



**COOP SAPPORO Secretary's Office** 

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# COOP SAPPORO CSR REPORT 2017

Editorial policy

Since 2005, COOP SAPPORO has published the Environment and Social Contributions Report. In 2007, seeking to further report on our corporate social responsibility (CSR) efforts, we revised the publication into a CSR report and are actively disclosing a range of information of interest to our diverse stakeholders.

COOP SAPPORO's CSR activities are achieved through the combination of both our businesses and the activities of our members.

Our reporting focuses on conveying COOP SAPPORO's day-to-day trajectory based on our core approach and the progress therein, updating our stakeholders on our current status.

As we aim to achieve a sustainable society, we hope this report conveys, albeit partially, what COOP SAPPORO's role in that process is and what initiatives we are taking to meet this goal.

### Report dates

The focus of this report is on our core activities for FY 2016, but we also incorporate supplementary information on prior years and on ongoing initiatives and goals through 2017 and beyond. This summary of our business is current as of March 20, 2017.

#### Disclosure on web site

In addition to this report, COOP SAPPORO publishes this information on its web site. In addition to finding this report online, the web site includes the FY 2016 business report, profit and loss data, and other detailed information. (The web site containing this data is slated to go live in June 2017).

CSR Report URL https://www.sapporo.coop/

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Please direct inquiries about this CSR report to:

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# CONTENTS

COOP SAPPORO's	
<b>Businesses and Activities</b>	

# Hokkaido's Pride: COOP SAPPORO - 02

# FY2016 Activities Report

Connecting People to People	08
Connecting People and Food	1
Connecting People with the Future	18

#### 2016 Environmental Activities Report

Environmental Philosophy and Policy	23
Environmental Topics	24
Environmental Activities Report	28

#### About COOP SAPPORO

Messages from COOP SAPPORO (New set of principles) ···	29
Basic Data	30
Membership Activities	31
Locations and Formats	32
Third-party Opinion	33

# **COOP SAPPORO's Businesses and Activities** Resolving social issues Community building Mutual aid Infrastructure turned to guardians: COOP Todok delivery services (pages8-9) Supermarket operation efforts in Hokuryu (page 9) Accessible store designs (pages9) Promoting community to prevent dementia, and the happiness campaign (pages 10-11) Expanding "Cho-co-tto Tea-House" (pages 11) Introduction of senior discounts (pages 9 and 11) Connecting **People to People** Connecting **People with** the Future Creating a rich Connecting Food education People and Food (Taberu-Taisetsu) Food safety and security Starting the Food Bank (page 18) Becoming the community's Supporting childraising through books: Ehon ga Todok (page 19) A delivery service looking after the health College scholarships (page 20) of the elderly (page 12) Employment creating the future Mobile sales vehicles supporting the socially of the region (page 21) vulnerable expanded (page 13) Points awarded based Naruhodo Anshin Products: on investment amount (page 22) committed to safety and security (page 13) Everyday fire safety team (page 22) Face-to-face sales at fish counter (page 13) Peace study tours (page 22) Selling lunch boxes and side dishes developed Support of repeat typhoon with local high schools and universities (page 13) victims (page 22) • Hosting morning lessons for middle schoolers (page 13) Polar bear support project (page 24) Importance of Eating Festival: details (page 14) ●COOP Future Forest Fund (page 25) Learn how to clean a fish: special workshops (page 15) Carbon offsetting (page 26) Children's job shadowing program giving dreams and aspirations to children (page 15) Collecting children's books Farm Restaurant: savor chef-cooked delicacies on the farm (page 16) and toys (page 27) Culinary class with a prominent chef (page 17) Supporting the World Cuisine Academic Meeting (page 17) Hokkaido venison cooking demonstration and workshop (page 17)

Fe eature

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U U Our efforts over the past ten years led to next new activities with a lot of positive results 2008: Lake Toya Summit Poisoned dumpling scandal 2010: 5th amendment to Money Lending Business Act promulgated 2011: Great East Japan 2007: Food fraud scandal 2012 2015: 50th anniversary 2013 Earthquake Culture and sports events 927 courses, 3 culture appreciation Events: 12, participants: 11,300 26 events 44 events, 11,000 participants 1,387 courses, 8,123 attendees Culture appreciation events: 1995 events, sporting competitions Taberu Taisetsu Festival, Sapporo Over 20,000 attendees Expanded experiential workshops Added Muroran venue Participatory events: 43,433 Participants: 31,803 Expanded to 7 sites around the prefecture Over 10,000 participants Food processing factory 11.276 attendees UNICEF fundraisers Total donations: 84.214.433 JPY Bhutan water and sanitation project Fund to suspend Oma nuclear reactor Available at 69 stores Alleray-conscious stores throughout the prefecture Kumamoto earthquake support drive Fukushima Children Protection Project Total of 9 events since 2012, with 40.74M JPY raised and 309 participants Hokkaido typhoon damage relief drive Childraising plazas: 32 sites, Childraising plazas: Nursery Aurinco #1 2 plazas, 2 regions 25.714 participants Kids Job Shadowing 11 stores, 419 children 23 stores 476 participants Total books delivered: 272.314 Family event with picture books Childraising support fund Ehon ga Todok Hokkaido Bright Future Wakuwaku Ehon Caravan Childraising Award Children's COOP Day: 100,465 people registered ering child support members Lifestyle aid committee: 1986 763 members COOP SAPPORO Social Welfare Fund: 1989 Authorized as a public Todok welfare fund supporters Educational grants 270M JPY, 2,280 people Hamanasu foods for Eco center hires disabled personnel 340 people hired (4.10% rate of hiring) disabled persons employment: 1993 Consumer problems subcommittee H Lifestyle counseling office Committee to review lifetime contracts Launched: Lifestyle Plaza Launched service business 10,100 projects (special order service) Opened the Feriae funeral hall 309 directly organized funeral services Hokkai Gakuen Endowed Lectures Feriae installment savings Rakuno Gakuen Endowed Lectures Business partnership with Tenshi College Partnership with Asahikawa University 8 items developed for nutritional guidance Otaru University of Commerce Business School social business joint research 37 business school attendees 17 municipalities, 53 classes 1,000 participants Launched community-wide vitalization project in Akabira Started "community-wide health" project with Hokusho University and an NPO Promoting community to prevent dementia Opening stores in food deserts: Akabira store, free community bus Launched mobile sales trucks 81 vehicles, 126 municipalities served Measures to aid elderly Launched meal delivery business Started delivering meals to kindergartens Healthy post-partum food Nursing food Introduced dedicated vehicles Cho-co-tto Tea-House: Hospital food service started mprehensive support partnership Watch over supporters visit Care and watch Todok: Watch over supporters visited 12.400 households Elderly watch network Senior monitoring persons age 70 and up delivering to remote family member Dementia "bible" Traffic safety courses COOP Todok delivery system Operating night deliveries Started baby support services Todok Direct: Liquor catalog Defibrillators installed in delivery trucks 208 vehicles with defibrillators Provided backpack covers Todok call center 50th anniversary projects Todok Station Thank-you ceremony, Centenarian exhibit Todok Food Bank 21 times + 3 times in collaboration with local municipalities Farm Restaurant Implemented "kitchen cars" Launched Naruhodo brand Naruhodo Anshin brand Hokkaido rice support partnership with Hokuren designated rice milling plant Hokkaido 100 Rice-fed meat project: Food action Nippon award Member-participatory product Tamaran cream croquettes Launched Local Vegetable Local Vegetables Organic vegetables Local Vegetable farmers' market Imperfect Vegetables Delicious Selection Vegetables Local Vegetable producers: 1,300 people Started offering venison Agricultural Award forum Heuriger Hokkaido Agricultural Award (also launched Fourth Agricultural Award Fifth Agricultural Award Sixth Agricultural Award Seventh Agricultural Award Eighth Agricultural Award Ninth Agricultural Award COOP Cooking School 229 classes 1,566 participants 96 classes 1,242 participants Food education research association Observational tour of Sponsored food conference in Hakodate Italian slow food movemen Study tour to Spain Published Cho-co-tto PR magazine Japan local town and free magazine award Revision of voluntary Product labeling watch dog Launched the Food Labeling Test Association Product labeling test Total successful applicants: 1.069 Online product tracking system Food watcher test Established the Japan Developed traceability systems My Todok kiosk terminals Disbanded the Japan Traceability Association Annual shipments reached 5.72M Taisetsu water bottling factory Business partnership with Muroran Institute of Technology Carbon footprint listed in-store Revised Labeling for Naruhodo Brand Naruhodo brand Products: 182 ECO-OP: Nishimiyanosawa Tesco visit: -CO₂OP Tonden, Bihoro, and Shinbashi-odori stores Ishikawa stores ECO-OP: 6 stores and Satsunai stores Biomass plant in Nanae: Energy reductions visualized: LED, light adjustment towards a sustainable society Mega solar plants (2 sites in Obihiro) Electricity retail business Todok Power COOP Future Forest Fund Established the COOP Future Forest Grant CW Nichol lecture First COOP forest education festival Total planted: 86,353 established for tree-plantinginitiative (forests-fisheries, Domin-no-Mori) Hokkaido Forest Building Event Published the *Mori-Iku* PR magazin No plastic bags at checkout: Decline of plastic bags: 89% charging for bags Ebetsu Eco Center launched Business partnership with Net-Off Started collecting secondhand clothes Picture book and toy collection Collecting used cooking oil by our fleet BDF trucks Guiness Record Parade BDF vehicles: 223 Polar bear support project: Obihiro Zoo Kushiro Zoo Asahiyama Zoo Polar bear aid amount: 63M JPY Maruyama Zoo

# Building a sustainable infrastructure of food in Hokkaido

COOP SAPPORO CEO and president

# Hideaki Omi

# COOPs throughout Hokkaido consolidated to solve local issues

In 2007, COOP SAPPORO completed a comprehensive merger with regional COOPs around the prefecture. Already ten years have passed since that time. One of the reasons we pursued this merger was that, in the midst of a management restructuring in 1998, we faced an increasingly difficult financial situation; with many local COOPs with debts and liabilities. Even those with a clean balance of accounts were at a tough crossroads in terms of remaining competitive in Hokkaido market if they were to operate by themselves. In other words, in order for COOPs to survive the way we were, we had to expand our scope and be competitive in products distribution.

Through this integration and merger, we revamped our stores based on the idea of "Delicious Store". We also standardized our products and processes in order to allow us to operate a single, unified operation throughout the prefecture. Furthermore, with the retail environment growing more competitive in Hokkaido, we also merged the three businesses: the Shiga Sogo Food Shop in Muroran, the Kyokuyu Store in Asahikawa, and Uocho in Hakodate.

By expanding our scope, we have become more competitive and stabilized our finances. What is more, we are able to carry out a seamless platform to respond to administrative issues throughout the prefecture.

In 2008, the Hokkaido Lake Toya Summit was held, with a focus on the environment. In two years we achieved to launch 26 cutting-edge projects on the environment. One of these was partnering with AEON Hokkaido to begin charging for plastic bags at checkout, making Hokkaido the #1 prefecture nationwide in terms of charging for bags and spearheading this environmental initiative.

The construction of the Eco Center to collect used resources and recycle them, creating a basis of the recycling-oriented society, was truly an epoch-making moment.

Making use of return trips of our fleet enabled us of collecting used items at low cost, as we are now able to maximally leverage our logistics network of 108 stores and 33 delivery centers around the prefecture.

#### Charging for plastic bags at checkout

In 2008, we began charging 5 JPY for plastic bags at checkout, while 0.5 JPY donated to the COOP Future Forest

Fund each time a bag was declined thereby promoting and protecting forests throughout Hokkaido.

Each year a tree planting festival is held at Domin-no-Mori



#### **Eco Center**

Established in 2008, Eco Center works as a hub for collecting, processing, and recycling of items obtained through our activities and from our members. Used cooking oil is refined into BDF, then used for our delivery trucks. Since 2015, we have also been collecting used clothes and fabric, turning them to reuse in Cambodia and donating the



A Cambodian shop selling secondhand

# Farming regions taught us about the potential of Hokkaido food

COOP SAPPORO's main focus is on food. The COOP SAPPORO Agricultural Award, started in 2004, is growing in new directions.

Since 2007, I have acted as its executive chair.

There are many initiatives we started based on what we learned when visiting producers. First of all, we discovered that 20% of vegetables were classified as substandard due to cosmetic issues. We decided to bring them to market under the Imperfect Vegetables moniker.

We next learned that producers were growing small amounts of produce in home gardens, which then served as the impetus for the Local Vegetable project.

Another initiative that has taken root is delivering local vegetables from warmer areas like Hakodate, which has a harvest a month earlier than elsewhere, to eastern Hokkaido where yet to enter springtime.

Furthermore, seeking to make use of Hokkaido's beautiful natural landscapes, we modeled after Italy's slow food movement which had urban chefs to vitalize its provinces. Inspired by that, in 2012, we launched the Farm Restaurant program. The launch of this new form of green tourism has enabled young chefs around Hokkaido to network. The notion of integrating upstream and downstream industries \*1 was discussed as the key to growing Hokkaido cuisine and agriculture. However, if these efforts were not tailored with locally procured ingredients, we will be unable to differentiate ourselves or further foster our unique culinary culture.

I believe that rolling out pop-up restaurants in a farming context will incubate new businesses unique to their communities.

### **COOP SAPPORO Agricultural Award**

From a consumers' eye-view to support excellent primary producers, this award recognizes organizations promoting cutting-edge and sustainable agriculture and fisheries.

Since the 8th event in 2012, it is held once every three years, with 2017 marking the 10th.





### **Imperfect Vegetables**

Substandard vegetables (those with cosmetic blemishes that make them unfit to bring to market) are collected from contract farmers throughout Hokkaido and sold at discount prices at our stores close to those farms.

#### **Local Vegetables**

Selling vegetables harvested in communities close to stores allows consumers to obtain fresh vegetables, provides new

sales channels for producers, and also cuts down on CO<sub>2</sub> emissions associated with transport.



Fujino Farm: Local Veggie

## **Pop-up Farm Restaurant**

Held at farms that have received the COOP SAPPORO Agricultural Award, noted chefs prepare lunches using fresh produce from the farm and foster green tourism (see page 16 for datails)

In 2016, we published a book compiling the recipes which appeared at the Farm Restaurant.



The "kitchen cars" come with a full kitchen in which top chefs serve up food

#### \*1 Integrating upstream and downstream industries

This refers to making use of local resources and merging forestry, fishery, and forest production (primary industries) with processing, logistics, and sales (secondary and tertiary industries) in order to create a new, unified industry.



# Hokkaido's Pride: COOP SAPPORO

## Shoring up food education and creating a hub for Hokkaido culinary knowledge

In Italy, Slow Food International has been in operation for 28 years, and it has played a pivotal role as an agricultural powerhouse among EU countries. In order to learn about its development, we have gone on observational tours to Italy with our clients for three years in a row. What amazed us most was the robust support offered by farms and organizations for food and agriculture education to the next generation.

Food education is a very important subject for COOP SAPPORO, as well.

In order to develop educational programs in which children can experience food, we formed a food education research committee in tandem with producers and business partners and we used this to further expand the Taberu Taisetsu (Importance of Eating) Festival, a project that has

Going forward, we know we must promote local industry using fine Hokkaido products and link them with education. We would like to create training farms in Hokkaido and a university dedicated to food, as seen in the Basque Culinary Center\*2 in Spain.

#### Taberu Taisetsu (Importance of Eating) Festival

By bringing agriculture and fishery producers, administrative organs and schools, and manufacturers together to interact

with consumers, this event promotes awareness about Hokkaido food and local consumption (see page 14 for details).



### \*2 Basque Culinary Center

The Basque region in Spain is famous for its delicious cuisine. There, Mondragón Unibertsitatea, a university founded by Corporación Mondragón, a local workers' cooperative, established a food studies department in 2011.

This is a four-year culinary college

# Hand down the family ties and values through picture books

In 2010, we created the COOP Childraising Fund. We felt there was true value in encouraging children to engage with culture and foster ties with parents. The Ehon ga Todok program delivers free children's books.

We have provided over 250,000 books to date, and we received the Childraising Award from the Hokkaido government in December 2016.

Today, the program is growing by adding music activities to children's books.

Children's book experts and educators have formed a special committee to select books which convey values and Japanese identity.

#### Ehon ga Todok (Picture Book Todok)

Members with children aged 1-2 are given four free children's books in this program (see details on page 19).



Through children's books, encourage parents to spend more time with their

## Sales strategies against the aging society: monitor the elderly and aid those in the food deserts.

As the generation who witnessed our growth and reconstruction is going gray, we have worked on what COOP can do to solve this aging society. Further, what can we do about the problems of the food deserts? In addition to people who make use of the Todok deliveries, there were also elderly people, who were unable to pay for purchases via credit cards or place an order and they needed our help.

In 2007, the issue of people without access to stores came to the fore. We received a message from the Yubari Seiryo store saying that their mobile grocery was old and needed to be replaced. We happened to know that the mobile grocery was practical as a business.

Yubari was financially collapsed and had the largest senior population in Hokkaido. Yet if the mobile sales truck was running in a black even in Yubari, surely that business model could be applied anywhere.

With that in mind, we launched the "Omakase-bin Kakeru" project (mobile grocery) which turned out to be a sustainable business while simultaneously succeeding in delivering goods to over 70% of areas lacking groceries.

The elderly watch programs allow us to make active use of this delivery and mobile sales grid (see page 9).

With our backbone in logistical infrastructure, COOP has the ability to visit elderly members once a week through our "last-mile" courier system for deliveries. This allows us to make up for the coverage beyond the government's reach.

We partnered with Sapporo Medical University's department of general medicine to create documentation that personnel can use to detect changes in residents, and set up a personnel training system.

### **COOP Todok Delivery System**

COOP purchase deliveries were spun off in 1997 and enhanced in 2006 for a new form of delivery service (see page 8 for details).



Once a week, products are delivered at a designated time.

## "Kakeru" Mobile Grocery

This mobile sales vehicle makes a set route around areas with few groceries (see page 13 for details).



# Meal deliveries to the elderly grow into a means of supporting health

Changes to Japanese medical policy will mean that, in the future, if the injury or illness is treatable, the person must be discharged from the hospital after one week. Persons who have recently gone operations may be unable to move freely around or cook for themselves for a week or more.

COOP's meal delivery services work as a vital lifeline in bringing prepared food to their doorsteps. We currently have six plants and about 240 delivery vans and we are considering expanding from dinner deliveries to also offer breakfast.

Given our existing infrastructure in meal deliveries, we began serving lunches to kindergarteners and also offer allergen-free meals for children with allergies. We are also preparing to launch a hospital food program in 2017. These hospital meals taste good and do not use frozen food whenever possible, with domestic ingredients, including those of Hokkaido.

## **COOP Meal Delivery Service**

With more and more households where people live alone or as only an elderly couple, there are not enough hands to help with preparing food. This service delivers prepared box

meals to alleviate this problem. Since 2012, we have also been delivering meals to kindergartens, and in 2016, we began offering an allergen-free menu. (See page 12 for details)



Kindergarten lunches for children with allergies

## Sustainable business to solve problems of the future

When we consider the future of food it is clear that food and health must be closely tied.

An ongoing goal for us is disease prevention, a key topic in the field of medicine today.

For those living in regions where medical facilities are too remote, the key is offering them health supports before they become ill.

Various efforts to prevent dementia, provide nutritious meals to the elderly, and extend healthy life expectancy as the population ages will need to become ever more advanced in the coming years.

In addition, the majority of Hokkaido's provinces are becoming depopulated.

With a declining population, there are fewer benefits to a full logistics grid, so it becomes harder to maintain.

As COOP SAPPORO has a fleet of 1.500 trucks used for deliveries and mobile sales, We can bring a range of food infrastructure services to every part of Hokkaido. We have every conviction that this will form a pivotal part of our trajectory going forward.

One macro issue for Hokkaido is creating an economic structure for a sustainable economy that serves the local communities. Increase self-sufficiency on local products. Expand local consumption within Hokkaido. Aim to resolve energy issues and move away from nuclear power.

Unlike other businesses, we consider it our unique position as COOP to take on these broader social issues.

#### \*3 Last-mile delivery

This term from the telecommunications industry refers to the last connection to a

It came to also be used in logistics to refer to the last route in delivering products to consumers.

# Connecting People to People

Delivering products and safety to member homes

COOP Todok Delivery System

Through launching new depots and introducing handheld devices, we are building more points of contact with members via COOP's Todok delivery system. Product orders are delivered to members' homes once a week.

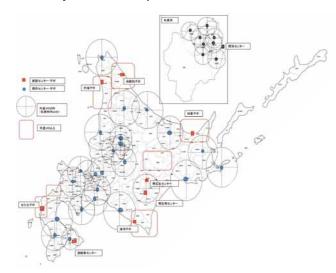
Todok aims to reduce the burden associated with shopping and deliver a stable supply of products to regions with few groceries. The services are used more and more each year, with over 330,000 members and a delivery grid in all 179 of Hokkaido's towns.

We also adopted the "PSCI" system for delivery management. We can check delivery processes on a mobile device and logging requests from members, 🌊 thereby we have more contact points with our members.

#### **■**Delivery registrants

334,288 people 104% YOY increase Membership ratio (%) (as of February 20, 2017) 組合員シェア率2016 (政府) ■ 相合員シェア率[単位:96] ※市区前村世帯数は2010面勢調査を使用しております。 ハカの数字・範囲内の東区町村数

#### ■Delivering products and safety to member homes Delivery center area map



Going forward, we will be building new depots in Teshio, Hamatonbetsu, and Setana. The large-scale Obihiro center is being split up in order to better focus on efficiency of deliveries and points of contact with consumers.





## Efforts to increase points of contact

300 4100

#### **Todok Station**

Todok Station offers a place for children to play. This facility is located at the Sapporo Chuo Center, and the Kiyota/Hiyama/Nakashibetsu Centers.





#### Todok Smile Caravan 179

2016 marks the ten-year anniversary of the Todok initiatives, and we held a thank-you tour around all of Hokkaido's towns.





# **Baby Support &** 65 Support

The "Baby Support" program offers aid to members with children 0-3 years old while the "65 Support" program offers aid to members age 65 and over. System usage fees are free for these members.



The "elderly watch agreements" seek to create a prefecture-wide network of looking out for the elderly. We now formed agreements with 80% of towns in the prefecture, and for users who are over 70 and live alone, we have "Safety Supporters" who visit them periodically.

# **Expanded** bulk catalog

Products for LaCook bulk catalog were expanded.



## ■Elderly monitoring agreements

142 municipalities (in 2016, 15 more added)

#### Our motto: Connecting

Partnership with Hokuryu town Hokuryu's only supermarket, A-COOP Hokuryu, closed, and on June 8, 2016, the city requested us to cooperate to open a grocery.

Accessible store designs

Stores are inspected to ensure that halls, counters, and parking lots are accessible. In addition to COOP SAPPORO

personnel, people of other local retailers joined to learn with us.



O8 ● COOP SAPPORO CSR Report 2017 COOP SAPPORO CSR Report 2017 ● 09

# Connecting People to People



# Supporting the health of the elderly to coop with aging society

With the society rapidly aging, we have promoted the concept of community-building to prevent dementia and community-wide health. COOP SAPPORO has partnered with the Social Business Promotion Center and Hokusho University to establish the Dementia-Proof Community-Building Promotion Unit in 2015, targeting those municipalities where we have previously carried out these activities and pursuing early detection and support of

In 2016, eight cities joined to promote awareness.

#### Cities declaring efforts to build communities against dementia

Akabira, Suttsu, Kamishihoro, Hokuryu, Urakawa, Ashibetsu, Ikeda



Physical fitness measurement event

## Sharing the latest findings on dementia and partnering with municipalities

Municipal personnel engaged in dementia-prevention efforts are invited to biannual training workshops (July/February).

We also had guest lectures from Dr. Shimohama of Sapporo Medical University ("Key understanding and prevention of dementia") and Dr. Urakami, Professor of Tottori University and Chair of Japan Society for Dementia Prevention ("Promoting dementia prevention: lessons learned from dementia prevention programs in Kotoura, Tottori").

This project aims to promote anti-dementia initiatives at each municipality in Hokkaido.



Second municipal employee training group work event

## Launch of dementia prevention lectures

On May 30, 2016, Professor Urakami of Tottori University and Professor Aiuchi, the director of the Social Business Promotion Center, convened at the Sapporo Bunka Kaikan to host a lecture to our members on dementia prevention.









## Improving health through appropriate fitness guidance Initiatives towards "community-wide health"

COOP SAPPORO has partnered with Hokusho University and the Social Business Promotion Center, to roll out "community-wide health program."



Exercise tailored to the individuals' abilities, ensuring that they can engage in light exercise that is safe.

We are promoting the "vuru-gen" exercise regimen, developed by Hokusho University, for the elderly, whether alone or in groups, to practice risk-free exercises.



"Yuru-gen" exercise, a form of light exercise that can be done while seated



The "yuru-gen" certification course (for beginners)



#### How the community-wide health workshops work

- The physical fitness of each participant is measured.
- 2 The results are used to participants into different classes.
- Promoting physical endurance and motivation by tailoring to each person's abilities and condition.

#### ■FY2016 Performance

Municipalities mplementing	17(Akabira, Ashibetsu, Fukagawa, Chippubetsu, Hokuryu, Higashikawa, Yoichi Ishikari, Ikeda, Kamishihoro, Urahoro, Otofuke, Shimamaki, Suttsu, Kuromatsunai, Oshamambe, Shikabe)
Events	53 classes, 1,000+ participants

### **Our motto: Connecting**

## A helping hand for seniors

#### Cho-co-tto Tea-House

This site provides senior members to stop by after shopping, mingle with others and get some advice.



#### Cho-co-tto Tea-House Events

13 cities, 22 stores (Noboribetsu, Kushiro, Shiranuka, Asahikawa, Hokuto, Tomakomai, Urakawa, Obihiro, Sapporo, Date, Muroran, Kitami, Hakodate)

### Senior COOP Day

Every Thursday, members aged 60 and up are entitled to a 5% discount for Senior COOP Day.

10 ● COOP SAPPORO CSR Report 2017 COOP SAPPORO CSR Report 2017 • 11

# Connecting People and Food

COOP SAPPORO's largest missions as a food infrastructure are to deliver safety and security to consumers, protect local producers, and enrich the culinary culture of Hokkaido.



# Delivering delicious meals with safety and security

**COOP Meal Delivery Service** 

# **Expanded delivery areas Dedicated vehicles for greater safety**

With the elderly households on the rise, the COOP Meal Delivery Service provides dinners on wheels and monitors the elderly. The services started in October 2010.

Today, we prepare meals at six plants, with a plan to add another in Obihiro in August 2017.

In July 2016, dedicated Meal Delivery Service vehicles were rolled out.



Standard meals prepared with seasonal flavors and nutritionally balanced

# Safeguarding health through food Providing balanced and nutritious meals

With advice from a licensed nutritionist, we provide guidance on balanced meals that contain the right nutrients, caloric load, and reduced salt.

You can choose any of our balanced nutritional meals which set a daily caloric intake of 1,440kcal and other



Balanced low calorie and low salt meals

# New plant with allergen inspection facilities produces safe food for children

Since 2012, we have provided food to children with allergies, and we now provide these meals to 198 children at 25 kindergartens.

On September 26, 2016, the new Sapporo plant was built in Kikusi Motomachi, Shiroishi-ku, replacing the former Shiroishi plant.

The new plant is HACCP compliant and has allergen inspection facilities.

#### FY 2016 meal delivery service

Number	of food delivery registrants	39,823
Users		6,546

#### <Average weekly meals>

- 1. Meal delivery service: 32,085 meals Breakdown: 14,282 standard meals, 16,475 low calorie meals, 642 weekly meals, 373 Thursday premium meals, 313 popular Hokkaido train station
- 2. Renal meals, balanced nutrition meals: 4,809
- 3. Pre- and post-natal meals: 82
- 4. Special event meals: 111 (monthly average)

#### FY 2016 kindergarten lunch service

Kindergartens served: 61

Sapporo: 18, Iwamizawa: 6, Ebetsu: 1, Tomakomai: 11, Noboribetsu: 2, Muroran: 1, Chitose: 1, Asahikawa: 8, Kushiro: 12 Otaru: 1

Average weekly meals: 6,428

# For those in the food deserts. the "Kakeru" mobile grocery brings balanced food to people's tables.

With an aging society and population exodus, retailers are leaving rural areas and residents have nowhere to do the grocery. This is where the "Kakeru" mobile groceries

300 4100

Currently, 81 trucks run across 125 towns in Hokkaido, with 25,000 people using the services.

In partnership with Otsuka Pharmaceutical Co., Ltd., we developed the "simple nutrition check service." Persons

deemed as having insufficient nutrition are recommended to eat nutritious foods.



# **Our motto: Connecting**

# **Delivering safety and security**

### **Expanding Naruhodo Anshin** Products

Our private label brand, the Naruhodo Anshin Products, focuses on quality, safety, and security since 2015.



# Fish counter

Offering a range of value-added services for consumers, such as butterflied fish cut into three slices.



■Face-to-face fish counter

Nijuyonken store, Nishino store, Hondori store, Ainosato store, Yunokawa

#### Students develop recipes, sell lunch boxes and side dishes

In February 2017, we partnered with Hakodate Junior College, close to the Hakodate Yunokawa store, to sell lunch boxes.

Mellow-flavored green tea



begun at Asahikawa and Hakodate

#### **Breakfast and morning** classes for middle schoolers

With more children skipping breakfast these days, this program gives them a chance to eat a healthy breakfast while learning the importance of early-morning studies. program

held twice





12 OCOOP SAPPORO CSR Report 2017 COOP SAPPORO CSR Report 2017 • 13







# Learning about food with your children

Taberu Taisetsu (Importance of Eating) Festival 2016

# Over 300 experiential programs offered

The Taberu Taisetsu (Importance of Eating) Festival, held since 2007, is COOP SAPPORO's largest food education event.

At this event, producers, government organs, schools, manufacturers, and other organizations come together to mingle with consumers and convey the quality of Hokkaido cuisine and the importance of local consumption.

## Taking root as a local event

Following up on last year, attendees reached an all-time high, with those who took part in the program handing out point coupons (festival coupons) and use them to shop at the "Love COOP Convenience Store," which was also a hit.

Not only did total participants reach the highest number on record, but the visitors exceeded 3,000 at every venue too, celebrating a major success as a food education event.



(Name of gassis, same is, name of supporters)			
Venues	Regional attendees	exhibitors	supporters
Sapporo (8/27)	7,490	115	990
Muroran (9/17)	3,019	64	330
Tomakomai (9/24)	3,274	62	376
Kitami (10/1)	3,409	74	430
Obihiro (10/9)	3,523	71	371
Asahikawa (10/9)	4,542	82	518
Hakodate (10/15)	3,234	50	353
Kushiro (10/22)	3,312	65	373
Total of eight venues	31,803	583	3,741

## **Feedback from participants**

- "All our families enjoyed the event."
- "The children got a chance to learn, and it was a great event."
- "We really had fun here. Looking forward to next year."
- "I am really satisfied with so many events I got to take part in."





#### [Results of experiential program contest]

Meiji, Northern Japan Branch, Sapporo Office (Sapporo venue): "The secrets of vogurt"

NASIO Co., Ltd. (Muroran venue): "Become a sweets master!"

Hokuto Corporation, Tomakomai: "Discovering mushrooms' amazing secrets! Quiz event & mushroom picking!"

Marukita Corporation, Kitami: "Mini Fish Cooking Classroom --Cleaning seasonal fish!

Nakata Foods (Obihiro Venue): "Tofu-making workshop"

Asahikawa Food industry Support Center with Asahikawa Agricultural High School team (Asahikawa venue): "Let's make hot meat buns

Onuma Garo Herb Garden (Hakodate venue): "The secrets of bees and beeswax candle making"

Betsukai Nyugyo Kousha (Kushiro venue): "What we get from milk --

# Added an advanced course to pass on fish cooking skills

## Fish cooking workshops

Since 2014, COOP SAPPORO has partnered with the Sapporo City Wholesale Market to host fish cooking workshops.

The participants learned the fish cooking skills and shared the culinary culture as well as contributing to increased consumption of fish.



Parent-child



### ■2016 Activities

Cooking workshops (including local events)	58 classes	1,310 participants
Parent-child workshops	5 classes	170 participants
Advanced course	4 classes	16 participants

# Kids' job shadowing programs give dreams and aspirations to children

COOP SAPPORO's stores offer the job shadowing programs during summer and winter vacations.

We held fruitful food education programs in which children received supports from not only COOP SAPPORO personnel, but also local shoppers.



Checking out customers' products at the register



Descaling fish in the prep room

14 O COOP SAPPORO CSR Report 2017 COOP SAPPORO CSR Report 2017 • 15

# Connecting People and Food



# The finest local ingredients transformed into a first-class lunch by top chefs

Farm Restaurant

The "Farm Restaurant" is a green tourism program we host in which a one-day pop-up "restaurant" is opened serving a full lunch course right in the midst of a farm.

These unique kitchen cars are equipped with kitchen equipment and visit farms where distinguished chefs use fresh-picked ingredients from the fields to serve one-of-a-kind lunch courses.



Savoring full course lunches

#### FY 2016 Farm Restaurant

Date	Venue	Chef	Participants
June 5	Yogo Farm (Eniwa)	SIO chef Yosuke Sato	48 attendees
June 12	Oshitani Farm (Naganuma)	W27 chef Shin Shimokuni	49 attendees
June 19	Toba Farm (Ashoro)	kirica chef Noboru Ishii	48 attendees
June 26	Nishikawa Farm (Bibai)	Ippocampo chef Fumiaki Ito	54 attendees
July 3	Ichigo Farm (Ishikari)	meli melo chef Daisuke Sato	50 attendees
July 17	Menno Village (Naganuma)	Banquet chef Kohei Wakasugi	47 attendees
July 24	Tada Farm (Kamifurano)	petit lapin (Takikawa) chef Hiromoto Oita	52 attendees
July 31	Takishita Farm (Yoichi)	Trattoria Pizzeria Terzina chef Hideki Horikawa	52 attendees
August 7	Ishizaki Fisheries (Hidaka)	Bistrot poele chef Daigo Hayakashi	53 attendees
August 11	Otsuka Farm (Shinshinotsu)	Capri Capri chef Takashi Tsukamoto	49 attendees
August 21	Ashida Farm (Chitose)	Day's Kitchen chef, Daisuke Kasahara	51 attendees
August 28	Suzuki Farm (Mikasa)	BARCOM Sapporo chef Satoshi Kaneko and cantine SEL chef Yusuke Kurotaki	57 attendees
September 4	Goto Farm (Makkari)	TAKU Maruyama chef Hayato Wada	48 attendees
September 11	Takahashi Farm (Erimo)	brasserie coron with LE CREUSET chef Hiroyuki Tsukada	52 attendees
September 18	Shimizu Farm (Hokuto, 2 days)	Le climat HAKODATE chef Yuya Sekikawa	50 attendees
September 19	Tsuiki Farm (Nanae, 2 days)	L'oiseau par Matsunaga chef Hiroyuki Matsunaga	50 attendees
September 22	Mt. Hakken Winery (Sapporo)	Yorukowari chef Maki Kowari	40 attendees
September 25	Ui Farm (Shintoku)	Gravita chef Masato Hiraki	42 attendees
October 2	Tsurunuma Winery (Urausu)	Grand chef Norifumi Indo	57 attendees
October 9	Nagamitsu Farm (Sapporo)	Chef Akihisa Handa	40 attendees
October 16	Otsuka Farm (Shinshinotsu)	Ricci Chef Ritsuji Kawaki,	46 attendees
	Total: 21 events		1,035 attendees

# 3 00 A 00



# Conveying the charms of local cuisine by collaborating with the communities

Ingredients and local specialties that towns want to promote are taken up by chefs and prepared into delicious lunchtime courses.

Conveying the charms of the communities and their products also invites people from urban areas.





# **Promoting the charms of the region** through delicious vegetables

For fiscal 2017, we are hosting the event under the theme of "Lots of veggies to fill your tummies."

# **Our motto: Connecting**

# Efforts to promote culinary culture

### **Supporting the World Cuisine Academic Meeting**

On September 5 and 6, 2016, Hakodate hosted the World Cuisine Academic Meeting.



**Hosting the "Cooking** Spanish Food at Home' **Class** 

Koji Fukaya, head chef of Restaurant Basque and the founder of the Hakodate Bar Gai, was invited to host a workshop on Spanish cuisine.



Event data

Location: Ishikawa Kitchen Studio Participants: 16

Workshop and demo of cooking venison

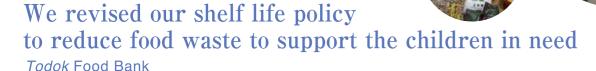
Seeking to resolve the issues of Hokkaido deer ravaging farms and forests, COOP SAPPORO pursues the distribution of venison.



16 • COOP SAPPORO CSR Report 2017 COOP SAPPORO CSR Report 2017 • 17

# Connecting People with the Future

For the future for both the next generations and COOP SAPPORO, we are engaged in a range of initiatives around parenting, education, employment, and peace.



# **Returned products to children**

A Food Bank is a social welfare project that collects food which otherwise will be disposed of (due to closeness to the expiry dates, etc.), and donates it to people and organizations in need.

Launching the Food Bank

The Todok Food Bank was launched on May 5, 2016 (Children's Day). We donate food to 23 children's homes.



FY2016 Results

(33,505,584 JPY 57,201kg)



Agreement ceremony between six organizations

2. Donation of items

#### How the *Todok* Food Bank works

#### 1. Returned products are collected at the delivery centers

Returned food products with no quality issues are collected at delivery centers throughout the prefecture and then used for the Todok Food Bank.









from children's homes once every 1-2 weeks.



The nearest delivery center provides products directly to staff



personnel directly

children's homes

# **COOP SAPPORO:** managing products such that food is properly handled

In providing food products, we also maintain measures to fully assess data on whether or not it is properly used.

When providing products, we include a detailed list of products and ingredients to confirm. We also require facilities to maintain these lists.

In order for these products to be properly used for children, facilities personnel must create menu plans and manage them accordingly.

They are supposed to make a checklist, complete it, and submit it.

# 300 \$100



# Todok Food Caravan: conveying the joy of food to children

The Todok Food Bank provides not only food but also food education.

By cooking food with children, we convey the fun of cooking and how enjoyable it is to serve others.



FY2016 Result

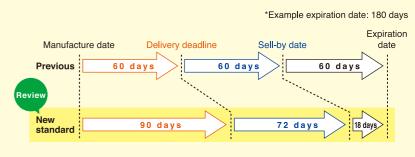
Todok Food Caravan 11 sites, 152 participants

# Reviewing "One-thirds" rule ~ reducing food waste~

The number of days between manufacturing date and expiration date was divided into thirds, with the first third being the delivery date, and the second third being the sell-by

A new standard was put in place in April 2016, with the delivery date for sweets and processed foods with an expiration date of 60 days or more extended to 1/2 of days, with the sell-by date extended to 1/10 of the remaining expiration date.

This helps reduce food waste.





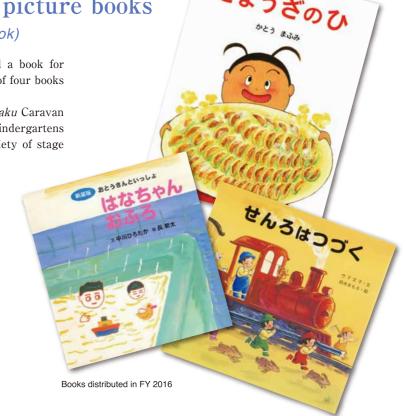
Ehon ga Todok (Picture Book Todok)

Ehon ga Todok: Every four months we send a book for free to parents with children aged 1-2, a total of four books

To bring a joy of reading the Ehon Wakuwaku Caravan brings children's books to nurseries and and kindergartens around the prefecture, as well as hosts a variety of stage shows where staff read books to the children.

## ■Ehon ga Todok 2016

2016 registrants	8,763		
Cumulative households registered	50,854		
Books distributed	272,314		
Ehon Wakuwaku Caravan			
Schools visited	151		
Participating children	13,369		
Family live show participants			
Hakoda	344		
Kushiro	328		
Obihiro	397		
Asahikawa	364		
Total	1,433		



18 OCOOP SAPPORO CSR Report 2017 COOP SAPPORO CSR Report 2017 • 19

# Connecting People with the Future







# Supporting students with scholarships



Press conference about the university education scholarship

# Financial aid for students Launched the college scholarship

On December 27, 2016, we announced plans to offer a non-repayable scholarship to students of universities, junior colleges, graduate schools, and 4th and 5th year students of vocational schools starting in April, 2017.

Those who receive the grant are supposed to work part-time at COOP SAPPORO plants and stores while pursuing their studies.

# COOP SAPPORO College Scholarship

Target

Prospective students to universities, colleges, graduate schools, and 4th and 5th year students of vocational schools

#### Award granted

250,000 JPY per annum (up to 1million JPY over four years)



# Providing scholarships to high schoolers with one parent or a disability

#### **COOP SAPPORO Social Welfare Fund**

The COOP SAPPORO Social Welfare Fund provides non-repayable scholarship of 10,000 JPY a month for a period of three years to high school students with a single parent or no parents.

Over 27 years, we have conferred 269.13million JPY to 2,280 students.

# Protecting local employment and improving the accessibility of our work environment Employment initiatives

# Large-scale benefit improvements to boost morale

Employment problems are deeply intertwined with underpopulation of communities. Protecting local employment also leads to encouraging people to settle in the area, thereby protecting the community itself.

For FY 2016, we raised salaries for about 1,300 regular employees.

Further, seeking to create more opportunities for experienced part-time workers, since fiscal 2014, we extended the retirement age to 65 and we plan to continue taking steps to tackle the unemployment issues among senior citizens.

# Reached 4.0% hiring rate of the disabled Aiming for the accessible work environment

We had aimed to achieve 4.0% of disabled employees at our stores, delivery centers, and the Eco Center.

In fiscal 2016, we reached the rate of 4.1%. We will continue to create the accessible work environment.



#### FY2016 Results

Number of disabled persons hired

Number of people	328
Rate of hiring	4.1% (0.6% YOY increase)

# Learn our skills together! Welcoming international trainees

COOP SAPPORO's Ishikari and Ebetsu food plants actively accept international trainees as a part of the skills training system offered by the government.

Trainees come from China and Vietnam and stay in a fully-equipped dorm.

They learn factory rules and sanitation control before start working and are given on the job training at each factory.



Pre-work training (Ishikari food plant)



Trainees acquire skills in practical training.



On days off, they try to attend tea ceremony and other Japanese cultural events.

(Ebetsu food plant)

FY2016 Results
International trainees

Ishikari food plant	113
Ebetsu food plant	24

20 ● COOP SAPPORO CSR Report 2017 ● 21

# Connecting People with the Future

# Redistributing profits to members who support us

Investment benefit service

COOP SAPPORO's businesses are supported by investments from our members.

In March 2016, we began offering a premium service based on amount invested. Our members get reward points to use for discounts, charging their Cho-co-tto prepaid cards, payment for their delivery services, etc. We will continue this in FY 2017.



Investment	Rewards
100,000 JPY	750 points
300,000 JPY	2,250 points
500,000 JPY	3,750 points
1million JPY	7,500 points
3million JPY	22,500 points
5million JPY	37,500 points

#### FY2016 Results

Target members	58,819
Total reward points	132,420,000

# Raising fire awareness with Sapporo City

Fire safety awareness team



# Conveying the importance of peace to teenagers

Peace study tours

We provide opportunities for teenagers to think about peace. Each August, COOP SAPPORO hosts a peace study tour for teenage students to learn to Hiroshima and Nagasaki.



# We launched an emergency fundraiser for victims of the repeated Hokkaido typhoons.

The onslaught of four typhoons in succession, something Hokkaido had never before experienced, wrought major damage to numerous regions. COOP SAPPORO held an emergency fundraiser between September 14 and October 20, 2016, to support victims of the repeated typhoons.

By the emergency fundraiser we collected 14,937,823 JPY and donated to the stricken regions through the Hokkaido Disaster Victim Fundraiser Committee.



Since the 2008 Lake Toya summit, COOP SAPPORO has beefed up environmental initiatives.

In addition to reducing the environmental impacts from our business activities, we also raise the environmental awareness of our members and work with them to find the eco-friendly business practices.

# **Environmental Philosophy**

COOP SAPPORO advocates seven core promises to our members.

We encourage our boards and members to work together to achieve a secure living and a comfortable lifestyle as we pursue peace together, respect human rights, protect the environment, and actively promote community building of ample social welfare and mutual help.

COOP SAPPORO's aim is to pursue a sustainable society in which the environment is protected. So that these activities become widespread throughout Hokkaido and that all residents of Hokkaido have high hopes for the future.

## Environmental policy

Through our stores and Todok delivery systems, mutual fund programs, and other operations, COOP SAPPORO provides safe products and services that offer comfort to our members, making life throughout Hokkaido fulfilling, and contribute to creating a sustainable and earth-friendly society.

- 1. We engage in pollution prevention throughout our businesses as well as we take steps to produce greater value with less environmental
- To that end, we set a series of short and mid-term environmental goals and milestones, periodically review them so as to improve our environmental management system.
- 2. We strictly comply with all applicable laws, ordinances, regulations, and agreements on environmental protection.
- 3. We make this policy known by all our employees that each and every person subject to the management systems takes responsibility in an autonomous fashion.
- 4. We disclose this environmental policy to the public as well as we regularly announce our ongoing environmental efforts.

- •We use electricity and fuel resources efficiently to contribute to curbing global warming.
- •We are committed to curtailing production of waste and reducing it.
- We use environmentally-friendly office supplies.
- •We develop environmentally-friendly products and promote this idea to the public.
- •We create an environmentally-conscious culture in our
- •We learn from valuable feedback from our members, and actively promote awareness on local environmental issues to the communities.
- •We are committed to creating eco-friendly local

22 OCOP SAPPORO CSR Report 2017 COOP SAPPORO CSR Report 2017 • 23



# **Environmental Topics**

In 2016, we continued to promote environmental activities such as reducing the environmental burden from our operations and raising awareness of our members.



# Polar bear support project

Partnering with the zoos to foster environmental awareness through protecting polar bears

Do you know that our mascot Todok is a polar bear? That's why we cooperate with the zoos to protect polar bears. The goal of this initiative is raising awareness about the polar bear, which is an endangered species.

We contributed aid to four zoos and installed informational panels around the zoos, as well as held environmental awareness

#### ■FY 2016 polar bear support project sponsorship

Zoo (agreement date)	Date of presentation	sponsorship amount	Details
Maruyama Zoo (April 27, 2009)	July 28	3million JPY	Annual passport PR expenses Environmental education event: COOP Expedition Environmental education event: photography workshop
Asahiyama Zoo (April 27, 2013)	July 7	2million JPY	Todok Panel exhibition Environmental education event: COOP Expedition Environmental education: 7-day Borneo tour
Obihiro Zoo (August 10, 2010)	July 12	2million JPY	Todok Panel exhibition environmental education event: COOP Expedition
Kushiro Zoo (November 23, 2011)	July 29	2million JPY	Todok Panel exhibition environmental education event: COOP Expedition

# **COOP Expedition**

The COOP Expedition is an event in which participants explore the zoo. It was held in 2016 at the four zoos where we formed agreements.

Participants

11,378 people (number of booklets distributed)









# **Experiential program** "Adventure in winter! Arctic survival experience"

We invited arctic explorer Yasunaga Ogita to talk about his solo exploration of the Arctic in April 2016. This event also included sledding, "treasure hunting" using GPS (excluding the Hakodate venue), and other recreations of things Ogita did in the Arctic.

Further, Asahikawa and Kushiro sites hosted an "Arctic camping experience" for one night and two days with Ogita in the middle of winter.



LVents		
Date	place	participants
January 6	Tomakomai Lake Utonai Water Fowl Protection Center	28 people
January 7	Sapporo, Maruyama Zoo	57 people
January 8, 9	Asahikawa, Asahiyama Zoo	53 (17) people
January 10	Abashiri, Okhotsk Ryu-hyo Museum	43 people
January 11, 12	Kushiro, Kushiro Zoo	11 (5) people
January 14	Obihiro, Obihiro Zoo	33 people
January 21	Hakodate, Hakodate Arena	29 people
January 22	Muroran, Mitara Muroran Roadside Station	28 people
	273 people	

<sup>\*</sup>Participants in parenthesis are those who took part in the arctic experience





After the talk show, we held ar

# Topic 2

# **COOP Future Forest Fund**

#### 7th Hokkaido Forest Growing Event

Whenever our member forgoes a plastic bag at our checkout, COOP SAPPORO makes a donation to the COOP Future Forest Fund.

On January 28, 2016, we held the 7th Hokkaido Forest Exchange Event at ten sites around the prefecture, with 200 people taking part. The participants learned about tree planting and its consequences, how to maintain forests, and current practices.



24 • COOP SAPPORO CSR Report 2017 COOP SAPPORO CSR Report 2017 • 25

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# **Environmental Topics**



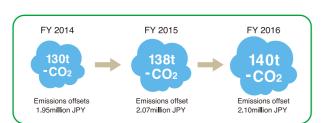
# **Carbon offsetting**

Our first nature tour to learn about offsetting

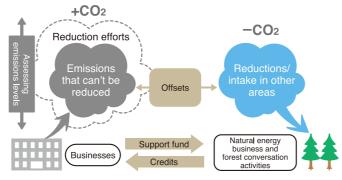
Conducting various business activities inevitably create CO2 emissions in one form or another. For CO2 emissions that cannot be curbed, we invest in and support projects preserve forests (CO2 absorption) and natural energy (CO2 reduction), are called carbon offsetting which contribute to reducing CO2 emissions around the world.

# Let's make Hokkaido's forests thrive! **Campaigns**

This joint initiatives saw COOP SAPPORO and Sapporo Beer entering into a comprehensive partnership with Hokkaido Prefecture. Items for the campaigns are those with the original "A toast to Hokkaido's forests!" label.



A part of proceeds is donated to the COOP Future Forest Fund and used to grow forests.



# Nature tours "Borneo learning journey"

In November 2016, we held a study tour to Borneo to learn about its environmental initiatives.

We received guidance from Mr. Bando, the director of the Asahiyama Zoo, who organize the "Giving Back to Borneo Project." It was a 7-day program with a tour to the elephant



Planting trees to offset waste land and oil palm plantations

rescue center, a tree planting project, and experienced a homestay with local families.

This tour was held as a part of the polar bear support project (see page 24 for details) and used of a part of the sponsorship fees given to the Asahiyama Zoo.



A tour to the elephant facility where they are protected until being moved to forests or other facilities. Elephants are sometimes culled as they are considered

# **Todok** Flea Market ~Recycling Children's books and toys~

Topic 4

FY 2016: items reused

Children's clothing

Picture books

Recycling used toys and books

We introduced community rooms at our delivery centers where we collect children's books, toys, and clothes from our members and sell them at low prices.

The entire proceeds go to buying wooden toys for the children.

Toys older children played with bring joy to the next children. We encourage this initiative by collecting and selling more.

722











In addition to making use of resources from our stores and facilities, COOP SAPPORO utilizes returned products from our members. They are collected at our Eco Center, properly treated, and go to recycling.

**COOP SAPPORO's efforts to recycle resources** 

Eco-Center collection volume						(Metric tons)		
	2010	2011	2012	2013	2014	2015	2016	vs. 2015
Cardboard	16,456	16,291	16,294	16,870	16,617	16,991	17,602	104%
Paper cartons	302	313	307	289	292	280	283	101%
Weekly <i>Todok</i> catalogs	6,293	6,673	7,427	8,262	8,950	9,948	11,041	111%
Newsprint	699	817	933	976	975	983	1,000	102%
Foamed packages	474	471	467	416	384	411	388	94%
Plastic bottles	58	57	61	60	58	61	66	108%
Steel cans	33	32	33	30	27	18	24	133%
Aluminum cans	36	41	44	44	44	46	58	126%
Polypropylene bands	40	36	37	41	40	42	44	105%
Plastic Packing bags	71	82	85	128	125	117	116	99%
Used cooking oil	605	663	699	722	769	807	849	105%
Secondhand clothes	_	_	_	_	21	671	728	108%
Total	25,067	25,476	26,387	27,838	28,302	30,375	32,199	106%

# **Donated proceeds from collection** of Secondhand clothes to Hokkaido UNICEF

Of the proceeds obtained from sales of vintage clothing in 2016, 1.5M JPY was donated to Hokkaido UNICEF.



26 OCOOP SAPPORO CSR Report 2017 COOP SAPPORO CSR Report 2017 • 27 Fiscal 2016 Environmental | Activities Report



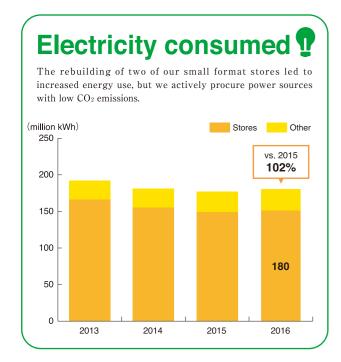


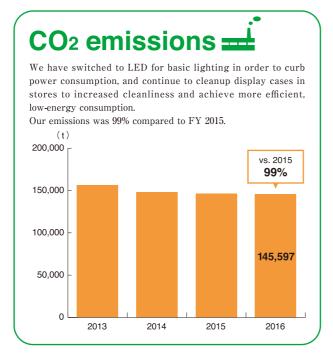


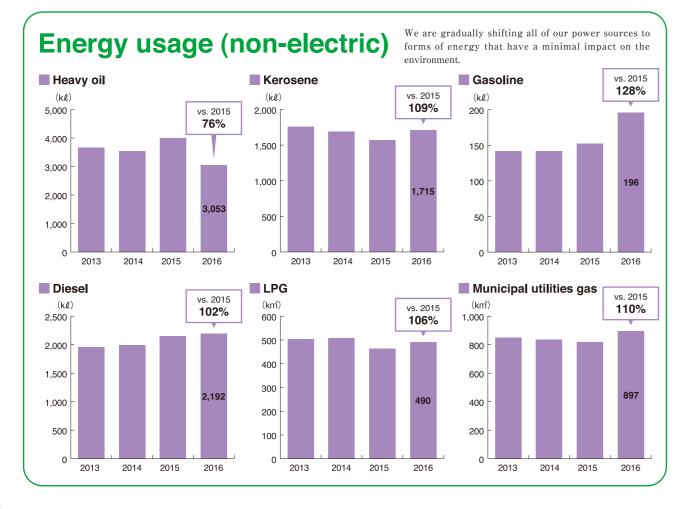
# **Environmental Activities Report**

Curbing greenhouse gases, primarily CO<sub>2</sub>, is a major issue if we are to prevent global warming.

CO<sub>2</sub> is emitted when power is used, so COOP SAPPORO is actively pursuing to reduce energy consumption and use renewable energy sources







# **About COOP SAPPORO**

On April 12, 2016, COOP SAPPORO reached 1.6 million registered members.

To mark the 50th anniversary, we established new slogans to convey our philosophy and we are aiming to better contribute to communities in Hokkaido and to the lives of our stakeholders.

# The New COOP SAPPORO Logo



This new logo symbolizes our goals towards safety and innovation, with new initiatives constantly being created through the passion and ideas of our employees and members.

We are bringing this COOP Green which represents full of vitality, youthfulness, freshness, safety, and security throughout Hokkaido.

# **Messages from COOP SAPPORO (New set of principles)**

**COOP SAPPORO's slogan: Connecting** 

COOP SAPPORO's philosophy: Proud and happy living in Hokkaido.

**COOP SAPPORO's mission: Safety and innovation** 

## Approach to our businesses

Stores ····· focus on food as the wellspring of life.

Todok deliveries · · · · · bringing smiles to patrons and receiving their warm response.

"Kakeru" mobile grocery •••••• bring the fun and convenience of the shopping experience everywhere.

Meal deliveries •••••• supporting the health and growth of citizens.

Energy ····· enable Hokkaido to achieve energy-independent by renewable energy.

Water bottling factory •••••• conserve Hokkaido's precious resources.

Mutual fund · · · · · share the value of aid and support.

Feriae funeral services •••••• provide a cordial atmosphere to send of their loved ones.

Travel agency ····· enrich the journey called "life".

Lifestyle and culture · · · · · make the joy of learning a lifelong affair.

#### COOP SAPPORO's values:

sharing, supporting, caring, learning, interacting, and respecting each other

28 ● COOP SAPPORO CSR Report 2017 ● 29

#### **Basic Data**

Name	COOP SAPPORO (Changed name from Citizen's Cooperative COOP Sapporo in 2000)
Established	July 18, 1965
Started operations	October 1, 1965
Headquarters	5-10-1 11-jo, Hassamu, Nishi-ku, Sapporo-shi
Directors (permanent)	<ul> <li>CEO and President: Hideaki Ohmi</li> <li>Managing director: Norihiro Nakajima</li> <li>Executive director: Masakazu Iwafuji</li> <li>Executive director: Akira Aida</li> <li>(As of March 2017)</li> </ul>
Area of activity All over Hokkaido	
Members	1,654,657 (as of March 20, 2017) (Hokkaido households: 2,751,282) (as of January 31, 2016) Rate of membership: 60.1% (Sapporo: 51.7%; Asahikawa: 70.4%; Hakodate: 69.4%; Ishikari: 78.3%)
Capital	67.9billion JPY (March 20, 2017)
Revenues	277.7billion JPY (total, March 21, 2016-March 20, 2017) Stores: 190.3billion JPY Deliveries: 79.9billion JPY Mutual Fund: 1.8billion JPY Others: 5.9billion JPY
Employees	Full-time employees: 2,096 Contract staff: 1,487 Part-time employees: 10,263 (As of March 20, 2017)

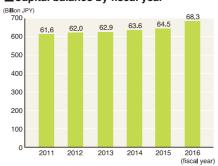
### Status of capital

#### ■Capital by fiscal year

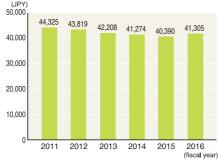
	Amount	Rate of	increase
(in 1,000 JPY)	YOY change (in 1,000 JPY)	YOY change	FY 2011 basis
61,680,589	2,436,303	104	100
62,015,189	334,600	101	101
62,917,555	902,366	102	102
63,697,955	780,400	101	103
64,466,901	768,946	101	105
68,344,865	3,877,964	106	111
	Amount (in 1,000 JPY)  61,680,589  62,015,189  62,917,555  63,697,955  64,466,901	Amount increased YOV change (in 1,000 JPY)  61,680,589 2,436,303  62,015,189 334,600  62,917,555 902,366  63,697,955 780,400  64,466,901 768,946	Amount (in 1,000 JPY)

\*The above amounts also include deposits under 1,000 JPY. Our capital as stated on our articles of incorporation (in 1,000 JPY units) is 64.005.902K JPY.

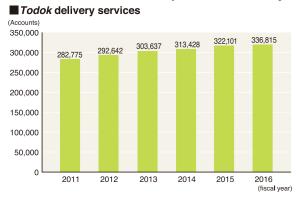
### ■Capital balance by fiscal year

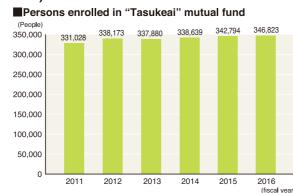


### ■ Average capital per person



#### Reference materials Participation in delivery services (Todok) and COOP mutual fund



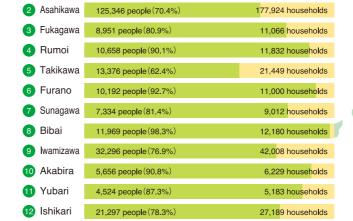


## **Membership Activities**

13 Ebetsu

## Membership ratio by municipalities

1,654,657 p (60.1%	beople (6)	2,751,282 households	Members (Organizational rate)	Total households	
Member totals are registered members as of March 20, 2017. Households is number based on local resident registers as of January 31, 2016.					
Wakkanai	4 903 neonle	(26.6%)	18 459 h	nouseholds	



15 Chitose 21,210 people (44.9%) 47,265 households 16 Sapporo 531,420 people (51.7%) 1,027,140 households 17 Otaru 48,177 people (73.8%) 65,298 households

55,592 households

26,902 households

12,954 households

35,504 people (63.9%)

14 Kitahiroshima 22,299 people (82.9%)

18 Yoichi 8,344 people (82.5%) 10,117 households 19 Kutchan 7,408 people (88.0%) 8,419 households 20 Tomakomai 61,278 people (70.5%) 86,877 households

21 Shiraoi 8,488 people (88.5%) 9,591 households 22 Muroran 23.013 people (49.1%) 46,914 households

23 Date 7,832 people (43.6%) 17,944 households 24 Hokuto 14,256 people (65.0%) 21,937 households 25 Hakodate 99,777 people (69.4%) 143,746 households

26 Shinhidaka 8,475 people (71.1%) 11,914 households 27 Urakawa 7,517 people (110.4%) 6,809 households 28 Engaru 10,377 people (97.7%) 10,619 households

29 Kitami 39,584 people (64.5%) 61,402 households 30 Abashiri 14,095 people (76.1%) 18,513 households 31 Obihiro 43,023 people (50.1%) 85,910 households 32 Kushiro 62,438 people (65.9%) 94,786 households 33 Nemuro 6,867 people (53.0%)

34 Betsukai 4,498 people (67.9%) 6,627 households 35 Nakashibetsu 6,233 people (56.4%) 11.042 households 36 Noboribetsu 15,135 people (60.5% 25,024 households

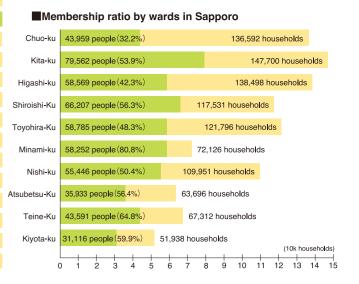
37 Eniwa 15,124 people (47.6%) 31,797 households 38 Mukawa 1,626 people (37.1%) 4,378 households 274,157 people (61.2%) 448,234 households representation for the other than the above

50

#### ■Membership by fiscal year

Section	Members	YOY		ncrease %
Fiscal year	(People)	increase(People) YOY	YOY change	Increases over FY 2011
2011	1,391,552	29,418	102	100
2012	1,415,265	23,713	102	102
2013	1,490,640	75,375	105	107
2014	1,543,280	52,640	104	111
2015	1,596,125	52,845	103	115
2016	1,654,657	58,532	104	119

\*Excludes 1,249 persons who, as of March 20, 2011, had address unknown or unused. \*Excludes 995 persons who, as of March 20, 2013, had address unknown or unused. \*Excludes 696 persons who, as of March 20, 2014, had address unknown or unused. \*Excludes 308 persons who, as of March 20, 2015, had address unknown or unused. \*Excludes 176 persons who, as of March 20, 2016, had address unknown or unused. \*Excludes 434 persons who, as of March 20, 2017, had address unknown or unused.



30 • COOP SAPPORO CSR Report 2017 COOP SAPPORO CSR Report 2017 • 31

### **Locations and Formats**

#### **Headquarters**

Headquarters	1
Regional headquarters	8 (Obihiro, Kushiro, Kitami, Tomakomai, Muroran, Hakodate, Asahikawa, and Sapporo)

1 Store

9 Stores

1 Store
5 Stores
1 Store
1 Store
1 Store
1 Store

1 Store

1 Store

2 Stores

1 Store

1 Store

6 Stores

1 Store

1 Store

#### **Stores**

108 Stores (as of March 20, 2017) in 28 cities and 18 towns

Sapporo	25 Stores	Rumoi
Ebetsu	2 Stores	Hakodate
Kitahiroshima	2 Stores	Hokuto
Ishikari	1 Store	Tomakomai
Chitose	2 Stores	Date
Otaru	3 Stores	Kikonai
Yoichi	1 Store	Makubetsu
Kutchan	1 Store	Mukawa
Iwamizawa	2 Stores	Shiraoi
Bibai	1 Store	Shinhidaka
Yubari	1 Store	Urakawa
Asahikawa	8 Stores	Erimo
Fukagawa	1 Store	Samani
Sunagawa	1 Store	Kushiro
Takikawa	1 Store	Nemuro
Furano	1 Store	Kushiro-cho

Shiranuka	1 Store
Nakashibetsu	1 Store
Kitami	3 Stores
Abashiri	1 Store
Engaru	2 Stores
Bihoro	1 Store
Obihiro	2 Stores
Muroran	2 Stores
Akabira	1 Store
Betsukai	1 Store
Noboribetsu	3 Stores
Eniwa	1 Store
Fukushima	1 Store
Haboro	1 Store

## **COOP** *Todok* Delivery centers

31 centers, 3 depots (as of March 20, 2017)

#### **Production plant**

Ebetsu fresh food processing center
Ishikari Food Factory
Ebetsu Food Factory
Sapporo Meal Factory
Tomakomai Ready Meal Factory
Asahikawa Ready Meal Factory
Kushiro Ready Meal Factory

#### **Recycling facilities**

Eco Center

## **Funeral home**

Feriae Hall Tsukisamu

#### **Affiliated companies**

COOP Foods Co., Ltd.

#### New construction in 2016

November 2016	Nakashibetsu Center: relocated
	Hiyama Center: relocated
	Hondori Store: renovated and reopened
December 2016	Nijuyonken Store renovated and reopened



Nijuyonken shop (Sapporo)

## Third-party opinion



Hokkaido University Graduate School of Agriculture

## Hiroaki Kakizawa

This fiscal year's CSR report featured a range of contents on Hokkaido's Pride, COOP SAPPORO. and introduced a range of initiatives around food.

What struck me as important was the way in which, over the course of connecting the producers, the communities, and the consumers, this program empowered the agriculture and its communities, while the consumers can lead a healthy lifestyle through enjoying the culinary culture and strengthen their relationships. For example, the Farm Restaurant initiatives link producers and consumers through first-class chefs' cuisine, and engaging the local region as a whole also helps promote community building. This also helps producers bring their imperfect produce to the market place.

Consumers are also continuously educated about food and its processes, given that they are vital members supporting their efforts. COOP's strength is "Connecting people to people," and it is clear to me that they are doing so by pursuing a rich food culture and as a result, contributing to Hokkaido.

As a professor at a university, I find the non-repayable scholarships are also quite commendable. I was impressed how wide the scope of COOP SAPPORO's activities is.

There are two things I expect for COOP, which I think will grow their initiatives even more significant. Firstly, to integrate social and environmental contributions. Agriculture and farmlands have multiple dimensional functions. Therefore, protecting food and agriculture can be interpreted as protecting the environment of Hokkaido. Equally, expanding the Farm Restaurant to collaborate with local communities could vitalize rural areas as well as contribute to protecting the local environment and scenic vistas.

Secondly, to focus on those who involved in CSR. I am engaged in working with the COOP Future Forest Fund, where members take part in and learn through the activities. Their support and external professionals have helped grow the program successfully.

The fact that this wide range of involvement by not only its members, but also by large communities differentiates COOP's CSR from other entities. This report focuses on the keyword of "Connecting." By expanding and deepening people's bond, I expect COOP SAPPORO to creates the future for itself and contributes Hokkaido through community building.