

Value-oriented management

Value-oriented management is a recognised form of corporate financial management. For all companies, regardless of what they do, how big they are or what their legal form is, it is of central importance that they are geared towards the creation of value added.

Migros applies a model of value-oriented management specifically adapted to the Migros Group as a basis for its financial management. This requires the Migros Group to act just like any other company with regard to the creation of value added and efficiency. The paramount objective for Migros here is to guarantee long-term success by means of sustained value creation. To achieve this, different targets are set for the different areas of Migros. Migros therefore differs from capital market oriented businesses in its use of the value created. The financial values created are made available to customers, to secure jobs, for the Culture Percentage or for long-term investments in major projects. Further information about this can be found in the Statement of Value Added.

The concept applied and its methodology are not intended solely to strengthen the notion of value added; they also improve the quality and transparency of decisions and ensure the availability of relevant financial information. This means that Migros can focus more on the sustained implementation of its corporate strategy and on greater integration of strategic, financial and investment planning. Annual results, budgets and plans are assessed on the basis of established targets and new projects are evaluated accordingly. Sector-specific evaluations with differentiated targets also enable Migros to evaluate its activities and risks in more detail, showing the value added by the corresponding sectors or projects. Key variables such as appropriate returns, growth and creation of value added are therefore a component of Migros' operations and strengthen its influence in an increasingly competitive market environment. Accordingly, the key concept of value-oriented management and a positive focus on greater attractiveness are ever-present considerations.