



S GROUP, Finland

S Group is a Finnish network of consumer cooperatives operating in the retail and service sectors. S Group operates mainly in Finland but has also operations in Estonia and in Russia in St. Petersburg. S Group comprises the regional cooperatives and SOK Corporation along with its subsidiaries. SOK Corporation was founded in 1904 and it is owned by the regional cooperatives. By turnover, S Group is the biggest cooperative group in Finland.

S Group's 20 regional cooperatives

are owned by their co-op members and operate in Finland according to the cooperative principles.

The purpose of S Group's operations

is to provide co-op members with competitive services and benefits in a profitable manner.

The first cooperatives were established to provide the members, ordinary Finnish consumers, with affordable, high-quality products and services.

S Group will continue in this course.

S Group's key business areas

are the supermarket trade, department stores and specialty stores, the hardware trade, service station store and fuel sales, and the travel industry and hospitality business. In addition, S-Bank offers banking services to co-op members. Individual co-ops conduct automotive trade and agricultural trade.

20 regional cooperatives (2017)

- 2,3 million members;
80 % of Finnish households
- 40 000 workers
- 1631 outlets in Finland, Estonia and Russia
- turnover 11,3 billion euros, of which grocery business 7,230 billion euros and market share 46 %
- profit 344 million euros
- investments 492 million euros
- rank 10 in ICA World Monitor: Wholesale and Retail
- www.sok.coop

S Group's vision is that, by 2020, S Group will be a trade group that offers superior benefits and ease from your own store.

Making this vision a reality requires that S Group must keep up with the times while also honoring its roots and core ideology: responsible cooperative operations. In its service development, S Group must always focus on its cooperative core task: making daily life easier for its owners. Cooperative enterprises need to be profitable, without a need to maximize their profits. Their profits are used on member benefits and operational development.

S Group's key strategic targets include improving profitability, increasing customer satisfaction and taking care of the environment and the effectiveness of its operations with responsible focus.

Responding to future challenges requires the increasingly competitive, cost-efficient, competent and responsible operations of the entire trade group. Consumers' needs and requirements are increasing, and they must be provided with new services and new ways to use services. S Group is strongly investing in the development of innovative digital and other customer-focused service solutions.

As a cooperative enterprise, S Group wants to be a pacesetter in corporate responsibility.

The Best place to live is our program, which will guide our responsibility work. The program

and its 100 acts helps us when we work to implement our prioritized targets of United Nation`s Sustainable Development Goals. The program also involves the co-ops to the targets of the program e.g. investing to wind and solar energy.

The retail sector is undergoing its most extensive transformation in decades.

The competition is international in all lines of retail trade, and global selections are available online to all consumers. Digitalization is also transforming the retail sector. It is shaping business models and changing consumer behavior in a never-before-seen, irrevocable manner. For a long time, the Finnish market has been among the most strictly regulated markets in Europe, but restrictions are likely to be lifted in the future. Deregulation will increase competition and choices, which benefits consumers.

Being a small nation, we need to have international partnerships, e.g. joint sourcing, in order to fulfil our vision and ensure the best possible selection and price level to our co-op members profitably.

