

COOP SAPPORO SDGs BOOK

COOP SAPPORO SUSTAINABLE DEVELOPMENT GOALS BOOK

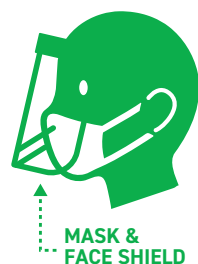
2021



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Safeguarding our lives in Hokkaido amid the COVID-19 Pandemic

How Did Coop Sapporo Respond?



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What Does Coop Sapporo Connect?

Akie Iriyama × Hideaki Omi

Professor of Waseda University Business School

CEO and President of Coop Sapporo

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Top Feature

Safeguarding our Lives in Hokkaido amid the COVID-19 Pandemic



How Did Coop Sapporo Respond?

In 2020, the global outbreak of a coronavirus caused an unprecedented number of deaths in many countries and led to the collapse of medical care systems.

Not only that, the pandemic stopped the movement of people and cut off opportunities for human contact and exchange.

In the midst of this crisis, what can we do to protect our communities?

Previously, Coop Sapporo has taken on the challenge of resolving local issues in the form of a "foods infrastructure" by connecting government, academic institutions, and the private sector. In this feature, we will show how it has dealt with a new challenge that requires a different kind of response.

COVID-19 Pandemic – The World, Hokkaido, and Coop Sapporo (Jan. 2020 ~ Feb. 2021)



Part1

The COVID-19 Pandemic and Working in an Ever-shifting Environment



COVID-prevention guard panels and social distancing signs

Story

Maintaining stability amid overwhelming consumer demand.

The social landscape dramatically changed when a new coronavirus landed in January 2020 and outbreaks began from February onward. As the government requested people to stay home, events to be cancelled, and schools closed, people shifted to teleworking and homeschooling to reduce the number of commuters. Gradually, public outings decreased and groups of people became scarce – unless you were at a supermarket.

This is due to people spending more time at home, which resulted in more trips to grocery stores to purchase food and daily necessities. Widespread anxiety about shopping arose from various factors, such as shortages of sanitizer and hygiene products, to the state of emergency declaration, causing some retailers to shorten business hours or close entirely during weekends.

Coop Sapporo has worked quickly to prevent the spread of infection, placing transparent guard panels, social distancing signs, and hand sanitizers in all of its stores.

Some stores also implemented unique strategies. At the Kita 12-jo store, sales exceeded 120% from the previous year.

Despite the large number of shoppers, store staff there managed to allocate 3 cleaning periods throughout each day, during which special music would be broadcast.

The utilization of home delivery services was even greater than in stores. Despite the state of emergency, the 2020 Golden Week period saw 10 consecutive national holidays, and the demand for stay-at-home goods skyrocketed. Compared to the previous year, Todok delivery services saw 140% more utilization, with orders for refrigerated, frozen, and agricultural products, eventually exceeding their shipping capacity. 70 support personnel were immediately sent from the headquarters to Hokkaido Logi Service, the logistics base, and its 24-hour work shifts minimized delays. Some businesses stopped accepting new subscribers because they could not handle the increased traffic. However, the Todok delivery services continued to serve as the living infrastructure of Hokkaido. There were no restrictions on new subscriptions, and the staff continued to support the lives of members by fulfilling deliveries all the while exercising COVID prevention measures.

Part1 **The COVID-19 Pandemic and Working in an Ever-shifting Environment**

Going contactless connects us closer.

In late May, when the state of emergency was lifted, people were required to shift to a new way of life with COVID prevention at the forefront. Face-to-face meetings and gatherings had to be avoided, at first affecting Coop Sapporo's ability to connect people and communities. However, the company was steadfast since it knew that no-contact communication, or more specifically, IT and digitalization where work had already been previously underway, was the future in solving diverse social issues. Websites for membership and mutual aid applications, home delivery, and

kerosene subscriptions were subsequently developed.

Despite being able to hold events only on a limited scale, Coop Sapporo continued to challenge itself to "connect without close contact". The travel agency Coop Travel arranged "Tabi-ya", an online experience tour that combines the sale of local products along with a video guide to tourist attractions, providing a virtual experience of traveling. By providing online versions of classes at Coop Sapporo Cultural Centers and gatherings such as the Parenting Plaza, we were able to reach out to people who previously had difficulties participating in these events.

People



Hitoshi Komatsu
Executive officer,
Delivery department
general manager.

Supporting us through your words of thanks.

During the peak season in May, our local staff were pushed with increased deliveries. However, our ability to respond to these challenges is quite good because our increasingly efficient processes on product packing and loading were already well ingrained throughout the organization.

Even though we had to take an additional day to fulfill our delivery quota, one customer told us, "Thank you for delivering through these difficult times". This made our staff aware that they were indeed essential workers, giving them the courage and motivation to persevere with the passion of supporting people's lives.



- ①② COVID-prevention guard panels and social distancing signs
- ③ Online Experience Tour Tabi-ya
- ④ A COVID sign in the food court
- ⑤ Hand sanitizers at store entrances and food courts
- ⑥ Online classes for the Cultural Centers



Part2

Taking Action to Safeguard Community Infrastructure

Story

The spirit of cooperation comes into play during the plight of producers and businesses.

In March 2020, elementary, junior high, and senior high schools in the country were to suspend all classes. With school lunches also halted, a large amount of food that was supposed to be served had no place to go.

Of particular concern was the surplus of milk. It has a short shelf life and must be milked to ensure the health of the cows, so production cannot be lowered even if there is no demand. If there is a surplus, it must be discarded. This is not only to the dismay of producers, but it also generates a large amount of food loss.

With calls from the national and local governments, many companies and organizations formed campaigns to encourage milk consumption. In addition to promotions at stores, Coop Sapporo collaborated with JA Group Hokkaido, another cooperative, to provide free milk to the users of their mobile groceries and meal delivery services.

However, the food surpluses continued for an extended period due to the cancellation of activities. Some businesses saw their sales drop by 60% to 90% as events like food fairs were called off. The COVID-19 pandemic has also put local businesses at risk, with some companies deciding to scale back production or shut down their plants due to financial crises.

Losing businesses will lead to a decline in the local population and eventually jeopardize the survival of the communities itself. This is also a theme that Coop Sapporo has been working on for a long while, and the time had come to show its strength in its role to "connect".

A number of Coop Sapporo stores provided retail space free of charge to local restaurants and manufacturers to help them sell their products.

In cooperation with Hokkaido, they also sold local specialties through the Todok delivery service. These were well received by members who continue to face restrictions on travel and outings, and created a network of mutual support within the local communities.

Coop Sapporo has "stores" and a "home delivery service" that continues to attract orders. Since these services have already become an indispensable part of the infrastructure for the people of Hokkaido, the opportunity to provide a "place" was the best way to support these local businesses.

Preserving local human resources through employment collaboration.

For businesses with declining sales, continuing to hire the same number of employees with the same working hours affects finances negatively. Workers have been asked to take days off, have their bonuses cut, and in some worst-case scenarios, were even laid off. The unforeseen spread of the infection has led to a lot of anxiety and uncertainty about their livelihoods.

Our human resources are a treasure for both companies and communities, and in a region like Hokkaido where the population is declining, we cannot afford to lose them. Coop Sapporo has worked to strengthen employment cooperation, supporting business partners and related organizations that are going through challenging times. On October 10, in response to a request from University Co-operative Associations, ten University Co-op employees were transferred to Coop Sapporo. We will continue to support the recovery of University Co-op, which has seen a sharp decline in traffic due to class cancellations and the shift to online lectures.



Part2 **Taking Action to Safeguard Community Infrastructure**

People



Hiroaki Takahashi
Mutual Aid Unit of
Coop Sapporo.
(Previously from the Hokkaido
regional office of
University Co-op.)

Even in the midst of uncertainty, I felt the spirit of Co-op supporting me.

At my previous Co-op, the situation became difficult as all lectures shifted to online all-year-round, and the number of shoppers dropped by 90%. I was very worried about the uncertain future of our business and the reduction of salaries due to the layoffs, even if temporary, as well as the cuts to bonuses. In this situation, I was given the opportunity to transfer, and frankly, I am grateful, and I felt that I was able to receive this help because we are both cooperatives. Since April, I have been in charge of promotion for Coop Mutual Aid at the Hakodate office, as I was involved in mutual aid at the University Co-op. I will model after my senior colleagues who are friendly and warm to our members, and work hard to promote mutual aid in the area together with the store staff.

Actions

Offering Hokkaido specialties in cooperation with the Hokkaido Dosanko Plaza

Based on a partnership agreement with the Hokkaido government, on July 15, 2020, an outlet for prefectural specialties called the Hokkaido Dosanko Plaza was opened at the Coop Sapporo Yunokawa store in Hakodate. Since November, we have also featured this plaza in the Todok delivery service catalog, offering our members specialty products from Hokkaido manufacturers in cooperation with the prefectural government.



Supporting local businesses with home delivery catalogs

We publish and distribute "Support Hokkaido" Todok delivery catalogs to support local producers in Hokkaido. In order to aid the prefecture's struggling producers, we have started a special feature called Hang in There, Hokkaido Manufacturers, since the second week of May. We have increased the number of pages in our regular issue by four to showcase more products from agricultural and marine producers and manufacturers in the region.



Extension of payment due dates for those unduly affected

We took special measures to extend the payment due dates of electricity, propane gas, and kerosene bills for members whose lives have been affected by the closures and unemployment at various companies and stores nationwide. From March 25, 2020, the due date has been extended for two months, including a re-extension, for those who have received the "Special Loan for Life and Welfare Funds (Emergency Small Loans)" from the Hokkaido Social Welfare Council.

Turning food loss into a health initiative Milk for free

In cooperation with JA Group Hokkaido, we provided free milk to some users of Coop Meal Delivery Service and to users of the mobile grocery Kakeru throughout Hokkaido. Due to school closures, unused milk originally allocated for school lunches was donated by JA Group Hokkaido. Starting on March 26, 2020, a total of about 36,400 packs were distributed over a period of 6 days for the meal delivery service and over 5 days for the mobile groceries.



Part3

Supporting the fight against the new coronavirus

Story

Responding to the looming collapse of medical care.

The fear of the new coronavirus lies in its ability to easily infect, as well as how long an infected person remains contagious to others. Once hospitalized, it could be 10 days or more before they can be safely discharged. A major concern for local governments and hospitals has been the risk of the collapse of medical care, as the spread of infection forces hospital beds to be filled up and interferes with other medical services.

After the autumn of 2020, when the temperature in Hokkaido began to drop, many clusters were observed in various places. The number of cases surged, and the cases per day exceeded three digits in Sapporo. When that happens, not only hospitals, but also the hotels serving as lodging treatment facilities for patients with mild symptoms would begin to fill up. Therefore, the Sapporo government changed its policy to allow patients with minor symptoms who meet certain conditions, such as having no chronic illnesses and living alone, to receive treatment at home.



Loading at the Ebetsu delivery center



Delivering two boxes of supplies to each patient's home



A selection of foods that can be easily eaten while recuperating, such as packaged rice, easy-to-prepare foods, canned foods, and vegetable juices

People



Kenichi Akino
Manager in Charge of Home Treatment,
Medical Response Office,
Sapporo Infection Control Task Force.

We were able to promptly deliver food and other necessities to the patients while they were recuperating at home

In November 2020, the number of infections surged, and by the 19th, daily cases reached 197. As the capacity of the lodging treatment facilities reached its limit, patients who met certain conditions were forced to receive treatment at home, but in order for them to concentrate on their treatment without going out, it was necessary to provide them with immediate support such as meals. That is why we decided to partner with Coop Sapporo, as it has a citywide delivery network and can reliably procure supplies. We really appreciate that they were able to set up the delivery system in only a few days. We have also received many comments of appreciation from the recipients. As unexpected things can still occur in the future and what the government can do is limited, we are very grateful for the help of Coop Sapporo.

Part3 Supporting the fight against the new coronavirus

Support for medical treatment away from home.

As the number of cases increased in each city across the prefecture, lodging treatment facilities were established. Recuperating in a place that is neither home nor hospital created unique challenges. While the operation of the facility itself is a huge burden for the governments to deal with, it is also difficult to provide support for the patients' daily lives, as preventing transmission of the virus and the health of patients are of utmost priority. Under these circumstances, as Coop Sapporo and the Hakodate government have worked together for years, food was provided to patients in the facilities free of charge.

The new coronavirus has spawned a variety of unexpected situations. "Distancing" between people became required, and activities involving gatherings became a risk for infection. However, if there exists a mechanism to connect to the community on a daily basis, then problems can be solved as they arise. Even if the methods have changed, Coop Sapporo shall maintain its pledge to "connect" people and communities through its activities.

People



Hiroyuki Kunita
Policy Planning Division,
Oshima Subprefecture
of Hokkaido.

Though patients were anxious for being kept away from home, we were able to provide them the joy and comfort of food.

In response to the spread of the COVID-19 infection in the Oshima-Hiyama subprefectures since mid-November 2020, lodging treatment facilities were opened in Hakodate on November 27 to accept asymptomatic and mildly symptomatic patients. We distributed pre-packed lunches, but since there were people of all ages in the facility, some of them felt that it was not enough. So, we talked with Coop Sapporo's Hakodate regional headquarters, with whom we have been working together for a long time, and they agreed to provide us with additional food provisions. Since families are not allowed to bring food to patients, I feel that this has been a meaningful form of support for those who are under medical care and unable to fully enjoy themselves.

We hope for continued cooperation in raising awareness for preventing the spread of infection among people in the communities.

Actions

"No one deserves to get COVID."

Connecting the wishes of our members to the children.

Collecting and donating unused masks

With the spread of the new coronavirus, masks have become a necessity in daily life to prevent infection. Since masks tend to be in short supply at foster homes, we've called on our members to donate unused and unopened masks since June 8, 2020. In addition to the collection boxes placed at our stores, the entirety of Coop Sapporo, including logistics department and factories, also participated in the campaign, culminating to 18,964 unused masks collected by July 20. These masks were provided to a total of 24 facilities, including foster homes that also receive provisions from Todok Food Bank.

One of the recipients said, "After repeated use, the fabric of gauze masks shrinks and the elastic stretches, so we are very grateful to you for donating these."



Above: Donating 600 masks to Nansou-en foster home August 25, 2020, Sapporo
Left: Collecting masks at our store



Second Feature

What Does Coop Sapporo Connect?

Expanding and Accomplishing SDGs

The Coronavirus pandemic has changed the world,
but from a different perspective, it accelerated these changes.
The United Nations' SDGs are a consequence of these changes,
and what should Coop Sapporo be doing to help?

Mr. Omi invited corporate strategist
Professor Akie Iriyama to discuss these topics.



Akie Iriyama
Professor of Waseda Business School



Hideaki Omi
CEO and president of Coop Sapporo



Co-operatives are built from the ground up to include SDGs.

Iriyama: From my experience of observing various companies nationwide, what amazed me most when I joined the Coop Sapporo board was that every daily activity is related to an SDG.

Omi: From the very beginning, the idea, the approach, and the way we operate, has been made with consideration to SDGs. The prototype for co-ops is based on the Rochdale Pioneers' Co-operative founded in the suburbs of Manchester, UK in 1844. It was right after the Industrial Revolution which created the breakthrough of the textile industry. The factory workers established it in order to protect themselves from their harsh working conditions and to ensure proper compensation.

Likewise, co-ops are originally inspired by a structural mindset to fight against challenges in our lives caused by changes to the social structure, by forming membership systems that have autonomy and independence. Our SDG efforts are an extension of it.

Iriyama: What I found most interesting in the previous year's CSR Report was it covered almost all of 17 objectives of the United Nations' SDGs. This means Coop Sapporo is quite involved in multiple fields, right? Since the co-operative themselves exist by the members' capital investments, does this mean that if they consider their members the highest priority, their businesses will grow?

Omi: When Coop Sapporo faced a business crisis in 1998, it would have been a bankruptcy had we been a corporation. However, our members did not pull back their investment. Instead, they contributed more in hopes of improving our situation. Today, we are here thanks to this relationship. Our past activities have unexpectedly evolved our brand into what it is today and our



members see the value that we provide.

Therefore, we are eager to reciprocate what we have been granted by our members, which means giving back to society and to Hokkaido. As social issues change with the times, we will keep the momentum built from our past work while we challenge the problems of the future. There is no limit.

Blindly pursuing economic growth is a thing of the past.

Iriyama: Japan is facing many serious problems. Of which, Hokkaido is suffering the most, with its aging society, sinking birth rates, and depopulation. Dealing with these issues became not just a thing for social contribution, but also as an impetus for some businesses. Globally, rather than just pursuing economic growth, there is desire for a way to practice sustainable economic activities as well as to contribute to solving problems in our communities. Public Interest Capitalism is becoming a buzzword. The kind of organization that is most well-suited to this idea is not a corporation but a co-operative. The former was ideal during the era of mass production, from the Industrial Revolution to Japan's period of rapid economic growth, but the circumstances have changed since.

Omi: Corporations have a duty to ensure a profit to itself, and that limits the amount available for social contributions. On the other hand, as long as our organization continues to exist, we can continue to provide valued goods and services, and the profits go to our members and communities. So, if our financial health is in good shape, we can afford to take on challenges.

Iriyama: Co-ops ought to be recognized more in Japan, and Coop Sapporo is spearheading this trend.

Moving the world ahead with the power of collaboration.

Omi: One reason we focus on connecting and co-operating is that it can expand the scope of what we can do. For instance, if a manufacturer decides to contribute back to society, collaborating with Coop Sapporo (a consumer organization) expands their opportunities than if it were to engage on its own. They can join our activities as a supporting company.

Iriyama: I see. Unfortunately, when a corporation targets SDGs, sometimes their efforts are superficial because they are not fully convinced of what they are for. Because someone told them to do it. Because everyone is doing it. As there is no sense of autonomy in these decisions, it will end up tormenting them down the road.

Omi: I also feel the importance of having a common goal or theme in our partnerships. This year, we tackled marine plastic pollution with our members and promoted a bring-your-own-water-bottle campaign. On the other hand, since bottled products are crucial for beverage companies, simply reducing plastic waste does not work properly. So, we included a focus on recycling and set a goal to construct a recycling factory to repurpose collected bottles into

valuable petroleum resources. And so, the beverage companies agreed with the idea and supported us. They are also able to contribute in ways unique to their role as a manufacturer, such as the development of plastic-free products.

Iriyama: I think motive is everything when it comes to SDGs. Like you said, Coop Sapporo was developed from the ground up with consideration to SDGs. The more you go in this direction the more the members are happy and enable you to function as a business. As a result, Coop can aim for all of the Goals, whereas for-profit companies are not able to do so as easily. There is a significant gap. With Coop Sapporo in the lead, maybe even corporations can be encouraged to integrate SDGs more seriously.

Omi: A lot of companies joined the Hokkaido SDGs Promotion Platform and SDGs Study Conference, an event where Coop Sapporo serves as a secretariat.

Prior to the UN resolution of the 17 objectives in 2015, the International Cooperative Association did all the groundwork. Coop Sapporo took part in their International Summit of Cooperatives in 2012, 2014, and 2016. As we were involved in designing the UN's SDGs, we are committed to promulgating them.



The COVID pandemic raised awareness of SDGs.

Omi: It is crucial to have as many people as we can to learn and know about SDGs in Hokkaido. In addition, it is important for each member to recognize the meaning of participation. For that reason, we've since decided to allocate the profits from our Eco Center to our Child Care Fund. This is because we wanted our members to see the flow of how their recycling efforts create revenue, which is then used to the benefit of themselves. The more everyone joins forces, the better the sharing of returns becomes, such that even people outside the membership circle can benefit from it too. This is the basic mechanism of co-operatives and what they are all about.

As COVID cases began to surge, what I noticed was, when it was necessary for us to change our ways, no one would have done so by government decree. Citizens and consumers need their own reasons to do so.

Iriyama:

Fewer and fewer services are being offered by government agencies. The world trends show that it is no longer the time for a divide between the public and private sectors any more.

Omi: We have provided food and daily necessities for COVID patients in Sapporo and Hakodate. It should have been the governments' role, but it is possible only with the help of production and distribution networks. Having a network that covers even remote islands enabled us to do so and we were recognized for that.

Iriyama: In the future AI will be doing the decision-making, so those who have distribution bases with flexible mobility are at an advantage. Among the private sector, Coop Sapporo is one of the

few with the most presence at the local level and capable of fulfilling these governmental roles.

Omi: Over the course of the past year, people have been forced to limit their movements and experienced what would happen when the economy is affected by reduced traffic and the temporary shutdown of factories. On a positive note, they have also realized that having cleaner air improved the environment, which led to better consumer awareness of SDGs.

Your will-to-do is the most paramount in our unpredictable future.

Omi: Meanwhile, in no time in the last 50 years has society been more unpredictable than today. That is why we have to achieve our SDGs year by year, rather than having a middle or long-term plan. If there is a chance, just try it.

Iriyama: I agree. I've urged companies whom I speak with to break with middle and long-term planning. No matter how you plan ahead with numbers, the situation will change in the future and it is meaningless. Therefore, I've been recommending that they change from having a plan (a specific set of objectives) to having directives (ideas that govern what decisions to make).

Omi: Having a directive is good as it prioritizes what you will do rather than simply looking at numbers and budget.

Iriyama: At the end of the day, the most important thing is your will-to-do. Japan has long been a society of "thinking what they are ready to do", and not "what they want to do". That is why schools and companies ask for "the correct answer". However, in the time we live in now, there is no such thing as "the correct answer", and so we must each decide for ourselves what we will do. Coop Sapporo is wonderful in the sense that there is a clear, unified will. I believe the company can move ahead even further if they can clearly communicate that will.



Coop Sapporo Business Map

Coop Sapporo is involved in a number of inter- "connecting" projects to tackle problems in a wide variety of fields.

These pages describe a list of our businesses.

Collaboration with universities

- Kansai University
- Otaru University of Commerce
- Rakuno Gakuen University
- Tenshi College
- Asahikawa University
- Asahikawa University Junior College
- Hokkaido Bunkyo University
- Hakodate Junior College
- Sapporo University
- Hokkaido University

Ehon-ga-Todok (free children books)

Donated to **93,016** households
Total **432,486** books over 11 years

Ehon Wakuwaku Caravan
(picture books tour)
Kindergartens and nursery schools
Total **931** visits over 9 years



Coop Sapporo College Scholarship

Up to JPY **1 million** per student, over four years
350 registrations

Cooperation

- JA Minenobu
- Uocho (19 stores)
- COCOWA in Hokuryu
- Moseushi

RE100

Goal to achieve 100% renewable energy by 2040 in operations
The **13th** registrant in Japan

RE **100**

Coop Forest Fund

Planted **3,680** trees / year
Total of **100,000** trees planted over 12 years

Fundraisers

July 2020 Torrential rain disaster relief fundraising
JPY **46,276,676**

Love and Cooperation Fund (Social Welfare Fund)
JPY **1,474,754**



Mutual aid

Subscriptions: **580,000**
Sales: JPY **2 billion**



First Child Box

Free childcare support packages
Started April 2018
20,000 packages delivered
(**55%** of first births / year)



Coop Child Box

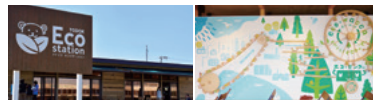
Started October 2019
12,000 packages delivered

Todok Station

Community space in delivery centers
19 venues (including 2 stores)
32,000 visitors

Todok Eco Station: base for environmental education

Participation: **1041**, of which 822 are elementary students



Todok Power

Annual sales: JPY **8 billion**
Ordinary income: JPY **47 million**
Solar power plants: 2 in Obihiro
A biogas power plant in Hakodate

Supporting UNICEF



The Literacy Improvement Project for Papuan Provinces in Indonesia
Cumulative donations: JPY **12 million**

Coop Funeral service Feriae

Two funeral halls in Sapporo
Total earnings in FY 2020
JPY **270 million**
Number of services held
350

Coop Travel

Annual sales: JPY **400 million**

Hokkaido SDGs Promotion Platform

Multi-faceted council consisting of industry, academia, and government to raise awareness of environmental and poverty issues in Hokkaido
(Secretariat: Coop Sapporo)
SDGs Study Conference:
held **2** times a year

Connecting People with the Future

Social business development

- Mutual aid
- Energy
- Child care
- Recycling
- Environmental activities

Eco Center in Ebetsu

Annual total sales JPY **497 million**
Annual collection volume: **3.7 metric tonnes**
Used clothes: **1,184** metric tonnes / year
Plastic bottle collection machines: **38** stores

Enecoop (energy)

Annual sales: JPY **9 billion**
Ordinary income: JPY **120 million**

Preventing dementia

Caravan for awareness and prevention of dementia
11 cities and towns, **425** participants per year

Community-wide Health Program

Dementia prevention program for seniors
Enrollment: **1,400**
Annual participation: **29,800**

Cultural Center, satellite schools, Cultural Appreciation Society

Cultural Center: **19** classes
Kitchen Studio: **4** venues Satellite venues: **40**
Members in Cultural Appreciation Society: **1,000**
Annual sales: JPY **300** million
Participation: **100,000** people

Connecting People to People

Forming connections via cooperatives

- Member activities
- Cultural centers
- Welfare activities
- Funeral service Feriae
- Travel

Connecting People and Food

Foods production

- Stores
- Mobile grocery
- Delivery services
- Food education
- Manufacturing

Factories

Annual sales: JPY **14 billion**
Ishikari Food Factory (Coop Foods)
Hamanasu Foods
Ebetsu Food Factory (Coop Foods)
Ebetsu Logistics Center

Ebetsu Fresh Food Processing Center
Meal factories: **6**
(Hakodate, Tomakomai, Sapporo, Asahikawa, Obihiro, Kushiro)
Dream Factory (Hakodate)

Todok Food Bank

Donations: JPY **75.9 million** per year
Donated returned food products to **23** foster homes and 5 organizations

Todok Food Caravan

Visited **five** foster homes in Hokkaido to teach cooking
Participation: **55** per year



Stores

107 locations



Mobile grocery Kakeru

Operating in **134** towns
94 trucks dispatching from **57 stores**



Weekly delivery service

420,000 households
49 delivery centers
Annual sales: JPY **96 billion**
Fleet: **1,150** trucks



Memberships: 1,868,534
(Membership ratio: 67%)
※Households in Hokkaido: 2.79 million
Capital: JPY 80.8 billion
Total sales: 304.3 billion
Store sales: 191.8 billion
Delivery sales: 104.1 billion
Mutual aid: 2 billion
Others: 6.4 billion
Ordinary income: 8.7 billion
Employees: 14,746
*People with disabilities: 5.4% (510 people)
*International interns: 209

As of March 21, 2021

Elderly Monitoring Agreements

Agreements with 174 municipalities out of 179
Incident calls made: **425**

Hokkaido Logi Service (logistics service)

Fleet: **350** trucks

Cooptrading (Import/export service)

Product imports from Coop Italia, among others

Meal delivery service

Subscriptions: **7,200**
Served: **1.7 million** meals
Meal delivery trucks: **206**
Kindergartens enrolled: **73**



Animadore (Farm to table class)

Participation: **52** students from **5** high schools
An accredited food education program that integrates farming, product development, and marketing

Cho-co-tto (free magazine on food)

Published: **570,000** copies on the first of every month



Cancelled or postponed programs in FY 2020

Oshigoto Kids (children's job shadowing program)

In-store work experience for children *Cancelled in FY 2020

Coop Sapporo Agricultural Award

On-site judging and award ceremony *Cancelled in FY 2020
Postponed to FY 2021

High School Student Challenge Gourmet Contest

Compete with recipes utilizing local ingredients *Cancelled in FY 2020

HATAKE Restaurant

A one-day pop-up restaurant that connects producers, chefs, and members
Fee: JPY 7,500 / person *Cancelled in FY 2020

Fish cooking classes

Raising the number of people who can prepare fish! *Cancelled in FY 2020

Taberu Taisetsu (Importance of Eating) Festival

Food education event *Cancelled in FY 2020

FY 2020

Activities Report

Connecting People to People



Keeping up with the stay-at-home lifestyle Improving response times via changes to logistics and use of the Internet

Todok Delivery Services



Improving our shipping capacity to meet increasing demand for home delivery.

The last mile. A term used in communications and logistics to refer to the movement of goods and services from a local hub to a final destination. Under the state of emergency due to COVID-19, stay-at-home lifestyles have greatly increased while also limiting outdoor travel. Todok Delivery Services saw its sales peak in May 2020, reaching 1.4 times higher than the previous year, and the number of home delivery users increased at an unprecedented pace. On October 16, the number of registered members across Hokkaido exceeded 400,000.

The warehouses of Todok Delivery Services are automated by robots, enabling us to respond to the increase in orders by adjusting the days of operation. Anticipating the demand to grow, we have completed the expansion of our distribution line at the Ebetsu logistics center in November. The number of sorting lines for low-temperature products has been increased to eight, raising shipping capacity by 30%.



Making our app and website more convenient.

An increasing number of people are using smartphones and computers to place orders. The Todok App was released in FY 2019, and updated in September 2020. It allows users to log in more easily, includes a flyer-browsing function for easier shopping, and an app-only loyalty points service.

In December, we released a new website, Todok Site, which is linked to the Todok App and can be used from both PCs and smartphones. In addition to product searching and recommendations, the site has become a convenient e-commerce platform with the ability to manage orders using the Todok app. It is now also possible to apply for delivery service via the web. We will continue to improve our services to meet the needs of our members' various lifestyles.

Delivery centers as community hubs.

Todok delivery centers have a community area called the Todok Station, where kids and parents can spend time together. They are also used as space for community interaction.

September 14

- Relocation of Minamisorachi Center to a newly-built facility in Mikasa.
- Expansion of its Todok Station.

November 30

- Relocation of Kutchan Center.
- Opening of the region's first Todok Station the following month.

There are 19 Todok Stations as of 2020.



Providing users an enjoyable shopping experience wherever they live

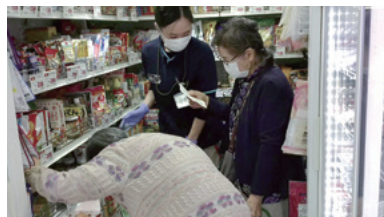
Kakeru Mobile Grocery

We operate the Kakeru Mobile Grocery to help people in depopulated areas with little to no grocery stores, as well as in places with many elderly people. The demand for Kakeru Mobile Grocery is increasing in many areas because we have delivered not only products, but also the pleasure of shopping.

While in many areas we operate in cooperation with several municipalities, in July 2020 a trial operation was conducted under an agreement with JA Makubetsu-cho. This trial operation came via a request from JA Makubetsu-cho, as shopping for necessities in Makubetsu town has become more difficult with the closure of JA Coop stores.

In 2020, improvements to Taiki area deliveries have been made. In Kita Hiroshima, the delivery routes in the Kita Hiroshima Housing areas have also been revised to better meet the needs of users. In October, we signed an agreement with Eniwa City and the Eniwa Council of Social Welfare. Utilizing Kakeru Mobile Grocery service vehicles, we will provide guidance on health and preventative care.

We continue to strengthen our cooperation with various organizations to improve the shopping environment in the community, and aim to make Kakeru Mobile Grocery more accessible to users.



Kakeru Mobile Grocery in operation



Signing the agreement with Eniwa city and the Eniwa Council of Social Welfare

To maintain a standard of living Keeping stores open in depopulated areas

Opening of the Yubari Store

The population in Yubari is rapidly aging and declining, especially in the Seiryō district, where the Yubari-Seiryō Store was located. The store building was too old to continue doing business and all indications suggested that the entire city of Yubari is becoming a food desert. To address this, we consulted with Yubari City about the continuation of the store.

The city also began promoting “compact city” policies to counter against depopulation. They were considering to close the A-Coop Minami-Shimuzusawa Store, located in the central area of the city, so we consulted with JA Yubari-shi and decided to relocate Yubari-Seiryō Store to the location of the closing A-Coop Store. On a relative note, Kakeru Mobile Grocery also started as a simple mobile vending truck operated by Yubari Coop.

To reflect the demands of the community, the fresh food and ready-to-eat meal sections were revised. The store was reopened as Yubari Store on September 17 and was designed to be friendly for all generations, from the young to the seniors, as well as to those who are raising children.



Yubari Store



Safe, enjoyable exercises for health and prevention of dementia

Community-wide Health Program

The Community-wide Health Program, also known as Marugen, is the communicative fitness class that Coop Sapporo offers to senior citizens. It is made in collaboration with the NPO Social Business Promotion Center and Hokusho University.

Certified health and fitness trainers create exercise regimens according to the physical fitness of the participants to maintain good health and to prevent the onset of frailty and dementia.

In FY 2020, while we were unable to hold the classes due to COVID-19, we would contact our participants and check on their physical condition to make sure that they did not lose strength due to lack of exercise. When classes resumed, we took preventative measures such as holding the event in a spacious classroom and also limited the number of participants per session.

We have also started offering trial Marugen classes for three months in municipalities that have applied for it, so that they may observe the lessons and their effectiveness. We hope these trial classes will lead to formal adoption of the program in various regions.

Facts

Marugen Event Statistics

74 classes in 23 municipalities

Enrollment **1,400**



Trying out Marugen in Shosanbetsu

Solving local issues through collaborative efforts with municipalities

Promoting health in cooperation with the government

The population in Hokkaido is declining and aging at a faster rate than the rest of Japan. In 2018, Coop Sapporo established the Regional Policy Department, which has visited various municipalities directly to hear their concerns in order to help solve community problems that arise due to declining and aging populations.

In FY 2020, we deepened our ties with Shosanbetsu village, where the community actively works on improving the eating habits and health of its residents. On September 23, they signed an Agreement on Local Food and Health Promotion through a Public-Private Partnership. We aim to create a community where residents should not have to move – where they can live in the same community throughout their lifetime.

The subprefecture of Rumoi also took part in this agreement. This agreement is the first of its kind involving three different parties: the Hokkaido prefecture, multiple municipalities, and Coop Sapporo.

In Eniwa, we started operating the Mobile Grocery since June 2020 in order to ensure a reliable shopping environment for the elderly and to help revitalize the local community. On October 27, to strengthen this cooperation, the City, the Eniwa Council of Social Welfare, and Coop Sapporo signed an Agreement on Shopping Support for the Elderly. We will continue to hold discussions on providing health promotion activities by public nurses and life supportive coordinators, in addition to maintaining the shopping environment in the community with the operation of Mobile Grocery.

In order to contribute to solving local issues, Coop Sapporo will continue to strengthen its cooperation with municipalities, educational institutions, and other organizations, as well as promote collaborative community development.



The signing of the Agreement on local Food and Health Promotion through Public-Private Partnership



Caring for the well-being of elderly drivers

Support for the voluntary surrender of drivers' licenses in the Sapporo Area

Vehicle operation by elderly people with declining cognitive functions is a major problem in Japan today. The number of traffic accidents caused by elderly drivers is increasing, indicating the necessity of persuading them to voluntarily surrender their licenses.

38 Coop Sapporo Stores are registered to help the Support Program for the Voluntary Surrender of Driver's Licenses for the Elderly in the Sapporo Area. On April 15, 2020, we launched a program to deliver two collapsible shopping bins free of charge to the homes of members aged 65 and over who have voluntarily surrendered their driver's licenses.

However, some people cannot surrender their licenses because they have no other means of transportation for daily life. Coop Sapporo took particular note of the necessity for on-demand transportation that can effectively meet the needs of users. In 2020, Kushiro city based company, Marimo Kotsu, offered its resources for a taxi-sharing service on the Katsurakoi-Mitsuura line, opening a taxi stand at the store. The taxi stops at the Coop Sakuragaoka Store, hospitals, supermarkets and other places, serving as a vital method of daily-life transportation. We will continue to actively cooperate with local businesses and building a foundation for comfortable communities.



Reducing overhead via collaborations rooted in Hokkaido

Joint sale with Sapporo Drug Store

In recent years, the negative impact of the consumption tax hike, poor employment situations, and revenue decline due to COVID, amongst many other factors, have caused consumers to become increasingly defensive. However, from past experiences of deflation, we have learned that simply responding to consumer demands and competing with lower prices will actually cause damage to the industry.

Coop Sapporo succeeded in lowering prices by reducing the overhead of product procurement. This was possible through a comprehensive, joint procurement partnership with other companies. A four-day joint sale with Satudora Holdings was held on September 24, 2020, and was well received by many of our members.

In addition, to make the most of our distribution system which covers large areas of Hokkaido, we have established the Hokkaido Merchandizing System Corporation, jointly owned with Satudora Holdings and Kato Sangyo. With this, we can expect to reduce distribution costs even further.





18 organizations give back to society

Establishment of Cooperative Network Hokkaido

On July 6, 2020, a new organization called "Cooperative Network Hokkaido" was established by 18 entities, including Coop Sapporo, JA Group Hokkaido, Hokuren, and the Hokkaido Federation of Fisheries Cooperative Associations. Through this arrangement we aim to solve problems that are deemed challenging for local governments to handle alone. We will serve as a platform for SDGs and conduct activities that lead to a better Hokkaido.



Coop Funeral Service works closely with members to fulfill their needs

Building a funeral business network

Our funeral business "Coop Funeral Service" has two funeral halls in Sapporo, called "Feriae Halls". Funeral services can be held in various ways.

Responding to changing needs, on February 18, 2021 we announced that we will sign a comprehensive partnership agreement with funeral company MUSUBYS to build a network of funeral service businesses in Hokkaido. We also announced that we are going to enlist collaborating companies to create an environment where our members can utilize Coop Funeral Service plans anywhere in Hokkaido.



Connecting and helping – enthusiasm and ingenuity under COVID-19

Fundraiser for the July flooding disaster

The torrential rains that fell on July 3, 2020 caused tremendous damage to the affected areas, including flooded homes and overflowing rivers in southern and northern Kyushu. Since July 15, 2020, Coop Sapporo has been organizing a relief fundraiser throughout all of our stores and Todok Delivery Services.

Various fundraising activities were held at a total of 22 stores across Hokkaido while exercising COVID prevention measures, including sneeze guards, face guards, using pre-recorded announcements, and information panels to minimize direct contact with airborne droplets.

A total of JPY 46,276,676 was raised and sent to those people in need via the Japanese Consumers' Co-operative Union. The money will be used for relief and support. Coop Sapporo will continue to support the recovery efforts.

Facts

2020 Torrential Rain Disaster Relief Fundraiser

Total donations received

JPY 46,276,676





FY 2020
Activities Report

Connecting People and Food



Supporting single-person households with a new line up

Made fresh, sold fresh, straight from our stores



What does society today expect from a supermarket?

In Hokkaido, the average number of members per household is 1.89*, the lowest in Japan. The percentage of one-person households in Sapporo is over 40%. In addition, the per capita income is decreasing and the number of dual-income households is increasing. Nowadays, people use their time differently and fewer people are cooking.

Conventional supermarkets focus on providing fresh foods such as meat, fish, and vegetables at the lowest possible prices. In other words, their product lineups are designed for families to cook at home.

In order for our stores to better accommodate for the evolving lifestyles of our members, Coop Sapporo has revised its policy to improving support for one-person households. In February 2020, we started the "Ready Meal Campaign," which is the centerpiece of our policy change.

* based on information from the Basic Resident Registry (as of January 1, 2020), Ministry of Internal Affairs and Communications.

Ready-to-eat meals, made fresh

The concept here is one of excitement, with a chance to try something different yet delicious with every trip down the aisle. The three fresh food sections of vegetables, meat, and seafood cooperate to prepare ready-to-eat meals, each using fresh ingredients from their respective departments. All food is prepared in-store and reasonably priced at around JPY 200.

In the vegetable department, fruits and produce are cut in-store and made into salads and fruit platters. Meat and seafood sections have installed steam convection ovens and other equipment to prepare grilled meat and cooked fish. In addition, the delicatessen has started to prepare items using fresh ingredients in the store and is also developing new recipes as well.



Japanese rolled omelet cooked one by one in-store.

Facts Stores offering the Ready Meal Campaign
27 (Increased by 21 in FY 2020)



Helping struggling restaurants and showcasing items on our retail space

Supporting the food service industry with our in-store sales

Due to the spread of COVID-19, people have refrained from going out, the number of tourists has decreased, and restaurants have faced financial crises after being asked to shorten their hours or outright close. Coop Sapporo has always sold local specialties and developed products with local manufacturers. To help these restaurants and food producers acquire sales through this tough time, we offered our retail store space free of charge.

The Ishikawa, Yunokawa, and Yamanote stores in Hakodate, and the Hokuto store in Hokuto set up a "Local Product Support Fair". A total of 17 companies participated and sold their products there. The Verde, Kashiwa, and Satsunai stores in the Tokachi area sold specially-made bento lunches from the local yakiniku restaurant "Western". The Kiyomi and Miwa stores in Kitami sold unique bentos from the yakiniku restaurant "Mikakuen" as well as torisoboro (minced chicken) bento from the yakitori restaurant "Toriwaka".

We continue to contribute to the revitalization of the local community while protecting local food producers, and striving to create an environment for local shops to prosper.



Bento lunches sold at the Yunokawa store in Hakodate



Local Product Support Fair at the Verde store in Obihiro



Connecting the eager minds of young people to food education and promoting the community

Product development and sales in cooperation with schools

Coop Sapporo has stores in 48 cities and towns across Hokkaido. To make them more attractive, each store adds local characteristics to its retail space. We focused on the power of youth to do this, and have made various plans and events in cooperation with many schools.

In July 2020, the Kaji store in Hakodate sold "Kansui Umaguro", tuna caught by students of Hakodate Fisheries High School during their training off the coast of Hawaii. In October, three stores in Hakodate offered their retail space to Hakodate Culinary School (part of Hakodate Junior College), which had to cancel its school festival due to the pandemic. The students' homemade bentos and sweets were sold there.

Some ideas from these events have spread all over Hokkaido. "Junmai Ginjo Genshu Nakagokoro", a kind of raw Japanese sake by Kutchan Agricultural High School and Niseko Shuzo was first sold at the Kutchan Store. But then came many requests, and availability was expanded to 80 stores across Hokkaido from September 16 and sold in limited quantities.

Our ultimate goal is to link the power of local human resources to regional revitalization.



Sales of "Junmai Ginjo Genshu Nakagokoro"



"Kansui Umaguro" display



Save time on planning and cooking with ready-to-eat meals

Coop Meal Delivery Service

The Coop Meal Delivery Service started in 2010 with the aim of supporting and monitoring the elderly. Members can order dinners on the days of their choice, one to six times a week, Monday through Saturday. They can also choose the menu that best suits their needs, such as the kinds of food and caloric content.

In FY 2020, we launched "Sunday Bento Kutsurogi" in October in response to users' requests to have meals for lunch or on Sundays. Nitrogen filling technology replaces the oxygen in the bento package and enables it to stay fresh for up to three days, allowing deliveries to be made on Friday while still remaining delicious by Sunday. It was well-received by our users as they can enjoy it any time over the weekend. At the end of the year, there was a growing demand for small-sized osechi (New Year's meals) suitable for one or two people, as people refrained from going back to their hometowns and stayed in their current cities due to COVID-19.



Sunday Bento "Kutsurogi"



Coop Meal Delivery Service's "Irodori" osechi

Using Hokkaido's own ingredients to create something great

Naruhodo brand products and our luxurious bread

Since the beginning, Coop Sapporo members have been looking for healthy and reliable products. As a result of our efforts to connect local producers and consumers, there is great demand for products that are deemed a value to the community, such as locally produced items for local consumption.

In response to these demands, we develop community-friendly products via our private label "Naruhodo". In 2020, we are further expanding our Naruhodo product lineup. Hokkaido Betsukai Milk Soft-serve Ice Cream is produced mainly from Betsukai milk from cows fed with Hokkaido rice.

KAKU SHOKU Hokkaido Biei, our luxurious bread made with Hokkaido ingredients was launched in 2019. In 2020, we surpassed the milestone of 100,000 loaves sold. We will continue to develop high-quality food products that meet or exceed our members' expectations.



Hokkaido Betsukai Milk Soft-serve Ice Cream



Yogurt drink made with only Hokkaido raw milk and beet sugar



Making KAKU SHOKU Hokkaido Biei bread



Collaborating with academia and employing people with disabilities in the production of delicious natto

Hokkaido Hamanasu Foods

Hokkaido Hamanasu Foods (a special subsidiary company) is committed to product quality and safety management, having received Hokkaido HACCP certification and JAS organic certification. In particular, its natto products have won numerous awards and are well-known for their quality and taste.

In 2020, we launched a new product, "Yamawasabi Natto," which comes with a special sauce made with Hokkaido horseradish. Responding to the growing trend of stay-at-home consumption, a "natto kit" that offers customers the experience of making natto at home is being sold through Coop Todok Delivery Services. 70 kits were sold, revealing a newly discovered demand.

Hokkaido Hamanasu Foods also develops products using dried natto powder. We work with students from the Food Planning and Development Department at Rakuno Gakuen University, contributing to the development of local human resources. On July 10, some students came for a factory tour and even contributed prototype ideas. Beyond simply the employment of people with disabilities and supporting their independence, our activities will also serve as a measure to develop human resources for the next generation of people.



Natto making kit

A student of Rakuno Gakuen University presenting the recipe using dried natto powder



Launching a new brand to support and to "awaken" Hokkaido's sake culture

Kita no Kakusei (Awakening of the North)

Hokkaido is known for its cool climate and access to quality water. As well, it offers a kind of rice that is regarded throughout Japan as being exceptionally great for sake brewing. Highly appreciated throughout the country, this sake has the potential to bring fame and respect to Hokkaido as a sake producing region. Sharing this belief, the sake-rice producers, the breweries, and Coop Sapporo have worked together to launch a new sake brand: Kita no Kakusei.

The first product, Kita no Kakusei Junmai Ginjo-shu Susei, was released in limited quantities in March 2020. "Susei", the rice suitable for sake brewing, is grown at Farm Oryza in Setana without any agricultural chemicals. Then it is produced at the Niseko Shuzo brewery in Kutchan.

The brand name reflects our desire to awaken sake culture in Hokkaido to the rest of Japan, as well as to support its prosperity in the future. We plan to make this into an ongoing series, bringing together Hokkaido's sake-rice farmers and breweries to produce this wine every year. We will endeavor to offer this high-quality sake, made by skilled, enthusiastic producers, at a reasonable price.



FY 2020

Activities Report

Connecting People with the Future

Expanding SDG initiatives to people living in Hokkaido

Promotion Platform, Study Conference, and Study Meetings for SDGs



Establishment of the Hokkaido SDGs Promotion Platform.

In July 2019, Coop Sapporo established the Hokkaido SDGs Promotion Platform in order to broaden SDG efforts across the prefecture. This platform aims to learn from advanced case studies, report on each other's initiatives, and enhance business effectiveness through collaboration among participating companies.

In 2020, we donated hand soap and wet wipes to elementary schools and children's centers in Sapporo – a joint project with Sapporo City and Kao Group Customer Marketing. The project was made to educate children on proper hand washing and to work towards a world without infectious diseases. The presentation ceremony was held on October 8.



A letter of appreciation for the donation of wet tissues and hand soap

Sharing SDGs case studies with companies in Hokkaido.

The SDGs Study Conferences are held for Coop Sapporo's business associates, reporting on the advanced cases of the Hokkaido SDGs Promotion Platform. In FY 2020, the conference was held online twice – in September and February.



SDGs Study Conference for business associates

The 3rd SDGs Study Conference	
Keynote Speech	Novel Coronavirus Infections (COVID-19), Climate Change, and the SDGs Junichi Fujino. Institute for Global Environmental Strategies (IGES), Senior Researcher, City Task Force Program Director.
Research Report	Fish and Climate Change in Hokkaido Akiyoshi Shinada. Local Independent Administrative Agency Hokkaido Research Organization, Fisheries Research Department. Central Fisheries Research Institute.
Case Study Report	Conservation of the Fishing Ground Environment in Hokkaido - Initiatives by the Hokkaido Federation of Fisheries Cooperative Associations Shinya Nakamura. Hokkaido Federation of Fisheries Cooperative Associations, Environment Department.

The 4th SDGs Study Conference	
Keynote Speech	Measures Against Climate Change under Climate Crisis and Infectious Diseases Yukari Takamura. Tokyo University, Institute for Future Initiatives, Professor.
Research Report	Measures Against Climate Change under Climate Crisis and Infectious Diseases Naoyuki Mikami. Hokkaido University, Institute for the Advancement of Higher Education, Associate Professor.
Case Study Report	Sapporo City Action Plan – Countermeasures Against Climate Change (Proposal) – A Carbon Neutral City Sapporo - Aiming to Become an Environmental Capital Takahiro Yamanishi. Sapporo City Environment Bureau, Eco-City Promotion Department. Everything Starts with Food – How to Connect to SDGs Akane Takada. Aleph Inc. Eco Team, Promoter of Environmental Education and Biodiversity Activities.

Opportunities for members to learn about SDGs.

We also hold SDG Study Meetings in response to the high interest of our members and their desire to learn about SDGs. In FY 2020, 19 sessions were held and attracted a total of 324 participants. The explanation of the SDGs in relation to Coop Sapporo's initiatives was well received by the participants, stating that it was very clear to understand.

In addition to our members, we also hold study meetings for university students and Coop Sapporo staff, creating opportunities for many people to learn about SDGs. We continue to expand our efforts on SDGs across Hokkaido.



SDGs Study Meeting for members

Facts

Donations of wet tissues and hand soap
Delivered to 10 elementary schools in Sapporo

Hand soap: **6,024 bottles**

Wet tissues: **180 packs**

Delivered to children's centers

Hand soap: **2,040 bottles**





Growing the culture and industry of wine in Hokkaido

Joint-establishment of the human resources development program via a specialized course

With a cool climate ideal for growing grapes, the number of wineries in Hokkaido is one of the biggest in Japan. Coop Sapporo has been doing its part to develop Hokkaido wine into a part of Hokkaido's food culture. Our multi-faceted approach covers not only selling Hokkaido wine, but we also hold a "Heuriger Hokkaido" event to introduce the Austrian culture of enjoying white wine and local food before the release of Beaujolais Nouveau.

It was then we received news that Hokkaido University was promoting the development of human resources for wine knowledge. Empowering people with knowledge for this industry is one of the most important factors for our goal to development Hokkaido's wine culture. On February 25, 2021, with the support of Coop Sapporo and 5 other companies, we established a specialized course called the "Laboratory for Nouvelle Vague of Hokkaido Wine". The course will start from April and we hope to present Hokkaido's excellent wine professionals in the future.



The joint press conference on the opening of a new course for the establishment of the hub for Hokkaido Wine Education and Research



Creating an attractive workplace for diverse work styles

Initiatives for diversity

By allowing workers to utilize their individual talents, increasing productivity, we create a better environment for diversity. On April 1, 2020, we established the "Type-A Enterprise for Continuous Employment Support – Coop Partners" program, with the aim of training and developing people with disabilities for employment and to create an environment where they are able to keep working long-term.

We also have continued to accept foreign technical interns. These people carry the hope of the economic development for their respective developing countries. On August 18, we established Hokkaido Human Resource Development Cooperative, a service that accepts, educates, and trains foreign technical interns. In December, we received accreditation as a supervising organization for foreign technical interns. In order to acquire capable human resources, for the first time as a Japanese co-op, we began recruitment in autumn and hired 9 people. For the recruitment of engineers, we adopted the Western-style "job-focused" employment, where the job description is clearly defined and specialization is required. 18 people from across the country were hired.



Packaging work at a food processing company

Facts

Coop Sapporo Group
Employment of people with disabilities

5.4% (510 peoples)

Foreign technical interns

209 people





How can we protect and nurture the leaders of the future?

Childcare support and education initiatives

Topic 1	To create a society ideal for raising children
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The children of the next generation shape our community for the future. However, society today has a multitude of problems and is far removed from being a good environment for raising children. Improvements are absolutely essential in order to protect our community and our future.

Coop Sapporo has always placed childcare support as a priority issue in its activities. In addition to the development of safe products, we provide special offers to families with children when they use our delivery services or shop at our stores. We also create communities for them. We present a package of childcare goods called the First Child Box for families with newborn babies. For families with young children, we have Ehon-ga-Todok, a service where we present picture books free of charge, to help parents build connections with their children. Todok Food Bank is a project to reduce food waste. When unopened food products are returned from deliveries, they are donated to foster care and family homes. We also conduct food education events such as the Todok Food Caravan and the Home-style Cooking Class.

We are also expanding our field in food education. In November 2020, Coop Sapporo signed a comprehensive partnership agreement with Tanaka Gakuen. We will operate the school lunch service for Tanaka Gakuen Ritsumeikan Keisho Primary School, opening in 2022. We will also work with the school to develop a food education curriculum.



Todok Food Caravan



Home-style Cooking Class



A child with a Ehon-ga-Todok picture book



Signing the partnership agreement with Tanaka Gakuen

Milestones of 2020

- 200 picture books from the “Ehon-ga-Todok” program were donated to support families during their time at home.
- We exceeded 20,000 cumulative applications for the “First Child Box”.
- We donated picture books on the theme of peace to all 200 elementary schools in Sapporo, as well as to 217 libraries in Hokkaido (photo).



Topic 2

Collaborating with universities to develop the next generation

College students are very important human resources who are capable of solving local issues in the future. Coop Sapporo has been actively promoting cooperation with universities. In FY 2020, we newly signed a partnership agreement with Sapporo University and Hokkaido Bunkyo University in December. We will provide an internship opportunity for students to experience the activities of Coop Sapporo and to learn about SDGs. In addition, the universities will dispatch lecturers to our members’ study meetings. Together, we promote the development of human resources.



A call to establish a recycling-based society via Coop Sapporo's base of environmental activities

Eco Center and Todok Eco Station

Our Eco Center collects recyclables from our members' homes, applies intermediate treatment, and transports them to recycling. The experience-based learning facility, Todok Eco Station, is located within the Eco Center where local residents and children can learn about our environmental efforts. It works as a base of our activities by showcasing the role of the Eco Center and how the reusing and recycling process works.

In 2020, the number of visitors to both facilities decreased due to the COVID-19 pandemic. However, students from 12 local elementary schools came for a tour of the facility, and we also offered a lecture at one school. Because of these efforts, we have had as many as 822 elementary school visitors, significantly more than the 290 students in 2019. It was rewarding to be able to provide an opportunity for so many children to learn about environmental issues.

We also had an annual exhibition at the 2020 Ebetsu Environmental Square event, held online this year. We distributed a video about our efforts at the Eco Center for this event.



Todok Eco Station



Elementary school visitors at the Eco Center



Maintaining a stable power supply and shifting to environmentally friendly sources of energy

Todok Power

Unlike oil and coal, which are finite resources, the energy that exists in nature, such as sunlight, wind power, and hydropower, are called renewable energy. It does not deplete in the traditional sense and does not emit CO₂. Todok Power offers a 100% renewable energy program.

In order for more people to choose this environmentally friendly, sustainable, and renewable energy option, we started to offer special discounts to Todok Power customers from August 31, 2020. The discount enables them to use our Todok Delivery Services with no admin fees.

As part of a contingency plan to enable us to continue operating in the event of a disaster, we have also begun to provide our on-site power generation services to Coop Foods Ishikari Food Factory.

Todok Power will continue to contribute to Hokkaido's business continuity plan (BCP) by promoting our on-site power generation business while also promoting the use of renewable energy.



Coop Foods Ishikari Food Factory



On-site cogeneration system

FY 2020

Environmental Activities Report

Since the 2008 Hokkaido Toyako Summit, Coop Sapporo has been giving more attention towards environmental initiatives. We have continued to work together with our members to lower the environmental impact of our business activities.



2020 Topics 1

Our efforts on reducing plastic bag use

Because of the government's requirement on all retailers to charge for plastic shopping bags, public interest in the environment has grown. In order to take advantage of this trend for a better environment, in June 2020, we became the first food retailer in Japan to switch from opaque plastic bags for sanitary products (a customary practice for Japanese retailers) to FSC-certified, 100% recycled paper bags. We recognize that plastic bags may still be needed, so from July 1, 2020, we have used bags made from 100% non-petroleum-based materials. We will continue to utilize

more environmentally friendly resources as much as possible.



FSC-certified recycled paper bags.

2020 Topics 2

Water bottle? BYO!

Some of our members who have learned about the issue of plastics in the seas and oceans at the SDGs Study Meeting (see page 24) have since become engaged in activities, such as the cleaning up of rivers and beaches and reducing plastic waste. In 2019, we had made the "Water bottle? Bring your own!" slogan at our Coop members' meeting. To spread the word, we created a "BYO Water Bottle" sticker (Japanese only) in December 2020.

In 2021, we will start our "BYO Water Bottle" initiative to promote these activities throughout Hokkaido.



Clean up activity in Hakodate

2020 Topics 3

Coop Future Forest Project

For each time our members decline to use plastic bags at the cashier checkout, 0.5 yen is sent towards a forest fund and used for tree-planting activities. In 2020, while our members were unable to participate due to the COVID-19 pandemic, Coop Sapporo staff were able to plant a total of 3,680 trees. On December 15, Coop Sapporo received the Hokkaido Social Contribution Award of 2020 in recognition of its efforts in forest conservation, promotion, and its guidance on replanting and environmental education.



Environmental Philosophy

Based on our Seven Promises, Coop Sapporo works with all our members and executives to strive for a safer and enriching life, where human rights are respected and the environment is protected. We endeavor to promote the creation of communities that can provide ample welfare and mutual assistance.

Coop Sapporo aspires to create a sustainable society where these activities can take root and where every individual in Hokkaido has an opportunity for a brighter future.

Environmental Policy

Through our stores, the Todok Delivery Services, Mutual Aid, and other projects, Coop Sapporo will continue to provide dependable products and services that our members can rely on, contributing to fulfilling lives for everyone in Hokkaido, while simultaneously molding a sustainable, earth-friendly society.

- ① We engage in pollution prevention throughout all our businesses as well as taking steps to generate greater value with lesser environmental impact. To that end, we set short and mid-term environmental goals and milestones while reviewing them periodically so as to improve our environmental management system.
- ② We strictly comply with all applicable laws, regulations, agreements, and other requirements that we have agreed upon pertaining to environmental protection.
- ③ We thoroughly disseminate this policy to all colleagues so that each and every person subject to the management system takes responsibility and acts accordingly.
- ④ We disclose this environmental policy to the public while we regularly publicize all of our ongoing environmental efforts.

- We use electricity and fuel resources efficiently to contribute to curbing global warming.
- We are committed to waste control and reduction.
- We use environmentally-friendly office supplies.
- We develop and promote environmentally-friendly products.

- We create an environmentally-conscious culture in our operations.
- We learn from our member feedback while we raise environmental awareness in our communities.
- We are committed to creating environmentally-friendly local communities.

Coop Sapporo's Recycling

Coop Sapporo Eco-Center collects recyclable waste from our stores and other offices along with those from our members' homes. The amount collected has increased with every year and in fiscal 2020, we collected 36,692 metric tons of recyclables. That is equivalent to reducing 22,782 metric tons of CO₂.

Collection Volume of Eco-Center

(amounts listed in metric tons)

	2016	2017	2018	2019	2020	2019 basis
Cardboard	17,602	17,598	17,178	16,799	18,344	109%
Paper cartons	283	276	272	273	274	100%
Weekly Todok catalogs	11,041	12,085	13,788	14,735	14,637	99%
Newspapers	1,000	954	906	893	704	79%
Foam packages	388	375	374	346	372	108%
Plastic bottles	66	47	32	34	42	124%
Steel cans	24	16	14	12	14	117%
Aluminum cans	58	68	62	55	60	109%
Polypropylene bands	44	43	33	32	35	109%
Plastic inner bags	116	116	123	123	119	97%
Used cooking oil	849	861	873	895	907	101%
Secondhand clothes	728	747	838	970	1,184	122%
Total	32,199	33,186	34,493	35,167	36,692	104%

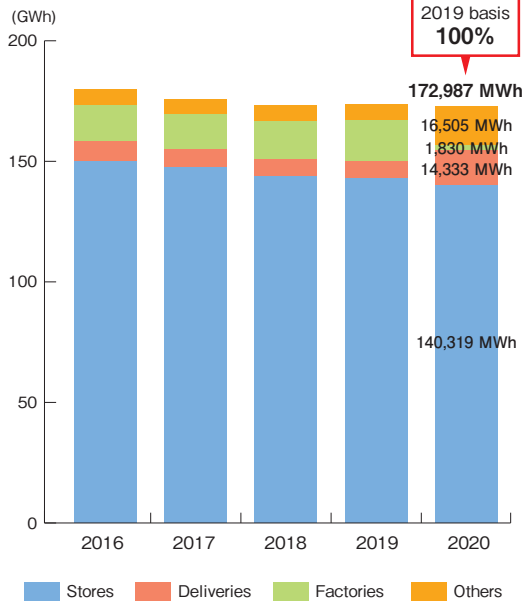
Donating our used clothing sales to Hokkaido UNICEF

We collect used clothing from our Todok member's homes via our trucks' return trips. This year we have donated JPY 1.5 million of the sales to Hokkaido UNICEF. The used clothing is sent to Cambodia for resale or remade into cleaning cloths for industrial use.



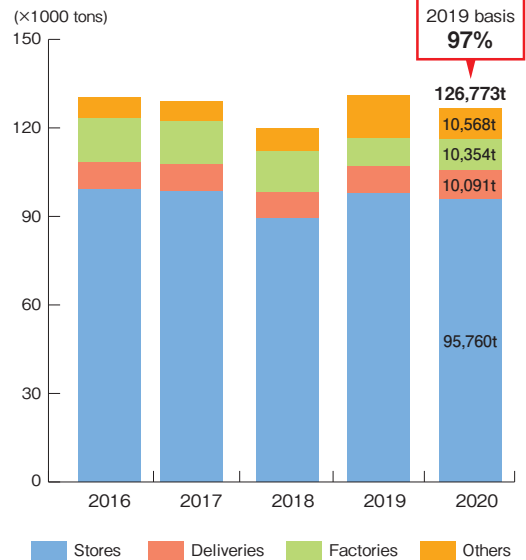
Environmental Data

Electricity



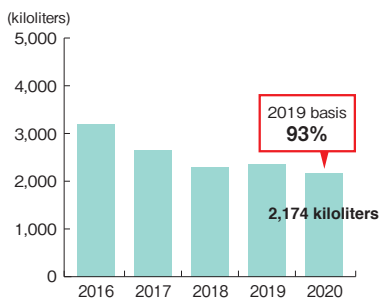
CO₂ Emissions

Our goal is to reduce emissions by 50%, compared to 2013, by the year 2030. In FY 2020 we have lowered our emissions by 19%.

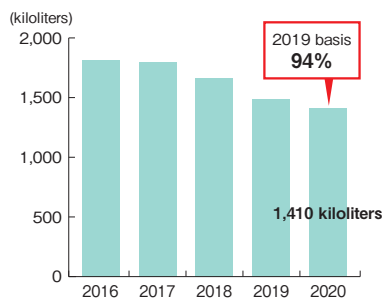


Energy Consumption (Non-electricity Based)

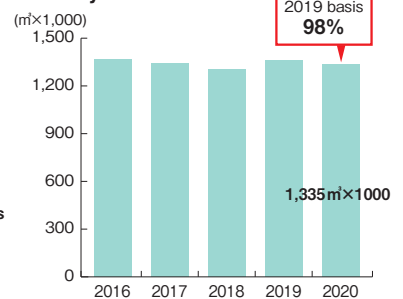
Heavy Oil



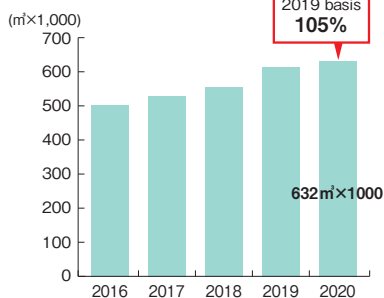
Kerosene



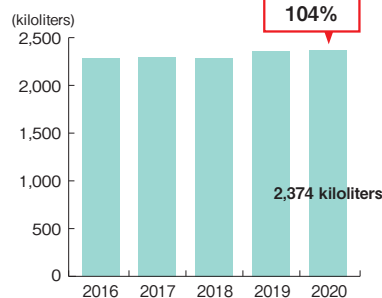
City Gas



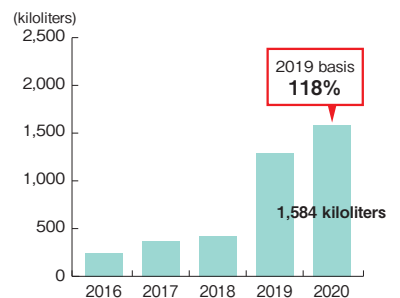
LPG



Diesel



Petrol



From FY 2019, the energy consumption for chartered vehicles is also counted.

About Coop Sapporo

About Us

Reference Six-year Summary

Capital by Year

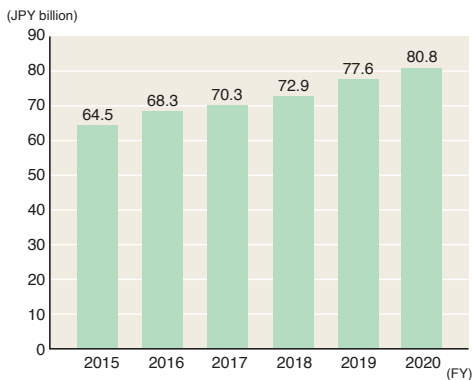
Section FY	Amount (JPY x1000)	YOY increase (JPY x1000)	Growth Rate (%)	
			YOY	FY 2015 Basis
2015	64,466,901	768,946	101.2	100.0
2016	68,344,865	3,877,964	106.0	106.0
2017	70,278,859	1,933,994	102.8	109.0
2018	72,903,778	2,540,863	103.7	113.1
2019	77,599,550	4,779,828	106.4	120.4
2020	80,809,922	3,210,372	104.1	125.4

*The above amounts include deposits less than JPY 1000.

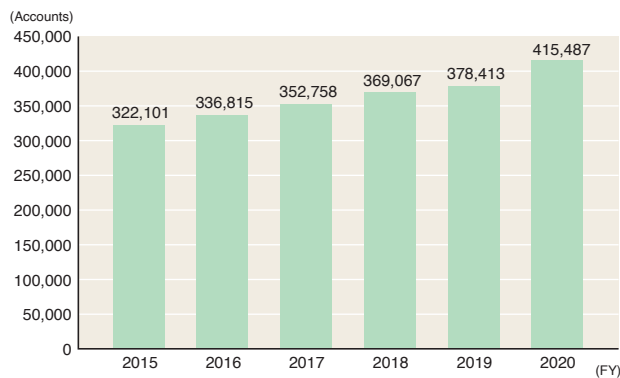
As per the Company Article, the capital (based on unit share price of JPY 1000) is JPY 80.37 billion.

Company Name	Coop Sapporo (Changed from Citizen's Cooperative Coop Sapporo in 2000)
Establishment	July 18, 1965
Start of Operations	October 1, 1965
Headquarters	10-1, Hassamu 11-jo 5-chome, Nishi-ku Sapporo, Hokkaido 063-8501 JAPAN
Board of Directors (full-time)	<ul style="list-style-type: none"> • CEO and President: Hideaki Omi • Managing Director: Norihiro Nakajima • Managing Director: Masakazu Iwafuji • Executive Director: Toru Yoneuchi (As of March 2021)
Geographical Scope of Activities	All of Hokkaido

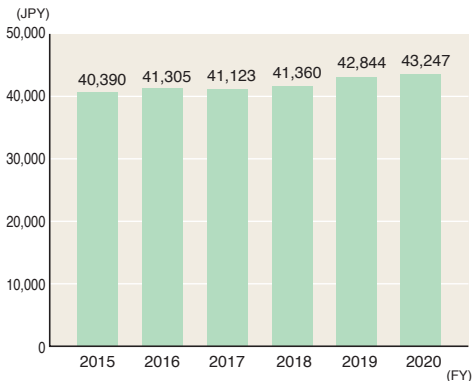
Capital Balance by FY



Reference Subscriptions of Todok Delivery Services

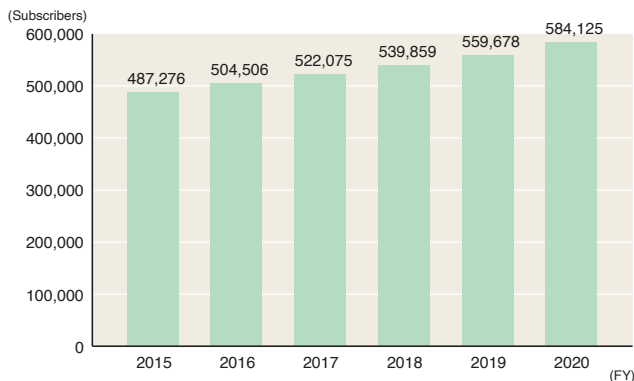


Average Capital per Person

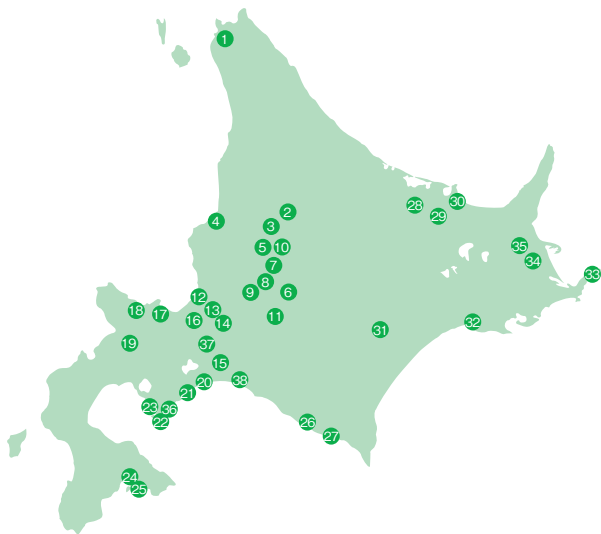


Reference Coop Mutual Aid

Subscriptions of Coop's Four Mutual Aids



Membership Demographics



Membership Ratio by Municipality

1,868,534 members (67.0%)

2,790,286 households

Membership (membership ratio)

Members represent the number registered as of March 20, 2021

Household data is based on the Basic Resident Registry as of January 31, 2020

Households

Membership Ratio by Municipality

1	Wakkanai	5,500 members (31.0%)	17,720 households
2	Asahikawa	140,924 members (79.3%)	177,704 households
3	Fukagawa	10,948 members (101.1%)	10,825 households
4	Rumoi	11,463 members (100.4%)	11,416 households
5	Takikawa	15,328 members (71.6%)	21,422 households
6	Furano	11,326 members (104.0%)	10,894 households
7	Sunagawa	8,087 members (91.5%)	8,843 households
8	Bibai	12,368 members (108.2%)	11,430 households
9	Iwamizawa	35,238 members (84.8%)	41,558 households
10	Akabira	6,078 members (104.7%)	5,804 households
11	Yubari	5,144 members (112.2%)	4,586 households
12	Ishikari	23,624 members (84.7%)	27,888 households
13	Ebetsu	40,487 members (69.8%)	58,026 households
14	Kita Hiroshima	24,404 members (88.0%)	27,728 households
15	Chitose	24,881 members (49.7%)	50,082 households
16	Sapporo	633,098 members (59.2%)	1,068,992 households
17	Otaru	54,181 members (85.8%)	63,143 households
18	Yoichi	9,249 members (94.0%)	9,844 households
19	Kutchan	8,118 members (82.5%)	9,843 households
20	Tomakomai	68,383 members (76.4%)	89,460 households
21	Shiraoi	9,322 members (99.1%)	9,405 households
22	Muroran	27,624 members (60.7%)	45,534 households
23	Date	9,658 members (54.0%)	17,889 households
24	Hokuto	16,378 members (73.6%)	22,242 households
25	Hakodate	112,770 members (79.5%)	141,853 households
26	Shin Hidaka	9,360 members (80.3%)	11,652 households
27	Urakawa	8,626 members (129.3%)	6,673 households
28	Engaru	11,406 members (111.6%)	10,225 households
29	Kitami	44,964 members (72.9%)	61,655 households
30	Abashiri	15,828 members (87.2%)	18,142 households
31	Obihiro	48,926 members (55.5%)	88,176 households
32	Kushiro	70,808 members (75.0%)	94,458 households
33	Nemuro	8,425 members (67.1%)	12,565 households
34	Betsukai	5,371 members (79.8%)	6,727 households
35	Nakashibetsu	7,515 members (66.6%)	11,291 households
36	Noboribetsu	17,421 members (70.4%)	24,740 households
37	Eniwa	18,117 members (53.7%)	33,740 households
38	Mukawa	4,249 members (104.1%)	4,082 households
	Others	272,937 members (61.7%)	442,029 households

Membership by FY

FY	Section	Membership	YOY increase (membership)	YOY increase (%)	
				YOY increase	FY 2015 basis
2015		1,596,125	52,845	103.4	100.0
2016		1,654,657	58,532	103.7	103.7
2017		1,709,000	54,343	103.3	107.1
2018		1,762,681	53,681	103.1	110.4
2019		1,811,207	48,526	102.8	113.5
2020		1,868,534	57,327	103.2	117.1

*176 unverified addresses and/or members removed on March 20, 2016.

*434 unverified addresses and/or members removed on March 20, 2017.

*2,800 unverified addresses and/or members removed on March 21, 2019.

*1,236 unverified addresses and/or members removed on March 20, 2020.

*263 unverified addresses and/or members removed on March 20, 2021

Membership Ratio by Wards of Sapporo

Chuo-ku	55,787 members (38.7%)	144,196 households
Kita-ku	95,662 members (62.5%)	153,109 households
Higashi-ku	71,160 members (49.7%)	143,130 households
Shiroishi-ku	79,466 members (64.4%)	123,314 households
Toyohira-ku	71,800 members (55.9%)	128,353 households
Minami-ku	64,399 members (88.7%)	72,643 households
Nishi-ku	68,974 members (59.6%)	115,730 households
Atsubetsu-ku	41,509 members (63.3%)	65,559 households
Teine-ku	49,621 members (71.2%)	69,693 households
Kiyota-ku	34,720 members (65.2%)	53,265 households

About Coop Sapporo

Locations and Business Structures

Administration

Headquarters	1
Regional Headquarters	8 (Sapporo, Obihiro/Hidaka, Kushiro, Kitami, Tomakomai, Murooran, Hakodate, Asahikawa)

Stores

107 stores in 28 cities and 20 towns as of March 20, 2021

Sapporo	25	Rumoi	1	Shiranuka	1
Ebetsu	2	Hakodate	8	Naka Shibetsu	1
Kita Hiroshima	2	Hokuto	1	Kitami	3
Ishikari	1	Tomakomai	5	Abashiri	1
Chitose	2	Date	1	Eangaru	2
Otaru	3	Kikonai	1	Bihoro	1
Yoichi	1	Makubetsu	1	Obihiro	2
Kutchan	1	Mukawa	1	Murooran	2
Iwamizawa	2	Shiraoi	1	Akabira	1
Bibai	1	Shin Hidaka	1	Betsukai	1
Yubari	1	Urakawa	2	Noboribetsu	3
Asahikawa	6	Erimo	1	Eniwa	1
Fukagawa	1	Samani	1	Fukushima town	1
Sunagawa	1	City of Kushiro	6	Haboro	1
Takikawa	1	Nemuro	1	Shiruiuchi	1
Furano	1	Kushiro Town	1	Taiki	1

Coop Todok Delivery Centers

39 Centers and 11 Depots, as of March 20, 2021

Mobile Groceries

94 trucks covering 131 cities and towns across Hokkaido

Food Factory

Ebetsu Food Processing Center

Recycling Facility

Eco Center

Funeral Halls

Feriae Funeral Hall Tsukisamu

Feriae Funeral Hall Shin-Kotoni

Coop Group

Enecoop

Todok Power

Coop Foods

Dream Factory

Hokkaido Hamanasu Foods

Hokkaido Logi Service

Matehan Engineering

M.G. Construction

Taisetsu Water Resources Conservation Center

Coop Travel

Duarcanum

Cooptrading

Coop Cooperative Insurance

Coop Partners

Chuo Supermarket

Sapporo Eki Tachiuri Shokai

C's Cooperative Real Estate

Openings in 2020

● Stores

September 2020	Yubari store (relocation)
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● Delivery

September 2020	Minami Sorachi center (relocation)
October 2020	Asahikawa Nishi center
December 2020	Kutchan center (relocation)

SDGs that Coop Sapporo's Efforts Contribute to

SDG Comparison Chart

Coop Sapporo aims to realize all 17 Sustainable Development Goals by connecting people, food, and the future in various activities every year.

Targets		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
Businesses that connect people to people	Todok Delivery Services	P15								●		●	●						
	Kakeru Mobile Grocery	P16		●								●							●
	Opening of Yubari store	P16										●							
	Community-wide Health Program	P17		●								●							●
	Promoting health in cooperation with the governments	P17										●							●
	Support for the voluntary surrender of drivers' licenses of the elderly	P18										●							●
	Joint sale with Sapporo Drug Store	P18								●									
	Establishment of Cooperative Network Hokkaido	P19																	●
	Funeral Service Network	P19											●						
	Fundraiser for the July rain disaster	P19											●						●
Businesses that connect people to food	Ready Meal Campaign	P20										●							
	Supporting the food service industry with our store sales	P21										●							●
	Product development and sale in cooperation with schools	P21											●						
	Restaurant Delivery Service	P22		●								●							
	Luxury bread, Naruhodo brand products	P22										●	●						
	Hokkaido Hamanasu Foods	P23							●										
	Launch of Japanese sake Kita no Kakusei (Awakening of the North)	P23												●					
Businesses that connect people to the future	SDGs Study Conference, SDGs Study Meeting	P24			●														●
	Wine Specialist Development Program	P25											●						●
	Efforts for diversity	P25							●		●								
	Supports for childcare and education	P26	●	●		●	●						●						●
	Eco Center, Todok Eco Station	P27				●						●	●				●		
	Todok Power	P27						●				●	●	●			●		



Our banner represents Innovation with Reliability,
born out of the resolute wishes and united passion of our members and colleagues.
We have continued to expand the core concepts of Coop Green,
embodying safety, security, and a fresh, youthful vitality, throughout Hokkaido.

Message from Coop Sapporo (Our New Principles)



SUSTAINABLE DEVELOPMENT GOALS

A global blueprint for 2030 to a better and more sustainable future.

These Sustainable Development Goals (SDGs) are adopted by all United Nations Member States to create a better world by 2030.

17 goals have been decided upon, with the aim for all people to live in a sustainable society and to realize a better future by joining the forces of economy, society, and the environment.

Coop Sapporo SDGs Book Editorial Policy

Coop Sapporo has been publishing its Environmental and Social Contributions Report since 2005. In 2007 we revised the publication into a CSR Report and are actively disclosing a range of information to our diverse stakeholders.

Currently, efforts to meet these SDGs (Sustainable Development Goals) are accelerating worldwide as we head toward the year 2030. Coop Sapporo's goal is to promote SDGs in Hokkaido, and we are working to resolve issues with achieving these SDGs via both our business and member activities.

We hope our Booklet can give you a small glimpse of Coop Sapporo's activities and that it will drive thought and discussion about a sustainable society.

● Reporting Period

The focus of this Report is on our core activities for FY 2020, but we have also incorporated supplementary information on prior years, in addition to ongoing initiatives and goals throughout FY 2020 and beyond. This summary of our business is as of March 20, 2020.

Coop Sapporo Website URL: <https://www.sapporo.coop/>

● Publication Dates: This edition: May 2021

The next release of the Japanese edition is planned for May 2022.

Please direct inquiries about this SDGs BOOK to:

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