fruits at manufacturing company Sunray, festive biscuits in Retail, etc.)
- Stabilization of sales of sustainable products in the non-food segment, despite the negative influence of online trading and cross-border shopping

### Multi-year target 1.1.1 Sales from sustainable products

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

as a%	2015	2016	target 2020
▲ Retail	20.2	21.8	20.9
▲ Wholesale	1.6	2.3	3.0
▲ Production	19.7	21.5	24.3

Overall, sales from sustainable products are developing very well. In Retail, sales from sustainable products grew to CHF 3,528 million, which equates to a growth of 6.3%. This indicates that the sustainability ranges are developing especially well in what is a challenging market environment. In Wholesale, the expansion of the range has produced a very good trend which is well above the target path. The main drivers here are the national subsidiaries in Germany, Switzerland and Austria. The manufacturing companies further consolidated their leading position in organic and fairtrade products. Chocolats Halba, for example, already generates more than 75.0% of its sales from sustainable ranges. Moreover, since switching cocoa butter to fairtrade, it has enjoyed the strongest growth in sales of sustainable products of all manufacturing companies. Cumulatively, the manufacturing companies are slightly short of the target path, due chiefly to the first-time consolidation of Hilcona in the Bell Group. The newly planned Bell Group sustainability strategy is intended to restore the target path.

#### Coop's sales from sustainable products:

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

## Breakdown of sales from sustainable products

### Sales from sustainable products in Retail

in CHF m	2012	2013	2014	2015	2016
Naturaplan	816	940	954	987	1,049
Naturafarm	442	453	435	443	456
Oecoplan	128	138	142	139	148
Naturaline (textiles and cosmetics)	66	62	59	60	59
Others (Pro Montagna, Unique, Pro Specie Rara, Slow Food, Fairtrade Max Havelaar, Bio, MSC, FSC, Topten, Hochstamm Suisse, Schweizer Pärke, Natrue, BDIH, Ecocert, Blauer Engel, Bird Life, EU Ecolabel)		573	662	823	875
<b>Sales of own-label brands and quality seals subject to the most stringent sustainability standard</b>	<b>2,057</b>	<b>2,166</b>	<b>2,252</b>	<b>2,454</b>	<b>2,586</b>
<b>Sales of quality seals with sustainable added value (ASC, UTZ, Rainforest Alliance, animal welfare programmes, PEFC, Natureplus, Nordic Swan, GOTS, Label Rouge, Bluesign)<sup>1</sup></b>		–	–	209	371
Regional organic products (Naturaplan Bio-Regio, Oecoplan Bio-Regio)		–	–	15	40
Miini Region		–	–	140	170
Others (Pro Montagna, Schweizer Pärke, AOP, Mar-chio Ticino)		–	–	185	181
<b>Sales of own-label brands and quality seals with added value for the region<sup>1</sup></b>		–	–	<b>322</b>	<b>348</b>
Special products for allergy sufferers (Freefrom, Aha, ear of corn symbol, lactose-free, sulphite-free)		–	–	135	168
Products for vegetarians and vegans (Karma, Délicorn, V-Label)		–	–	193	287
Low-calorie products		–	–	40	53
<b>Sales of own-label brands and quality seals for special dietary and consumer needs<sup>1</sup></b>		–	–	<b>403</b>	<b>468</b>
<b>Sales from sustainable products in Retail<sup>1</sup></b>		–	–	<b>3,319</b>	<b>3,528</b>
<b>Sales from sustainable products in Wholesale<sup>1</sup></b>				<b>128</b>	<b>193</b>
<b>Sales from sustainable products in Production<sup>1</sup></b>				<b>204</b>	<b>279</b>
<b>Sales of the Coop Group from sustainable products (consolidated)</b>				<b>3,543</b>	<b>3,855</b>

### Share of sales from sustainable products in Production

as a %	2013	2014	2015	2016	target 2020
Swissmill (Coop Naturaplan, Bio Knospe)	21.4	22.5	25.8	25.9	24.1
Chocolats Halba (Coop Naturaplan, Bio Knospe, Fairtrade Max Havelaar)	33.4	49.3	57.6	75.5	74.8
Reismühle Brunnen (Coop Naturaplan, Bio-Knospe, Fairtrade Max Havelaar)	36.8	45.0	48.0	50.8	52.3
Nutrex (Coop Naturaplan, Bio-Knospe)	14.4	16.3	16.9	26.5	24.3
Sunray (Coop Naturaplan, Bio-Knospe, Fairtrade Max Havelaar)	21.1	22.7	24.5	25.8	25.0
Steinfels Swiss (Coop Oecoplan, Coop Naturaline Natural Cosmetics, Maya)	25.7	27.0	31.9	32.7	33.3
Bell Group (including Hilcona from 2016 onwards)	17.7	17.8	18.5	16.8	22.0
<b>Share of sales from sustainable products at manufacturing companies</b>	–	<b>19.7</b>	<b>21.2</b>	<b>21.5</b>	<b>24.3</b>

### Share of sales from sustainable products in Wholesale

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

<sup>1</sup> Totals without double counting

## Multi-year target 1.1.2 Organic products

### Sales of organic products

in CHF m	2012	2013	2014	2015	2016	target 2020
▲ Retail, of which:	934	1,061	1,082	1,104	1,181	1,660
▲ Wholesale		–	–	28	50	82
▲ Production		183	181	204	279	242
<b>Coop Group (consolidated)</b>		–	–	1,174	1,255	–

Organic sales grew substantially in all areas of business compared with the previous year. The picture is very mixed in Wholesale, where quantitative targets were formulated for the first time in 2016. While most national subsidiaries are well above the target path, Transgourmet France was badly hit in the area of fruit and vegetables by the loss of a major organic customer. Almost all manufacturing companies are achieving growth in this area due to the expansion of their organic ranges and are beating the targets set. Only Sunray is not on track, due to a delay in the anticipated organic certification of producers abroad. Coop Naturaplan, which bears the Bio Suisse bud, is demanding that the whole operation is switched to organic, including production for its own use or the local market. Although this makes the changeover a challenge, it does ensure maximum credibility. Further information about our commitment to organic farming can be found [here](#).

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

### Sales of products with social added value

in CHF m	2012	2013	2014	2015	2016	target 2020
Retail, of which:	–	–	–	515	578	–
▲ Fairtrade Max Havelaar	187	219	260	334	397	441
Naturaline products made from fairly traded organic cotton	64	59	56	56	54	–
Pro Montagna	38	38	38	40	40	–
Other quality seals with social added value (RA, UTZ)	–	–	–	84	88	–
<b>Sales of products with social added value</b>				527		–
▲ Wholesale, of which:	–	–	–	12	18.1	40
Fairtrade Max Havelaar	–	–	–	12	14	–
Production, of which:	–	–	60	85	<sup>3)</sup>	–
▲ Fairtrade Max Havelaar	–	–	60	74	97	82.5

<sup>3)</sup> Social added value was not ascertained in 2016

In Retail, Coop is on track with its «Fairtrade growth strategy». The inclusion of new products such as the Fairtrade festive biscuits and the systematic expansion of the range in areas such as dried fruits and ice cream or desserts, yoghurt, quark and chocolate are yielding continuous growth. In Wholesale, new products are continually being added to the range of products with social added value (see box below). The majority of these products satisfy fairtrade requirements. However, the huge increase compared with the previous year is due in part to improved data gathering. In Production, fairtrade sales of Chocolats Halba and Sunray have risen sharply. Halba switched the bulk of the cocoa butter it uses to fairtrade quality and fairtrade now accounts for 63.0% of the cocoa butter and 94.0% of cocoa beans. Sunray has increased the share of fairtrade in its dried fruits in particular. Moreover, almost 45.0% of Sunray's fairly traded products are also certified organic. At Reismühle Brunnen, nearly all products from risk countries are fairtrade.

### Fairtrade and social added value

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

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

### Multi-year target 1.1.4 Regional products

#### Sales of regional products

in CHF m	2015	2016	target 2020
▲ Retail, of which:	322	348	500
Regional organic produce	15	40	–
Miini Region	140	170	–
Other <sup>4</sup>	185	181	–
▲ Wholesale			Qualitative
▲ Production			Qualitative

<sup>4</sup> Pro Montagna, Schweizer Pärke, AOC

The expansion of the regional ranges is on track within the Coop Group. The Guideline on the Miini Region own-label brand has been tightened up and made more specific with regard to quality and origin requirements. Qualitative targets have been defined in both Wholesale and Production, and these are on track. In Wholesale, all the national subsidiaries are running projects to promote regional suppliers, focusing in particular on fresh produce such as bread, milk, meat and fruit and vegetables. While in Eastern Europe/Russia, individual markets work directly with the suppliers, at Transgourmet Österreich the independent AMA (Agricultural Market Austria) quality seal is promoted nationwide. In addition, the range of Ursprung/Origine/Vonatur own-label products has been greatly expanded. The manufacturing companies have increased the percentage of Swiss raw materials used. Sunray, for instance, has switched to Swiss-origin dried beans and launched various farming projects in Switzerland for turnips and pulses.

#### Sustainability of regional products

In Retail and Wholesale, we provide a sales channel for regional producers and are increasing regional added value. For the Miini Region own-label retail brand, for instance, at least 2/3 of added value must be created regionally. This benefits both structurally weak regions and smaller, artisanal producers. Regional products travel shorter distances but, because of their small quantities, logistically they are more expensive to handle and necessitate exacting quality control. The Bio-Regio product line provides a retail range of regional organic products which satisfy the most stringent Bio Suisse Knospe requirements. In Wholesale, the Origine/Ursprung/Vonatur own-label brand formulates basic requirements for both origin and animal welfare and the environment. In Production, the focus is on using Swiss raw materials which meet the high legal requirements for animal welfare, working conditions and protecting the environment.

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

#### Sales of environmentally-friendly non-food products

in CHF m	2012	2013	2014	2015	2016	target 2020
▲ Retail, of which:	–	–	–	501	494	650
Oecoplan	128	138	142	139	147	–
Naturaline textiles	–	–	–	50	47	–
Naturaline Cosmetics	–	–	–	10	12	–
FSC	–	–	–	227	225	–
Topten	–	–	–	148	150	–

Due to the growth in online trading and undented popularity of cross-border shopping, the market in the non-food segment was strained in 2016. Increasing sales of sustainable products in this area proved particularly challenging. While the Oecoplan own-label brand has grown solidly, Naturaline Textiles is stagnating. In the home electronics market, Topten marginally increased its sales despite more stringent requirements for Topten products and the changes to the market. As regards lighting, Coop stopped selling energy-saving light bulbs in 2016 and LED already accounts for more than 50.0% of sales.

## Project 2.1 Sustainable product chains



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

### Our key starting points:

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

### Degree of target attainment and trend

2. Sustainability throughout the range	2.1 Coop has transparent product chains which take account of people, animals and the environment.	Targets for Retail	Targets for Production	Targets for Wholesale
		↑ 2.1.1 R We are creating transparency / traceability of own-label brands along the production and supply chain.	→ 2.1.1 P We are able to transparently illustrate the product chain for all products and trace products through each production stage.	↑ 2.1.1 W We are able to transparently illustrate the product chain for own-label products and trace products through each production stage.
		↑ 2.1.2 R We apply at least minimum sustainability standards to 93.3% of critical raw materials used in our own-label brands.	↑ 2.1.2 P We apply minimum sustainability standards to 84.5% of our critical raw materials.	→ 2.1.2 W We promote sustainability standards for the critical raw materials used in our own-label brands.
		→ 2.1.3 R For key raw materials, we safe-guard long-term, sustainable procurement.	→ 2.1.3 P For key raw materials, we safeguard long-term, sustainable procurement.	
		↑ 2.1.4 R We implement more rigorous animal welfare standards for our entire meat, dairy and egg range (satisfying Swiss legislation as a minimum) and promote innovative solutions to improve commercial livestock husbandry.	↑ 2.1.4 P We ensure that the animal raw materials used (meat, dairy, eggs) originate from humane animal husbandry.	↑ 2.1.4 W We are mindful of animal welfare throughout our range and create a distinctive profile in selected ranges.
		↑ 2.1.5 R We also require brand manufacturers to comply with customary sustainability standards or their own, adequate sustainability standards.		
		→ 2.1.6 R We are reducing and optimizing our packaging material by 4,000 tonnes (compared with 2012).	↑ 2.1.6 P We are reducing and optimizing our packaging material by 2,700 tonnes compared with 2012 (end packaging and repackaging, end packaging is the priority).	↑ 2.1.6 W We analyse the relevant packaging volumes that we are able to influence and set reduction and optimization targets on that basis.

### Highlights and challenges in 2016

- Definition and adoption of quantified targets for critical raw materials, including for the production area, by 2020
- Definition and adoption of internal targets for palm oil, coffee, cocoa and tea in the range of branded articles in Retail
- Major progress with the implementation of more stringent animal welfare standards in poultry production abroad in accordance with PAS (particularly animal-friendly stabling)
- Integration of sustainability as a key element of the new SAP-based business partner rating in retail
- Screening ranges in Wholesale for purchasing risks and critical raw materials, and taking initial measures
- Attainment of a 99.0% share of responsible soy in animal feed imports into Switzerland, as part of the Soy Network Switzerland
- Ascertainment of soy footprint of own-label food brands in Retail

### Multi-year target 2.1.1 Transparency and traceability

#### Transparency and traceability of own-label brands

2016

##### ▲ Retail

**Textiles:** Project to map the supply chain right through to wet processes at the 20 key suppliers and self-assessment with regard to chemical management have been completed. Re-quirements of the Greenpeace Detox Commitment and the [Coop Guideline on Textiles and Leather](#) have been defined.

**Own-label food brands:** Traceability back to the country of the last valuable processing step as the basis for improved BSCI implementation incorporated in SAP.

**Upstream supplier management:** Involvement in the CTI project (Commission for Technology and Innovation) at the University of St. Gallen.

**Palm oil:** Preparation for supply chain mapping of the 20 key business partners back to plantation level.

**Fish:** Origin and fishing method known for the entire range and assessed in each case by WWF (score 1–6). Fishing method is declared on the product.

##### ▲ Wholesale

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

**Transgourmet Germany:** Transparency based on EU legislation is high in the own-label food brand range.

**Transgourmet Österreich:** Own-label brand contracts with own-label brand suppliers; compliance monitored through supplier audits and supplier assessments.

##### ▲ Production

**Chocolats Halba:** Cocoa beans can be traced right back to the cooperative; thus far, only partially the case for cocoa butter.

**Steinfels Swiss:** Forward and backward traceability of the semi-finished products used is ensured.

As part of the «Transparency in the value chain» retail project launched in 2015, during the year under review various providers (SIM, Achilles, Sustain) were evaluated by IT-based product chain management solutions and tested in pilot projects. For example, the palm oil product chains of the 20 key business partners were mapped right back to the plantation. These can then be compared with information from the Global Forest Watch Monitoring System based on the available GPS data. Moreover, since the year under review the entire own-label brand range has been traceable right back to the country of the last valuable processing step. In the textiles segment, the product chains of the key suppliers have been mapped, all the way through to wet processes. In addition, the companies were asked to complete a self-assessment covering important points with regard to the implementation of the [Detox Commitment](#) to eliminate hazardous chemicals from the textile product chain. At a number of national Transgourmet subsidiaries, the requirements for greater transparency were implemented in materials management. However, the focus here is still on screening ranges, defining specific range standards and agreeing these with suppliers (see also Critical raw materials in own-label brands (MYT 2.1.2)). The manufacturing companies know the origin of their main raw materials and, in some cases, work closely with the producers. In the year under review Reismühle Brunnen, for example, processed 1,800 tonnes of rice from its «[Fair & Good](#)» project, which is supported by the Coop Sustainability Fund. You can find further information on transparency in the product chain [here](#).

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

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

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

When revising the multi-year sustainability targets, during the year under review specific key figures and strategic targets were adopted for critical raw materials in Retail and Production. Across all 14 critical raw materials combined, Retail is on target. Some raw materials are not entirely on the target paths (broken down linearly) for the year under review (see also detailed figures below): New approaches have been adopted for hazelnuts or the cultivation of fruit and vegetables in countries with high water stress, and these will start to take effect over the next few years. In Wholesale, the national subsidiaries in Germany, France and Austria undertook comprehensive screening of ranges in 2016 to identify critical raw materials and determine the main actions required. Palm oil, fish/seafood and meat are critical raw materials at all subsidiaries and, in some cases, coffee, cocoa and fruit and vegetables. Appropriate guidelines are currently being drawn up for the sourcing of these raw materials in the own-label brand range. Taken across all manufacturing companies, the quantified target for 2020 has already been exceeded during the year under review. This is due in part to the significant pro-gress made with fresh meat and poultry at Bell. In light of this, the targets will be reviewed and adjusted as necessary in 2017. Further information about critical raw material can be found [here](#).

### Additional key figures for Retail

#### Percentage of critical raw materials meeting a sustainability standardd

Critical raw materials	Accepted standards	2015	2016	Comment	target 2020
<b>Meat</b>					
<i>Animal welfare in husbandry, slaughter, transport</i>					
Percentage of fresh meat at least in accordance with the requirements of Swiss animal welfare legislation	Bio Suisse, Suisse Garantie, Natura-farm, PAS, ROEL, Natura Beef, Natura Veal, imports in accordance with Swiss animal welfare legislation or stricter	81.1 %	84.1 %	see also MYT 2.1.4	95.0 %
<b>Milk</b>					
<i>Animal welfare in husbandry</i>					
Percentage of drinking milk at least in accordance with the requirements of Swiss animal welfare legislation	Bio Suisse, Suisse Garantie, PAS, ROEL, imports in accordance with Swiss animal welfare legislation or stricter	100.0 %	100.0 %	see also MYT 2.1.4	100.0 %
Percentage of cheese at least in accordance with the requirements of Swiss animal welfare legislation	Bio Suisse, Suisse Garantie, PAS, ROEL, imports in accordance with Swiss animal welfare legislation or stricter	82.5 %	82.8 %	see also MYT 2.1.4	85.0 %
Percentage of other milk-based products at least in accordance with the requirements of Swiss animal welfare legislation	Bio Suisse, Suisse Garantie, PAS, ROEL, imports in accordance with Swiss animal welfare legislation or stricter	99.3 %	99.5 %	see also MYT 2.1.4	95.0 %
<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, Natura-farm, PAS, ROEL, imports in accordance with KAT or stricter	92.4 %	92.4 %	see also MYT 2.1.4	100.0 %
Percentage of processed eggs at least in accordance with the requirements of Swiss animal welfare legislation	Bio Suisse, Suisse Garantie, Natura-farm, PAS, ROEL, imports in accordance with KAT or stricter	94.8 %	93.4 %	see also MYT 2.1.4	90.0 %
<b>Fruits and Vegetables</b>					
<i>Working conditions, water, soil conser-vation, pesticide use</i>					
Percentage of fresh fruit & vegetables at least certified to GlobalGAP or SwissGAP	GlobalGAP, SwissGAP or standards regarded by GlobalGAP as equivalent	97.1 %	97.2 %		100.0 %
Percentage of fresh fruit & vegetables from countries/regions of high water stress grown in accordance with a water standard	Coop Water and Soil Standard, EWS, AWS	19.4 %	15.2 %	EDevelopment of additional Coop-GLOBAL G.A.P. Water Add-on module. Widely applied from 2017 onwards	75.0 %

Critical raw materials	Accepted standards	2015	2016	Comment	target 2020
Percentage of fresh fruit & vegetables from risk countries grown in accordance with social responsibility standards	Fairtrade, Rainforest Alliance, SA8000, IMO Fair for Life, BSCI PP, GRASP, Sedex/SMETA, SIZA	82.4 %	91.4 %		95.0 %
Percentage of processed fruit & vegetables at least certified to GlobalGAP or SwissGAP	GlobalGAP, SwissGAP or standards regarded by GlobalGAP as equivalent	93.3 %	91.6 %		95.0 %
Percentage of processed fruit & vegetables from risk countries grown in accordance with social responsibility standards	Fairtrade, Rainforest Alliance, SA8000, IMO Fair for Life, BSCI PP, GRASP, Sedex/SMETA, SIZA	11.5 %	64.0 %	Improved data basis in 2015	75.0 %
<b>Flowers and plants</b> <i>Working conditions, water, soil conservation, pesticide use</i>					
Percentage of flowers and plants at least certified to GlobalGAP or SwissGAP	GlobalGAP, SwissGAP or standards regarded by GlobalGAP as equivalent	83.3 %	85.3 %		95.0 %
Percentage of flowers and plants from risk countries grown in accordance with social responsibility standards	Fairtrade, Rainforest Alliance, SA8000, IMO Fair for Life, BSCI PP, GRASP, Sedex/SMETA, SIZA	48.1 %	78.9 %		90.0 %
<b>Fish and seafood</b> <i>Overfishing, bycatch, working conditions, antibiotic and pesticide use in farming, land usage</i>					
Percentage of sustainable fish and seafood (brands and own-label brands including restaurant)	According to WWF from recommended and accepted sources (score 1 and 2 = recommended, score 3 = accepted)	99.5 %	99.9 %	Entire range switched to sustainable sources in November 2016	100.0 %
<b>Coffee</b> <i>Working conditions, water, pesticide use, child labour</i>					
Percentage of coffee meeting sustainability standard	Fairtrade, Bio Suisse, Utz, Rainforest Alliance, 4C	99.2 %	92.5 %	Introduction of new own-label coffee capsules; switch to raw materials grown according to a sustainability standard planned in 2017	100.0 %
<b>Cacao</b> <i>Deforestation, working conditions, child labour, pesticide use</i>					
Percentage of cocoa products meeting sustainability standard	Fairtrade, Bio Suisse, Utz, Rainforest Alliance	85.4 %	86.0 %	Switch to Fairtrade-certified cocoa butter at Prix Garantie took place at the end of 2016	100.0 %
<b>Rice</b> <i>Deforestation, working conditions, child labour, methane emissions</i>					
Percentage of rice from risk countries meeting sustainability standard	Fairtrade, Bio-Suisse	99.3 %	100.0 %		100.0 %
<b>Palm oil</b> <i>Deforestation, child labour, land-use conflicts</i>					
Percentage of physically sustainable palm oil in food	RSPO IP, RSPO Segregated, Bio Suisse	92.7 %	94.2 %	<sup>5)</sup>	100.0 %
Percentage of sustainable palm oil in non-food	RSPO IP, RSPO Segregated, RSPO Mass Balance, Bio Suisse	71.9 %	88.7 %	<sup>5)</sup>	80.0 %
<b>Soya</b> <i>Deforestation, water, working conditions</i>					
Percentage of imported soya for feed meeting sustainability standard	Standards accepted by the Swiss Network for Sustainable Soy: Bio Suisse, Pro Terra, Danube Soya, RTRS Non-GM	94.0 %	99.0 %	Soy footprint in own-label brand range also ascertained	95.0 %
<b>Hazelnuts</b> <i>Working conditions, child labour</i>					
Percentage of hazelnuts meeting sustainability standard	Bio Suisse, Utz	12.0 %	13.0 %	Adjustments to ranges planned in 2017	80.0 %
<b>Wood and paper products</b> <i>Deforestation, working conditions</i>					
Percentage of wood and paper products from sustainable sources or of verified origin (brands and own-label brands)	FSC, Recycling, PEFC or originating from a non-risk country	95.1 %	93.5 %		98.0 %
<b>Cotton</b> <i>Water, pesticide use, child labour</i>					
Percentage of cotton meeting sustainability standard in the area of own-label goods	Fairtrade, Bio Suisse, bioRe Standard, Better Cotton Initiative (BCI), Cotton Made in Africa (CmiA), Organic Cotton Standard (OCS)	39.4 %	42.6 %	Changeover and data gathering under Better Cotton initiative starting in 2017	80.0 %

<sup>5)</sup> Remained through buying certificates

## Additional key figures for Production

### Percentage of critical raw materials meeting a sustainability standard<sup>6</sup> at the manufacturing companies

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

<sup>6</sup> Minimum standards as in Retail

Overall, the Coop manufacturing companies are well on course with regard to critical raw materials. For example, Chocolats Halba and Steinfels Swiss purchase 100.0% physically sustainable palm oil which meets a RSPO standard (segregated or organic). At Sunray, the wide range of dried fruits and vegetables is still presenting some difficulties. The fruits and vegetables are sourced from a great many small producers, making it very difficult to enforce certification and standardization. For cocoa and hazelnuts, however, Sunray is on course. In the year under review, Chocolats Halba switched to fairtrade for all of its cocoa butter and has attained a percentage of 98.6% for cocoa beans.

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

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

2016

#### ▲ Retail

**Business partner rating:** sustainability has a weighting of 25.0% in the SAP-based rating.

**Soy footprint:** Ascertaining the amount of soy incorporated in the key food ranges (mono products meat, milk and eggs); total content approx. 41,000 tonnes, of which 36,000 tonnes in own-label brand production (equates to a growing area of approx. 140 square kilometres).

**BSCI-Umsetzung (Business Social Compliance Initiative):** high percentage of suppliers in the food, non-food, near-food and non-retail products segment have BSCI status «OK» and are part of the BSCI process.

**BEPI (Business Environmental Performance Initiative):** Pilot project at Chinese suppliers and strong commitment to BEPI Working Group Brussels, to establish the standard as widely as possible. At many producers, particularly in the Far East, Coop alone does not have sufficient influence to demand a comprehensive environmental standard. The project was supported by the Coop Sustainability Fund.

**Detox:** Focus more on stable upstream supplier management than on downstream product checks. Provision of aids and training to impel all suppliers and upstream suppliers to comply with the standard. E.g. preparation of a detox manual in 6 languages (including Chinese). Cooperation as part of the ZHDC towards the joint development of standardized sustainability requirements. Further information about Detox can be found [here](#).

**WWF partnership:** Formulation of new targets for the contractual period 2017–2019 in areas including purchasing.

**Sustainability Fund innovation projects:** Support for projects to further develop organic farming (e.g. organic cotton, copper-free cultivation, cultivation that has minimal impact on soil and climate) and sourcing projects (range development for organic farming, e.g. exotic produce, wine etc.). Further information about the Sustainability Fund you can find [here](#).

#### ▲ Production

**Bell:** Takeover of suitable poultry producers to establish humane product chains.

**Reismühle Brunnen:** Prolongation of [sourcing projects](#) in India and Thailand to establish stable value chains.

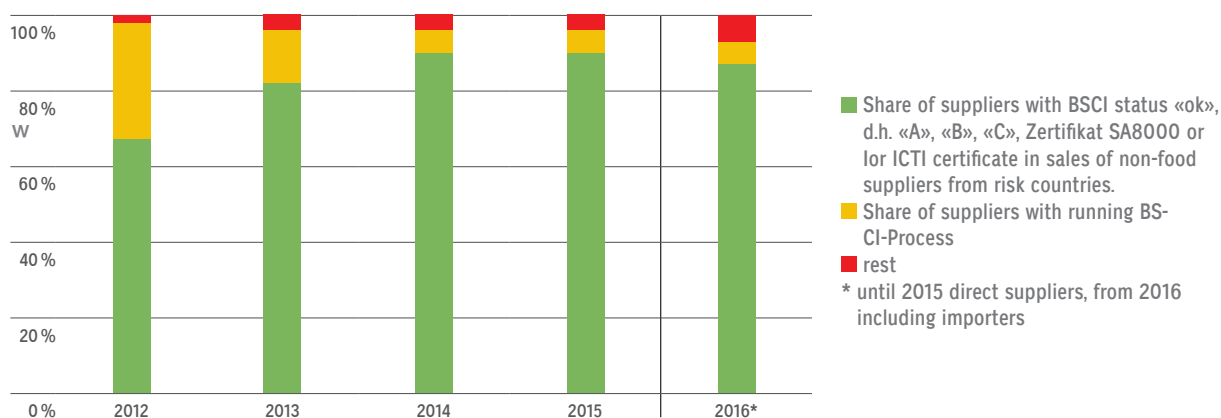
**Sunray:** Establishment of sourcing projects e.g. [cashews](#) (Benin), cane sugar (Paraguay and Costa Rica), mushrooms (Bosnia and Montenegro), walnuts (Chile and Moldavia).

With various sourcing projects and the screening of ranges, the sourcing of important raw materials within the Coop Group is on target. In Retail, good progress was made with ambitious projects such as the broad implementation of the Business Social Compliance Initiative (BSCI) Code of Conduct in the food and non-food range and the implementation of the Detox Commitment with Greenpeace in the textiles segment. Furthermore, as part of our partnership with the WWF, ambitious targets were agreed for the range for the contractual period 2017–2019. At the manufacturing companies, sourcing projects with a proven track record were extended or reestablished.

## Additional key figures for Retail

### Implementation of the Business Social Compliance Initiative (BSCI)

#### Socialstandards own-label brand Non-Food



At 90 percent in total, the share of direct suppliers with BSCI status «OK» or undergoing a BSCI process was already very high in 2015. Now, we are turning our attention more towards importers. We want to also impel importers to take part in BSCI, thereby indirectly reaching their producers as well. Consequently, the share of suppliers with BSCI status «OK» has fallen since 2015. The implementation of BSCI is less advanced among importers. Furthermore, BSCI audit systems have been tightened up considerably.

#### Share of peat in entire soil range

as a %	2012	2013	2014	2015	2016	target 2020
▲ Torf						
Share of peat in soils across whole range	27.3	13.1	8.0	5.4	4.8	0.0

Since 2015, the soils in Coop's own-label brand range have been completely peat-free. A small percentage of special soils in the brand range is to be replaced with equivalent peat-free alternatives by 2020.

## Multi-year target 2.1.4 Animal welfare

### Implementation of animal welfare standards throughout the range

2016

#### ▲ Retail

see also MYT 2.1.2 critical raw materials

**Sales:** Sales: Increase of 20.0% in sales of products with added value in regard to animal welfare, to CHF 751 m. More than 50.0% of meat and eggs at Coop satisfy an animal welfare standard which goes beyond the legal requirements.

**Ratings:** Top ratings in the Business Benchmark on Farm Animal Welfare (BBFAW) and in the SAP Report (Swiss Animal Protection) «Animal Welfare in Retail 2015/2016».

**Import:** Since January 2016, imported turkey has met the BTS standard (with the exception of Prix Garantie).

**Antibiotic reduction:** Pilot project optimize and improve health standards among calves, leading to a reduction in the need for antibiotics.

#### ▲ Wholesale

**Transgourmet Germany:** Adoption of guideline on sustainable sourcing with minimum requirements on animal welfare and incorporation of animal welfare in supplier contracts, addition of more products bearing the animal welfare label of the German Animal Welfare Federation, expansion of own-label range «Ursprung» with more stringent animal welfare requirements and a ban on the use of fattening agents for poultry.

**Transgourmet Switzerland:** Introduction of own-label Origine/Ursprung products with more stringent animal welfare requirements.

**Transgourmet France:** Introduction of own-label Origine/Ursprung products with more stringent animal welfare requirements.

**Transgourmet Österreich:** Preference to minimum Austrian animal welfare standards in the range and planned introduction of own-label brand Vonatur (equates to Origine/Ursprung).

#### ▲ Production

**Bell:** Establishment of European turkey and chicken production in accordance with PAS standard (particularly animal-friendly stabling) with the takeover of various poultry producers in the German-speaking region in order to establish humane product chains.

**Sunray:** all products containing eggs switched to higher animal welfare standards.

## Additional key figures

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

in CHF m	2011	2012	2013	2014	2015	2016
Naturafarm	450	442	453	435	443	456
Naturaplan (meat, eggs)	77	87	102	105	107	113
Animal welfare programs	-	-	-	-	160	181
Sales of products with added value in the area of animal welfare					710	750

In Retail, since January 2016 all fresh turkey meat from abroad (aside from Prix Garantie) has originated from husbandry that complies with the PAS standard (particularly animal-friendly stabling) which, compared with the minimum Swiss standard, requires more space in the housing, bedding, more seating areas and access to a covered outdoor area. Since 2016, chicken has been almost exclusively obtained from husbandry which satisfies the minimum standard in Switzerland, with the exception of Prix Garantie. This standard has already been met for around 80 percent of promotions, so we have achieved a major step in the changeover. While milk (100.0%) and eggs (94.0%) originate predominantly from Swiss production, due to the higher share of brands and imports there is scope for further action with regard to cheese. In Whole-sale, the expansion of the Origine/Ursprung own-label brand has resulted in the first distinctive ranges with more stringent animal welfare requirements (e.g. free-range geese). However, in the eastern European countries in particular, animal welfare efforts are still in their infancy. Aside from Bell, the Coop manufacturing companies purchase their animal raw materials (in particular eggs and milk powder) mainly from Swiss producers, ensuring compliance with the high Swiss minimum standards. At Bell, nearly 88% of fresh meat including poultry at least complies with Swiss animal welfare legislation.

## Multi-year target 2.1.5 Branded articles

### Implementation of sustainability standards for branded articles

2016

#### ▲ Retail

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

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

**EU-Bio:** EU organic logo permitted as the entry standard for organic products at certain brand manufacturers.

**Geschäftspartner-Rating:** Inclusion of branded articles in Coop business partner rating.

## Multi-year target 2.1.6 Packaging material

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

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

At 4,000 tonnes, the target was doubled in Retail as part of the intensification of the multi-year targets. Consequently, based on a linear breakdown, the 2016 target was not quite met. In Retail, the changeover of charcuterie packaging from fresh PET to recycled PET, which began in 2015, continued in 2016. Moreover, a major project to switch from cardboard to recycled materials or FSC got underway but this will only start having an effect in 2017. There are a number of projects underway in Wholesale to reduce packaging, such as the use of bulk packs and collaborations with own-brand suppliers to optimize packaging. Major improvements have been achieved at the manufacturing companies, chiefly by saving on corrugated cardboard and cling film and through the use of recycled plastic at Steinfels Swiss. More information about reducing and optimizing packaging you can find [here](#).

## Project 3.1 Energy management and climate protection



Climate change is one of the biggest challenges facing society on a global scale. Coop is steadily reducing its energy consumption by 2020 and protecting the climate by systematically lowering CO<sub>2</sub>-emissions in its own operations (Scope 1 and 2). Therefore, back in 2008 Coop adopted the vision of being CO<sub>2</sub>-neutral by 2023 for the parent company and included ambitious climate protection targets in the multi-year targets for the whole Coop Group. Measures are also being taken within the ranges (soya, palm oil, wood etc.) that have a major impact on the climate (Scope 3).

### Our key starting points:

- Implementation of the vision of being CO<sub>2</sub>-neutral by 2023 at the Coop parent company and measures to reduce energy consumption and increase the share of renewable energies throughout the Coop Group, esp. in new and upgraded buildings
- Increasing the percentage of LED lighting
- Use of natural refrigerants such as CO<sub>2</sub> and ammonia
- Installation of closed refrigerated units
- Use of waste heat from cooling systems
- Switzerland: Construction in accordance with the Minergie standard
- Low CO<sub>2</sub> electricity generation (100.0% hydropower at the parent company and Bell CH)
- Use of renewable energies for heating
- Promotion of innovative transport systems using renewable energies

### Degree of target attainment and trend

3. Energy / CO <sub>2</sub>	3.1 Coop is significantly reducing its own energy consumption and protecting the climate by systematically reducing CO <sub>2</sub> emissions.	Targets for Retail		Targets for Productions		Targets for Wholesale	
		→	3.1.1 R We are reducing energy consumption in absolute terms by 8.6% compared with 2012.	↓	3.1.1 P We are reducing energy consumption in absolute terms by 2.7% compared with 2015.	↑	3.1.1 W We are reducing specific energy consumption per m <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 source to 60.0 %		
		↓	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% 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 and challenges in 2016

Continuation of measures to implement the CO<sub>2</sub> vision:

- 414 points of sale comply with Minergie standard (+ 62)
- 400 POS use CO<sub>2</sub> to refrigerate products (+ 40)
- 372 POS have LED lighting (+ 40)
- Retail: 6 photovoltaic systems installed for our own electricity consumption and fundamental decision by the Executive Committee to use PV systems for our own consumption in future
- Put biomass heating systems into operation at the Schafisheim and Pratteln distribution centres

- Earlier-than-anticipated use of refrigerating systems in Retail, with the support of the KliK Foundation (Foundation for Climate Protection and Carbon Offset)
- Measures in the area of transport, see also Project 4.2

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

#### Reduction in absolute and relative energy consumption

	2012	2013	2014	2015	2016	target 2020
▲ Retail (MWh)	1,157,428	1,146,711	1,116,389	1,127,499	1,134,156	–6.8 % <sup>7</sup>
▲ Wholesales– West (kWh/m <sup>2</sup> )	-	-	-	287	293	–5.3 % <sup>8</sup>
▲ Wholesales – East (kWh/m <sup>2</sup> )	-	-	-	544	530	–1.3 % <sup>8</sup>
▲ Wholesales – Wholesale – Cash & Carry (kWh/Tonne)	-	-	-	302.6	283.1	–20.3 % <sup>8</sup>
▲ Production (MWh)	270,204	436,833	457,771	620,209	678,739	–2.7 % <sup>8</sup>

<sup>7</sup> Reference year 2012

<sup>8</sup> Reference year 2015

The Coop Group's efforts to reduce energy consumption are on target. In 2008, the foundation for sustainable Energy and CO<sub>2</sub> future was laid with the energy/CO<sub>2</sub>-vision. We reached half time now and we can say, up to now Coop reduced its CO<sub>2</sub>-emissions by more than 25.0% and could save 100 million francs. The slight increase in Wholesale in western Germany is due to the greater accuracy of data gathering compared with previous years. The sharp rise in Production is mainly due to the integration of Hilcona into the Bell Group in 2015.

### Additional key figures

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

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

The increase in total energy consumption in Retail in the last two years is due to the acquisition of Marché (figures from 2015 onwards) and the opening of the distribution centre in Schafisheim in 2016. At times, the old and new locations had to operate in tandem during the changeover phase. In Wholesale, the big expansion in Russia with an increase in floor space of one third since 2012, the integration of Transgourmet Österreich and the acquisition of a number of companies at Transgourmet France were the main reasons for the increased energy requirements. In Production, the consolidation of the Bell Group (including international and Hilcona in 2015) has caused an increase.

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

#### Share of renewable energy sources

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

The share of renewable energy sources is consistent with the target path within the Coop Group. Manufacturing companies Steinfels Swiss, Nutrex and Reismühle Brunnen, as well as the banana ripening plant, are already 100.0% reliant on renewable energy sources. The Bell Group has attained a share of just under 50.0% while the other manufacturing companies have an average of almost 70.0%.

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

#### Reduktion des absoluten bzw. des spezifischen CO<sub>2</sub>-Ausstosses

as a %	2012	2013	2014	2015	2016	target 2020
▲ Retail (tonnes of CO <sub>2</sub> )	115,994	112,541	106,356	107,135	103,849	−19.2% <sup>9</sup>
▲ Wholesale – West (g CO <sub>2</sub> /m <sup>2</sup> )	-	-	-	41.4	36.7	−5.7% <sup>10</sup>
▲ Wholesale – Ost (g CO <sub>2</sub> /m <sup>2</sup> )	-	-	-	306.5	297.3	−6.0% <sup>10</sup>
▲ Wholesale – Cash & Carry (g CO <sub>2</sub> /m <sup>2</sup> )	-	-	-	70.5	58.6	−18.7% <sup>10</sup>
▲ Production (tonnes of CO <sub>2</sub> )	21,052	86,634	93,664	93,558	97,463	−21.2% <sup>10</sup>

<sup>9</sup> Reference year 2012

<sup>10</sup> Reference year 2015

In Production, the rise in CO<sub>2</sub> emissions is mainly attributable to the Bell Group, where measures have already been taken, including the sourcing of 100.0% renewable electricity.

#### Additional key figures

##### Carbon offsetting

in tonnes of CO <sub>2</sub> equivalent	2012	2013	2014	2015	2016
Air freight	71,096	81,181	84,605	81,260	86,255
Business travel by road	5,693	5,461	5,192	5,066	4,928
Business travel by air	1,638	1,902	3,824	4,126	5,832
Coop@home deliveries	1,603	1,614	1,616	1,633	1,794
Total carbon dioxide (CO <sub>2</sub> ) emissions offset	80,030	90,158	95,237	92,085	98,809

In the year under review, new WWF projects were implemented to the Gold Standard in Coop's product chain, including wider use of water filters by coffee growers in Kenya.

## Project 4.1 Waste management and construction



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

### Our key starting points:

- Collection of various reusable material promotions
- Sustainable construction

### Degree of target attainment and trend

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

### Highlights and challenges in 2016

- New supermarket concept developed and implemented in first store
- Sustainable Construction checklist developed and tested in Retail
- Involvement in pilot phase of the Sustainable Construction Switzerland standard (SNBS)
- First-time certification to Minergie standard of an industrial building including processes, in Schafisheim
- Involvement in «Resource Trialogue» involving the authorities, business and society, to develop a Resource Agenda 2030 for Switzerland
- Political and operational basis for abandoning the use of disposable plastic bags successfully established

### Multi-year target 4.1.1 Reusable materials quota

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

At over 80.0%, the quota of reusable materials in the retail sector is already very high and the potential is largely exhausted. Because of this, the target for 2020 is very ambitious. In Production, the 2016 quota is slightly below 2015, due to acquisitions, which is why the target for 2020 was set below the one already achieved in 2015. Waste management measures have yet to take effect in the new divisions. In Wholesale, waste recycling measures began in Romania, and Transgourmet Switzerland has drawn up an action plan for 2017-2020. You will find more information about waste management [here](#). More information about waste management at Coop you can find [here](#).

## Additional figures

### Waste volume

in tonnes	2012	2013	2014	2015	2016
Retail	124,956	125,494	126,595	129,875	134,065
Wholesale	40,094	37,112	42,783	46,739	45,536
Production	18,200	20,414	21,424	18,670	38,544
<b>Coop Group</b>	<b>183,250</b>	<b>183,021</b>	<b>190,802</b>	<b>195,284</b>	<b>218,145</b>

Similarly to the quota of reusable materials, the sharp rise in Production is a consequence of the first-time consolidation of the Bell Group.

## Multi-year target 4.1.2 Sustainable construction

### Progress made with Sustainable Construction

2016

#### ▲ Retail

**New store concept :** EOpening of the first supermarket that applies the new concept. This includes closed refrigerating units in the meat and charcuterie self-service area, 100% LED lighting, benches for people with mobility difficulties in workshops for the disabled and floors made of gneiss, which is mined using eco-friendly methods in the Onsero valley in Switzerland and secures jobs there.

**Checkliste nachhaltiges Bauen:** Integration of the Sustainable Construction checklist into the planning phase of all new-build and refurbishment projects at Coop.

**SNBS 2.0:** Involvement in the pilot phase of the Sustainable Construction Switzerland 2.0 Standard.

#### ▲ Wholesale

**Transgourmet Österreich:** Draft guideline on sustainable construction which, among other things, covers the selection of construction materials, accessibility and energy management.

## Project 4.2 Transport



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

### Our key starting points:

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

### Degree of target attainment and trend

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

### Highlights and challenges in 2016

- 6 new E-Force electric trucks in the Coop Group
- Opening of Switzerland's first public hydrogen filling station and commissioning of first hydrogen-fuelled trucks using fuel cell technology
- Development of electric cooling for Railcare swap bodies
- Use of 2.6 million litres of biodiesel in Coop trucks, which equates to 33.0% of the total fuel consumption of Coop's own trucks

### Multi-year target 4.2.1 Shifting goods transport to rail

2016

#### ▲ Retail

**Railcare:** Saving of 9.7 million truck kilometres by using unaccompanied combined transport, which equates to a reduction of 8,400 tonnes of CO<sub>2</sub>.

**Schafisheim:** Opening of a new distribution centre with a central refrigerated warehouse; this enables frozen goods to be distributed via RailCare.

### Multi-year target 4.2.2 Innovative mobility solutions

#### Progress with trials of innovative mobility solutions

2016

#### ▲ Retail

**Hydrogen filling stations:** Opening of Switzerland's first public [hydrogen](#) filling station with hydrogen produced in an environmentally friendly manner, and sold under the Oecoplan brand.

**Hydrogen-fuelled mobility:** Commissioning of the first hydrogen-fuelled truck and 12 company cars.

**Biodiesel:** Opening of a new filling station at the Gossau DC with up to 100% added biodiesel and expansion of the truck fleet which runs on 100% biodiesel. 33% of the total fuel requirements of Coop trucks is met by biodiesel. In Switzerland, this is obtained entirely from waste.

**Railcare:** Introduction of electrically cooled swap bodies. The electricity for this is generated by axle-mounted dynamos and stored in batteries, so that it is also available during loading and unloading or shunting manoeuvres.

#### ▲ Wholesale

**Transgourmet Deutschland:** Commissioning of the first electric truck.

**Transgourmet Österreich:** Initial measures defined.

## Project 5.1 Fair employer



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

### Our key starting points:

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

### Degree of target attainment and trend

5. Sustainable HR Management	5.1 Coop is a progressive and fair employer	Targets for Retail	Targets for Production	Targets for Wholesale
		5.1.1 R We are an exemplary provider of apprenticeships and make a vital contribution to professional training in the retail sector.	5.1.1 P We are an exemplary provider of apprenticeships.	5.1.1 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.
		5.1.4 R We cultivate a culture of respect, appreciation and equal opportunities.	5.1.4 P We cultivate a culture of respect, appreciation and equal opportunities.	5.1.4 W We cultivate a culture of respect, appreciation and equal opportunities.

### Highlights and challenges in 2016

- Very high success rate (98.7%) among apprentices in Retail/Production
- Adoption of Personnel Strategy 2020+
- Expenditure on training averages CHF 1000/employee/year
- 3,505 apprentices

### Multi-year target 5.1.1 Exemplary provider of apprenticeships

2016

#### ▲ Retail/Production

ESuccess rate: 98.7% of apprentices successfully completed their training in 2016.

Weiterbeschäftigungsquote: 67.5% of apprentices got a job at Coop following on from their training.

Apprentice ratio: Ratio of apprentices/employees = 7.5%.

Site relocations: At companies planning to relocate, no apprentices have been taken on in the last few years; following the move, more apprentices will be trained in 2017/18.

#### ▲ Wholesale

Transgourmet Switzerland: Continued-employment rate of almost 50%.

Transgourmet Germany: Named one of «Germany's best training providers»; dual study programmes.

Transgourmet France: Participation in programme to integrate young people with no training into professional life.

Transgourmet Russia: Start of dual training as butcher; placements for students.

Transgourmet Österreich: Development of new apprentice training plans and seminars.

You can find more information in our [annual report 2016](#).

## Multi-year target 5.1.2 Professional development opportunities

2016

### ▲ Retail/Production

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

**Exchanges, language placements:** In 2016, 15 people completed language placements in other language regions, exchange programmes with partner firms or practical training placements for academically weak school leavers.

**Share of managerial roles filled internally:** 79.0 %.

**Training days:** 1100,000 participant days (collective employment agreement = 2 managers = 6 days per year) with expenditure > CHF 1000/employee.

### ▲ Wholesale

**Transgourmet Switzerland:** 70.0% of managerial roles filled internally and 37,000 hours of continuing education courses held.

**Transgourmet Germany:** Introduction of talent management.

**Transgourmet Romania:** PTI programme (promotion, training, initiative) with 3,600 participant days.

**Transgourmet Russia:** «Presidia» groups for managerial positions in Purchasing and internal assessment centre established.

**Transgourmet Österreich:** Training budget equates to 0.1% of sales; overhaul of seminar programme and introductory training for new employees.

You can find more information in our [annual report 2016](#).

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

2016

### ▲ Retail/Production

**Management conference:** Motivational event for more than 3,000 managerial employees.

**Integration behinderteter Mitarbeitender:** Around 2% of positions held by people with a disability; extension of the «Integration Handicap» project to the region NWZZ.

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

**Bell Deutschland:** «Sicher mit System» certification.

### ▲ Wholesale

**Transgourmet Switzerland:** Training in leadership principles and principles of conduct; preparation of «Safe carrying and lifting» brochure.

**Transgourmet Germany:** «Family and Career» certification at more sites (Selgros Cash & Carry, re-certification at Transgourmet); «Mental health at the workplace» survey as a basis for action; conclusion of new collective agreements including provisions regarding Works Council.

**Transgourmet Russia:** free health insurance for all employees; annual target-setting process.

**Transgourmet France:** Organization of a week for people with disabilities and creation of a disabilities officer; adoption of an agreement on professional gender equality.

**Transgourmet Österreich:** Introduction of summer childcare at Transgourmet head office; decision to introduce 270° feedback throughout the company.

## Additional key figures

### Diversity within the Coop Group

Share in percent (as at 31 Dec.)	2012	2013	2014	2015	2016
Retail	62.5	63.4	63.2	62.9	62.6
Wholesale and Production	46.4	45.1	45.2	43.9	43.6
<b>Percentage of workforce who are women</b>	<b>56.2</b>	<b>55.9</b>	<b>56.0</b>	<b>54.8</b>	<b>54.0</b>
Retail	44.9	45.7	45.5	45.4	44.8
Wholesale and Production	42.1	40.8	40.8	39.8	39.3
<b>Percentage of full-time staff who are women</b>	<b>43.9</b>	<b>43.2</b>	<b>43.2</b>	<b>42.5</b>	<b>41.8</b>
Retail	12.5	12.5	13.4	13.7	13.7
Wholesale and Production	28.9	30.1	30.1	32.0	35.8
<b>Percentage of part-time staff who are men</b>	<b>15.6</b>	<b>16.0</b>	<b>16.5</b>	<b>17.4</b>	<b>19.2</b>
Retail	23.3	24.7	24.9	25.6	25.7
Wholesale and Production	21.4	22.6	24.1	24.3	24.3
<b>Percentage of staff over 50 years of age</b>	<b>22.6</b>	<b>23.8</b>	<b>24.6</b>	<b>25.0</b>	<b>25.0</b>
Percentage of women in the Delegate Assembly	40.0	46.6	50.8	51.7	50.8
Percentage of women on the Board of Directors	40.0	40.0	40.0	40.0	40.0
Retail	14.4	13.5	12.4	11.3	11.8
Wholesale and Production	16.0	16.2	16.1	15.7	16.5
<b>Percentage of women on the Executive Committee and in upper management</b>	<b>15.4</b>	<b>15.1</b>	<b>14.6</b>	<b>14.1</b>	<b>15.0</b>
Retail	38.6	40.1	41.4	41.4	41.9
Wholesale and Production	27.5	32.6	31.9	32.0	32.7
<b>Percentage of women in middle management and departmental management</b>	<b>35.0</b>	<b>37.3</b>	<b>38.1</b>	<b>37.8</b>	<b>38.2</b>

### Health management

as percentage of all working days	2012	2013	2014	2015	2016
Sickness rate in Retail	3.7	3.7	3.8	4.0	4.1
Sickness rate in Wholesale and Production	3.8	4.1	4.1	4.2	4.3
Occupational accident rate in Retail	0.3	0.3	0.3	0.3	0.3
Non-occupational accident rate in Retail	0.5	0.5	0.5	0.5	0.5
Occupational accident rate in Retail	0.5	0.4	0.4	0.5	0.5
Non-occupational accident rate in Retail	0.4	0.4	0.5	0.4	0.6
Occupational accident rate in Production	0.3	0.5	0.6	0.5	0.7
Non-occupational accident rate in Production Switzerland	0.5	0.6	0.6	0.6	0.6

## Project 6.1 Social responsibility



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

### Degree of target attainment and trend

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

### Highlights und Herausforderungen

- CHF 18.6 million invested in projects of the Coop Sustainability Fund
- Support of CHF 8.27 million for Coop Aid for Mountain Regions
- CHF 5.5 million for other social projects, such as the production of Christmas cards in a workshop for the disabled

## Multi-year target 6.1.1 Basic supplies

2016

### ▲ Retail

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

Diversity: Opening of the new «Coop to go» sales format for fresh and fast out-of-home catering.

### ▲ Wholesale

Transgourmet Germany: Expansion of range bearing «WHATSEAT» seal for healthy school catering; continuation of «From cost factor to happiness factor» project for contemporary catering for senior citizens and political award for best Corporate Campaign won; increase in sales of own-label «Economy» brand for affordable, high-quality food.

Transgourmet Polska: Expansion of the «Economy» own-label brand.

### ▲ Production

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

As parts of the Coop Group, through aspects such as their vertical integration they help ensure the good provision of basic supplies of sustainable and healthy foods. In addition, with their compulsory reserves (e.g. grain, oil, sugar etc.) the Coop manufacturing companies guarantee supplies in crisis situations in Switzerland. See also Annual Report 2016.

## Multi-year target 6.1.2 Quality-driven agriculture

2016

### ▲ Retail

Quality Strategy Association: Coop is one of the founder members of the «Quality strategy for the Swiss farming and food industries» association, formed in November 2016, which is committed to sustainable and humane, high-quality foods. It promotes the implementation of the corresponding charter on the Quality Strategy for the Swiss farming and food industries.

### ▲ Wholesale

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

Transgourmet Germany/Frankreich: Expansion of the «Ursprung/Origine» own-label brand; processing of regional meat products.

### ▲ Production

Bell: Very high percentage of own slaughters (poultry = 100%) and sourcing on Swiss market (e.g. fruit and vegetables at Hilcona).

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

## Multi-year target 6.1.3 Sustainability Fund

2016

### ▲ Retail

Investments in the fund: : CHF 18.6 m.

Numerous projects successfully completed. More information you can find here.

### ▲ Wholesale

Transgourmet Germany: Support for the «From cost factor to happiness factor» projects in catering for senior citizens and development of a flavour profile for the sustainable products under the Ursprung/Origine own-label brand.

### ▲ Production

Chocolats Halba: Primary projects to promote cocoa farming (e.g. Honduras, Ecuador).

Reismühle Brunnen: Fair & Good project in Thailand and India.

Sunray: Organic cashew, organic beans and organic peanut projects in various countries.

2016

**▲ Retail**

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

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

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

**Collection promotions:** Holding collection promotions to raise awareness among children and young people of the animal and plant world (Nature Adventure, Garden Adventure).

**▲ Wholesale**

**European Sustainable Development Week:** Participation by various Transgourmet units.

**Transgourmet Germany:** Take54you catering concept implemented; participation with stand at the «Didactica» educational fair; development of «food smells quiz» for primary schools and continuation of «School Manager» as menu manager for school catering.

**Transgourmet France:** Launch of an app as part of the „Qulibre“ healthy eating project.

**Transgourmet Romania:** Continuation of the «Health starts on the plate» project.

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

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

In both Retail and Wholesale, Coop carried out various promotions during the year under review to raise awareness and inspire its customers to adopt sustainable consumption patterns. These range from large-scale collection promotions and raising awareness in regular articles in the Coop member press (2 pages/week), through to individual promotions at individual wholesalers.

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

2016

**▲ Retail**

**Food donations:** Donations as part of the «Foodbridge» industry solution to «Schweizer Tafel» and «Tischlein Deck Dich», pilot project with distribution centre and Tischlein Deck Dich on the use of still-edible products.

**▲ Wholesale**

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

**Transgourmet Österreich:** Communication campaign on donating food.

**▲ Production**

**Low food waste quotas:** Highly optimized production and storage processes result in very low quotas (Bell < 1 per thousand; others < 1%).

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

## Project 7.1 Management approach



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

### Degree of target attainment and trend

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

2016

#### ▲ Retail

**Marketing/Purchasing:** As part of the reorganization of the Marketing/Purchasing Business Unit, various committees of relevance to sustainability have been overhauled and responsibility for sustainable own-label brands and quality seals has been reassigned.

#### ▲ Wholesale

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

**Transgourmet Switzerland:** Creation of new Sustainability Coordination Office.

**Transgourmet France:** 2nd Sustainability Report published.

**Transgourmet Österreich:** Certification to environmental standard ISO 14001.

#### ▲ Production

**Bell:** Group-wide review of the strategy (including Hilcona, Gastrostar/Eisberg).

**Chocolats Halba:** see also Sustainability Report.



