

# OWNED BY YOU. RIGHT BY YOU.

OUR MEMBERS' SOCIAL VALUE AND  
SUSTAINABILITY REPORT 2024



**co  
op**

OWNED BY YOU.  
RIGHT BY YOU.

# WELCOME TO OUR SOCIAL VALUE AND SUSTAINABILITY REPORT

## THIS IS OUR 19TH REPORT ON SUSTAINABILITY, ETHICS AND COMMUNITY PERFORMANCE AND IMPACT.

The process of accounting, assurance and reporting provides crucial information to our member-owners and other stakeholders on our performance against our Vision 'Co-operating to build more value for our member-owners every day'.

The content of this report is shaped by our member-owners, and other key stakeholders. We support progress towards the UN Sustainable Development Goals (SDGs) as a framework that allows for long-term, collaborative action, and our targets are mapped against the SDGs throughout this report. We report in accordance with the Global Reporting Initiative (GRI) Standards, see our GRI Index [here](#).

We engaged independent assurance providers [DNV](#) to carry out assurance of this report as described in their [Assurance Statement](#). Our report is reviewed by a sub-committee of our National Members' Council and approved by our Risk and Audit Committee and Board. Each year, we put the report to a vote by our members at our Annual General Meeting (AGM), alongside our [Annual Report](#). Detail on how we measure against our targets and the scope of our reporting<sup>1</sup> can be found in our [Basis of Reporting](#).

## CONTENTS

### READING THE REPORT

#### Strategy and Highlights:

15-minute read

#### Our Communities and People:

30-minute read

#### Planet: 30-minute read

#### Responsible Sourcing:

30-minute read

#### Fairer business: 15-minute read

Or you can read our highlights report [here](#)

**KPIs:** Data tables show our progress over 4 years where possible.



**Targets:** Our targets align with our Vision. Progress is reported within the data tables.



#### **Performance benchmarks:**

Performance benchmarks throughout this report, show where we can improve as well as where we lead.



**Assurance:** Data reviewed to a greater depth through our assurance process is identified with [A].



# CO-OP WELCOME

“

As we celebrated our 180th birthday, our Co-op continued to support our member-owners and communities around the world, delivering on our Vision to co-operate to build more value for our member-owners every day.

”

## I'M DELIGHTED TO INTRODUCE OUR 2024 SOCIAL VALUE AND SUSTAINABILITY REPORT.

Our Co-op is owned by you, our growing number of 6.2 million active member-owners, rather than a small group of shareholders, and this report highlights the power and potential of co-operation in making a difference to the lives of our members and the world in which they live. It reaffirms both the strength of our 180-year-old business model and why we must push even harder in the years ahead.

2024 brought further tragic global conflict and suffering, along with ongoing economic and climate crises in the UK and beyond. These events coincided with changes of governments across the world and the ripples that these changes caused in their own countries and in the global arena.

Throughout the uncertainty, we are really proud that we were still there to support those who rely on our Co-op; our member-owners, colleagues, customers, partners and local communities.

Our new Vision 'Co-operating to build more value for our member-owners every day' sets the tone for how we will grow our Co-op in a clear and sustainable way so that the positive impact Co-op can create is

felt meaningfully by you and in the communities where you live.

By delivering our Vision we're creating and returning value to you in three ways:

**Economic value** – by investing in all of our businesses to provide the best possible products, services and pricing on what matters most to our members.

**Ownership value** – by engaging meaningfully with you, giving you your say in how we run our Co-op.

**Social value** – by listening to your broader social and environmental concerns, we've brought together all activities within sustainability, community and campaigning into a new Social Value strategy, aiming to maximise the impact we can make locally, nationally and internationally.



**Shirine Khoury-Haq**

CEO, The Co-op Group

**“ THIS REPORT FOCUSES ON THE INCREDIBLE THINGS WE ARE DOING TOGETHER. CO-OPERATING WITH YOU, OUR PARTNERS, SUPPLIERS, COLLEAGUES AND GOVERNMENT IN EVERYTHING WE DO, CREATING MORE VALUE TOGETHER THAN ANY OF US COULD ACHIEVE ALONE. ”**

We've continued to focus on social mobility, supporting member-owners and their communities across all life stages, from early years and youth through our work with The Royal Foundation and Co-op Academies, to apprenticeships through levy share and supporting colleagues.

In 2024 we celebrated 30 years of Fairtrade and continued to place both people and our planet at the heart of our Climate Justice campaign. This included standing with farmers globally by investing in projects that support them to build their resilience while enabling food security for their customers.

On World Water Day 2024, we celebrated our partnership with The One Foundation. Over the last 18 years, we've raised over £21m, changing the lives of more than 3.2 million people.

Finally, our commitment to tackling the climate crisis remains one of our top priorities. During 2024 we worked with more charities, academics, Government, fellow co-operatives, retail competitors, and suppliers than ever before to address climate issues and to work towards the UK's net zero ambitions.

None of this would be possible without our 54,000 incredible colleagues who work so hard every day. I'm so grateful to them and my thanks go to each and every one of them.

As we move into 2025, and the United Nations' second 'Year of Co-operatives', our Co-op will continue to lead in the areas you care about. We must, and will, continue to increase our social value impact by having a strong, successful and commercially focused business, and we will continue to listen and act upon the needs of you, our member-owners.



Shirine Khoury-Haq CEO, The Co-op Group

# 2024 HIGHLIGHTS



**6.2 M  
MEMBERS**

**1M+**  
new members joined us in  
2024, taking us to

**4M+**

Our social activity has created  
value for **4 million people**<sup>1</sup> in our  
members' communities, on issues  
member-owners care about.

**26%**

reduction in GHG emissions  
from our **value chain** (Scope 3)  
since 2016.

**£32.8M+**

Since 2021, Co-op Levy Share has seen  
£32.8m in pledges and has funded  
over **2,500 apprentices** from diverse  
backgrounds<sup>2</sup>.

**78%**

of Co-op own-brand food and  
drink sales<sup>3</sup> was from healthy  
products (non-HFSS<sup>4</sup>).

**30 YRS**

celebration of pioneering Fairtrade and  
became the first UK retailer to move  
its entire range of **fresh cut roses to**  
**100% Fairtrade**.

**£21M+**

raised with The One Foundation and  
Water Unite since 2007, changing the  
lives of more than **3.2 million people**.

<sup>1</sup> # people supported through our community activity, including beneficiaries of LCF, Time to Talk Day and Barnardo's. Full list [here](#)

<sup>2</sup> Including those from ethnic minority backgrounds, with caring responsibility, and declaring a disability

<sup>3</sup> Sales tonnage (excluding non-food and alcohol)

<sup>4</sup> HFSS is a shortened term for food and beverage products which are high in fat, salt,  
and sugar, as defined by the OFCOM nutrient profiling model 2004-5

# OUR VISION



We're owned and run by our members, not a small group of shareholders. The more our members choose us, the more value we create for our member-owners and their communities. At the heart of our Vision is creating and returning value to our member-owners in three ways. These values are interlinked, so while this report focuses on social value, you'll see examples of all three being delivered together. You can read more on our Vision in our [Annual Report and Accounts](#).

## ECONOMIC VALUE

We'll create better economic value through pricing of products, services and member-specific offers.

## SOCIAL VALUE

Creating better economic value allows us to invest in the issues our members care about; supporting communities we serve, ensuring that our ethics and values are embedded in all our products and services, and addressing the challenges faced by our planet.

## OWNERSHIP VALUE

As owners of our Co-op, our members have a say on the things that matter most, how we run our business, the campaigns we deliver, and the products and services we develop.

# SOCIAL VALUE

Our members own our Co-op and always have a say on what we focus on. In 2024, we shaped our plan to deliver social value to our member-owners on the issues they care about - delivering positive impact and lasting value for people and planet across three focus areas: A Sustainable Future, Equal Access, and Peace of Mind. When reading this report, you'll see where we're already delivering value to our members across these three areas when you see these icons:

## A SUSTAINABLE FUTURE

Co-operating to source responsibly, build resilient and inclusive supply chains and distribution, and to reduce our environmental impact.

Some of the ways we're delivering value:

- Climate Change
- Healthy and sustainable diets
- Fairtrade



## EQUAL ACCESS

Co-operating to provide equity and equal opportunities in the communities we serve, to support people at difficult times and meet the needs of our members and communities.

Some of the ways we're delivering value:

- Social mobility, inclusion and belonging
- Co-op Academies
- Local Community Fund



## PEACE OF MIND

Co-operating to support the communities we serve to become safer, kinder and more inclusive.

Some of the ways we're delivering value:

- Safer Colleagues, Safer Communities
- Co-operation among co-operatives



# OUR TARGETS

Setting targets helps us stay on track to deliver more value for our members and their communities. These are our headline targets, showing progress over the last two years on the issues our members care about. You can see more of our targets in the data tables throughout this report.

## Icon key

- S Sustainable Future
- E Equal Access
- P Peace of Mind
- = On Track
- ✓ Close to Target
- 🕒 Behind Schedule

REPORT SECTION	TARGET	2023	2024	PROGRESS	SOCIAL VALUE
COMMUNITIES AND PEOPLE	We will increase the proportion of ethnic minorities in leadership roles to 10% by 2027 and 13% by 2030	8%	9%	<span style="color: blue;">=</span>	<span style="color: red;">E</span>
	We will increase the proportion of women in leadership roles to 45% by 2027 and 48% by 2030	40%	43%	<span style="color: blue;">=</span>	<span style="color: red;">E</span>
	We aim to end 2025 with 7m active members	5.02m	6.19m	<span style="color: blue;">=</span>	<span style="color: red;">E</span> <span style="color: pink;">P</span> <span style="color: yellow;">S</span>
	We will enable 2.9m member engagements <sup>1</sup> in our Co-op	2.5m	2.6m	<span style="color: blue;">=</span>	<span style="color: red;">E</span> <span style="color: pink;">P</span>
	We'll raise £5m for Barnardo's by June 2025 to bring communities together to support 750,000 young people	£1.3m	£4.1m	<span style="color: blue;">=</span>	<span style="color: red;">E</span>
	Our activity will create value for 3.6m people in members' communities on issues our member-owners care about	4m	4.2m	<span style="color: blue;">=</span>	<span style="color: red;">E</span> <span style="color: pink;">P</span>
PLANET	We commit to reduce absolute Scope 1 and 2 emissions by 66% by 2030 from a 2016 base year	59%	61%	<span style="color: blue;">=</span>	<span style="color: yellow;">S</span>
	We commit to reduce absolute Scope 3 emissions by 48% by 2030 from a 2016 base year	11%	26%	<span style="color: blue;">=</span>	<span style="color: yellow;">S</span>
	We will reduce food waste generated in our stores and depots by 50% by 2030 compared to 2022	29%	31%	<span style="color: blue;">=</span>	<span style="color: yellow;">S</span> <span style="color: red;">E</span>
	We will reduce our plastic packaging by 30% by the end of 2025, per 1% market share <sup>2</sup> compared to baseline year of 2018	26%	21%	<span style="color: red;">🕒</span>	<span style="color: yellow;">S</span>
	By 2030, 83% of our Co-op own-brand food and drink sales (tonnes) will come from non-HFSS products (excluding alcohol and non-food).	-	78.5%	<span style="color: orange;">✓</span>	<span style="color: yellow;">S</span> <span style="color: red;">E</span>
RESPONSIBLE SOURCING	100% of soy in our Co-op products, including that embedded in animal feed, will be deforestation-free and responsibly sourced by 2025 <sup>3</sup>	16%	10%	<span style="color: red;">🕒</span>	<span style="color: yellow;">S</span>
	We will support our suppliers in improving human rights across our supply chains through the delivery of our global supplier engagement programme, reaching over 2,500 delegates in 50 events in 2025	Delegates: 6,452 Events: 121	Delegates: 3,135 Events: 126	<span style="color: blue;">=</span>	<span style="color: yellow;">S</span> <span style="color: pink;">P</span>

<sup>1</sup> Includes number of members engaged by Member Activators, members selecting local causes and member actions through 'Join In'

<sup>2</sup> Kantar Total Till Roll market share

<sup>3</sup> See more information on how we are working towards our soy target [here](#)

# DELIVERING OUR VISION



## OWNED BY YOU

Our AGM was held at Co-op Live in Manchester for the first time this year and we wanted to make the most of an exciting new venue with more engaging ways to make the most of our time together with member-owners. Online and in person, we hosted our first ever Members' Discussion on the Social Value issues our members care about most and want to see us do more on, which was informed by 13,000 member-owners taking part in our first ever Members' Survey. Thanks to our members' views, we now have a new Social Value Strategy with their priorities at the heart.

Just as important as what we deliver to our member-owners is how we do it.

## CO-OPERATION

Co-operation is in our DNA and provides a guiding principle in everything we do. From our Member Activators who work with communities and member-owners to advocate for Co-op locally, amplifying support and helping deliver campaigns, to sharing our expertise with our supply chain partners and other co-operatives to reduce costs and cut carbon emissions. We're aiming to build value together.

## CAMPAIGNING AND PUBLIC POLICY ENGAGEMENT

Campaigning for public policy change on the issues that matter to our member-owners has been a core part of our identity as a co-operative since the very beginning.

In 2024, we engaged with the development of public policy across a broad range of relevant issues with the UK Government and the Devolved Administrations, along with elected representatives at every level throughout the UK.

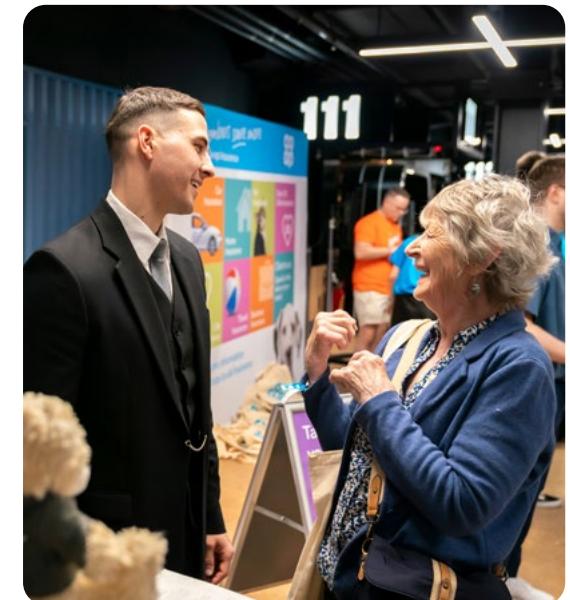
Our member-owners - through the National Members' Council and through the relevant motions at our AGM - have the deciding say in choosing the key advocacy campaigns that we run. For 2024 there were three: [Climate Justice](#); [Safer Colleagues, Safer Communities](#);

and [Social Mobility](#) and in January 2025 our Council approved a new campaign focusing on Peace and Co-operation.

## STANDING UP FOR THE THINGS WE CARE ABOUT

Member-owners contributed to our campaigning agenda throughout the year once again by participating in our Join In activities, writing to their elected representatives and signing petitions.

For example, members have helped to shape and develop our Social Mobility campaign. From exploring what social mobility means to them and how they have been impacted personally, to how they would expect to support our campaign.



# ENGAGING OUR STAKEHOLDERS

We understand the importance of developing strong and meaningful relationships to help us achieve our Vision. These are just some examples of how we've worked with our stakeholders over the past year. You'll find more examples throughout this report, and in our [Annual Report](#).

 <b>CUSTOMERS</b>	 <b>MEMBER-OWNERS</b>	 <b>COLLEAGUES</b>	 <b>COMMUNITY</b>	 <b>NGOs<sup>1</sup></b>	 <b>PARTNERS</b>	 <b>SUPPLIERS</b>
<b>How we engage:</b>						
Our Co-op Collective research panel has grown in capability and reach, with 14,000 customers and members now signed up.	Our AGM was held at Co-op Live in Manchester for the first time this year. We wanted to make the most of an exciting new venue, using more engaging ways to make the most of our time together with member-owners – online and in person.	Our colleague-listening tools include our annual engagement survey Talkback, our regular listening session Colleague Voice, and, in 2024, our first ever omnibus survey, which gives colleagues the opportunity to input into live topics.	We engage our members at a local community level through Join In, local events and through our local member activator teams.	We engage with NGOs to deliver programmes for our producers to become more resilient and adaptable to climate change.	We're collaborating with a wide range of partners to accelerate progress towards our environmental targets.	We engage with suppliers to achieve our environmental commitments, and, in 2024, we worked closely with over 40 suppliers that have the biggest impact on Co-op's carbon footprint on climate change-related topics.
<b>The issues we explore:</b>						
Involving members and customers in research on our Owned By You Right By You campaign and how membership can support causes that matter to them. Research on topics in the sustainability space, including work on healthy and sustainable diets.	This year we hosted our first ever Members' Discussion on the Social Value issues our members care about and want us to act on.	Understanding how well our colleagues connect with our new Vision and how we bring it to life. We've also conducted research with colleagues to help us have more impact with our campaigns and work with charity partners.	We asked members to help us shape how we would work with them in their community on Fairtrade and on developing member rewards, including member participation, choosing a cause and volunteering.	2024 was the final year of our three-year flagship FACSCA <sup>2</sup> programme, designed to support Fairtrade farmers and workers to become more resilient and adaptable to climate change.	We've played an active role in bringing the food sector together with IGD's <sup>3</sup> leadership to co-ordinate collective action on the sustainability agenda - with complex and interconnected supply chains.	Working closely with suppliers to understand their ambition and progress on decarbonisation, what best practice looks like, and where we can best help accelerate progress. By collaborating with suppliers, we're sharing best practice and identifying projects to speed up decarbonisation.
<b>The outcomes:</b>						
Our research has driven countless decisions, for example, by informing our Healthy & Sustainable diets plans in product development and ranging decisions.	13,000 member-owners contributed to the conversation. The results of the member survey have been used to shape our new Social Value Strategy with their priorities at the heart.	Talkback has shown that our new Vision was well received by colleagues. These insights are helping to shape our work on the Colleague Promise and colleague member-ownership value.	These activities are helping us to ensure we are engaging with members at a local level and acting on community issues they care about.	Farmers and workers in Co-op's coffee, tea and flower supply chains have implemented climate mitigation and adaptation measures at farm level, while also increasing crop yields and quality.	We were delighted to be one of the business sponsors of the IGD/EY Food Sector Net Zero Transition Plan, and we will continue to contribute to the work of the IGD Food Systems Change Leadership Forum.	We now track progress among our top 200 suppliers in setting science-based carbon reduction targets. We've also refined our sustainability guidelines for suppliers, making Co-op's commitments, priorities, and expectations clear, and built more sustainability targets into supplier contracts.

<sup>1</sup> Non-governmental organisations

<sup>2</sup> Fairtrade Alliance for Climate-smart Supply Chains in Africa

<sup>3</sup> Institute of Grocery Distribution

# OUR CO-OP

**WE'RE FOUNDED ON A SET OF VALUES AND PRINCIPLES THAT GUIDE ALL CO-OPERATIVES AND DESCRIBE A DIFFERENT, FAIRER AND BETTER WAY OF DOING BUSINESS.**

We use these values and principles to support us in fulfilling our Vision.

## CO-OPERATIVE VALUES:

- 1 Self-help
- 2 Self-responsibility
- 3 Democracy
- 4 Equality
- 5 Equity
- 6 Solidarity
- 7 Honesty
- 8 Openness
- 9 Social Responsibility
- 10 Caring for others

## CO-OPERATIVE PRINCIPLES:

- 1 Voluntary and open membership
- 2 Democratic member control
- 3 Member economic participation
- 4 Autonomy and independence
- 5 Education, training and information
- 6 Co-operation among co-operatives
- 7 Concern for community

**WE NOW HAVE 6.2 MILLION MEMBER-OWNERS ACTIVELY TRADING<sup>1</sup> WITH CO-OP AND BENEFITING FROM THE VALUE THIS BRINGS.**

Member-owners have joined us via Food stores, Co-op Live and Festivals. From 2024 customers purchasing travel insurance can sign up to become a member-owner at the point of purchase, widening to include other insurance products in 2025.

Co-op Membership is about much more than just deals and rewards. Members collectively own the business. This means our member-owners can have a say in how it's run, from the products we sell to the causes we support. We share our profits with local communities through partnerships with like-minded organisations and through our Local Community Fund.

Through the Co-op App, online and through the call centre, member-owners are able to choose which community cause they support. Member-owners can also help shape the products and services we sell, vote on important issues, and choose leaders on our Board and National Members' Council. Members can stand for election to become leaders too.

With Co-op Membership, member-owners always save more with Member

Prices in our Food stores and online, Co-op Legal Services, Insurance, Funeralcare, and our partners, such as Uber Eats and Deliveroo. In 2024 we launched booster offers on the Co-op App, bringing personalised savings to targeted member-owners based on their shopping history.

We delivered 12 member games in the Co-op App in 2024, driving sales uplifts in our stores, as well as enriching other elements of member value, like social value via our Fairtrade Fortnight game and ownership value via our 'Owned by Who?' game.

Thousands of people joined Co-op Membership to get presale access to tickets for events at Co-op Live and to enjoy exclusive member perks at their favourite UK festivals in 2024.



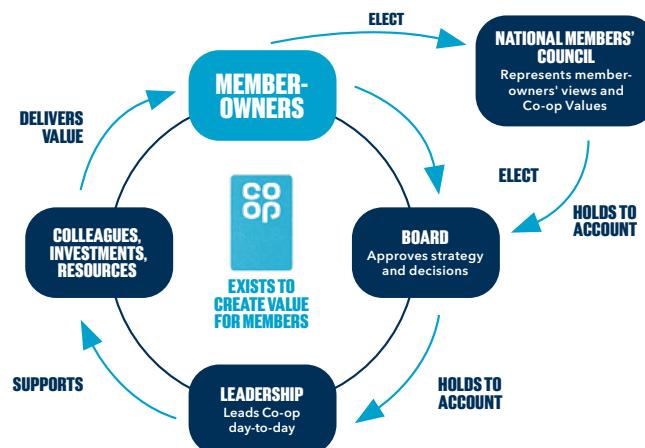
# HOW YOUR CO-OP IS RUN

## National Members' Council

Co-op is our members' business. We exist to meet their needs. To help us do this, we have a 100-strong National Members' Council, which meets throughout the year to represent members' views and our values. Members elect their representatives on the National Members' Council and also directly elect four Member Nominated Directors to our Board, so that their voice is at the heart of what we do and how we do it.

Ahead of each Annual General Meeting (AGM), member-owners pick their leaders on our Board and National Members' Council as part of our elections, and they can stand for our Member Nominated Director and Council Member roles themselves if eligible.

You can see how our unique governance all works together to create value with and for our member-owners below.



For more information see our [Annual Report and Accounts](#).

## 2024 BOARD AND NATIONAL MEMBERS' COUNCIL HIGHLIGHTS

1

### SAFER COLLEAGUES, SAFER COMMUNITIES

The campaign on retail crime and violence that came from Members' Council discussions in 2018, and brought thousands of member-owners together to lobby government, resulted in this year's commitment to make attacking or assaulting a shopworker a standalone offence.

2

### ANIMAL WELFARE STANDARDS

Responding to calls from our member-owners, we launched our 'Space to Thrive' commitment, moving to lower stocking density across all fresh, breaded and ready-to-eat chicken, giving chickens 20% more space in barns.

3

### BROADENING ACCESS TO OUR DEMOCRACY

Building on our 38% AGM and Elections voting increase in May and recognising our growing, diversifying membership, Board and Council approved a proposal to reduce eligibility criteria for AGM voting and Board and Council elections in November. This will mean that more member-owners can have a say on the big issues we tackle and can become or choose leaders.

4

### OWNED BY YOU, RIGHT BY YOU

We shaped our new Strategy, Vision and Purpose and worked with member-owners to understand what Co-op Difference means to them, supporting the creation of our bold new brand promise that brings to life our different way of doing business with members at the heart.

## OWNED BY YOU, SHAPED BY YOU

Members own our Co-op and can shape our business through everyday opportunities to participate. These can be through our website, our membership emails, the Co-op App or by connecting with our team of local Member Activators. Members can also set the direction for the big issues we tackle by making their vote count as part of our Annual General Meeting (AGM).

Through these opportunities, members can tell us what matters most to them to inform our plans, learn more about their unique Co-op, select a local community cause to support, design products and services across our businesses, and take part in our campaigns. You'll find case studies throughout this report of how members have played a role in their Co-op to support our shared vision.

We always aim to increase the number of times member-owners participate in our Co-op, helping them to gain more value from their membership.

During 2024, member-owners participated in our Join In opportunities

**over 1m times**

across 96 opportunities  
(2023: over 1,000,000 times across 86 opportunities)

# AGM

Our member-owners vote each year on motions at our AGM. Member-owners, our Council and Board can all put forward motions for our AGM. This year, our National Members' Council put forward three motions to our member-owners.



## MEMBER PRICES ON HEALTHY PRODUCTS, HOUSEHOLD ESSENTIALS AND PERSONAL CARE ITEMS

In June, we introduced Member Prices on 62 fruit and veg lines, including seasonal British produce, and our popular 'Fresh 3' offer.



## TACKLING THE ROOT CAUSES OF RETAIL CRIME

The new Labour Government committed to make assaulting or attacking a shopworker a standalone offence. To tackle the cycle of reoffending, we are working with a range of stakeholders on employment of offenders, sentencing and social action.



## OUR CO-OP DNA

Incorporating insight and ideas from our National Members' Council, Co-op Collective and member-owners, we reintroduced Co-op to the nation and a whole new generation in the summer. Our bold new campaign and brand sentiment is about engaging even more people in membership, driving momentum and helping us achieve our Vision; ultimately reminding people what a co-operative business is, why member-ownership of it matters and what benefits it brings to those who own it.



## OWNED BY YOU

In 2023, 98% of member-owners who voted on our AGM Motions told us that they would like to vote via the Co-op App, making our democracy more accessible. We introduced this for the first time in 2024 as part of an improved voting journey overall, leading to a 38% increase<sup>1</sup> in member-owners shaping their Co-op on the issues they care about and picking their leaders.

# CO-OPERATION AMONG CO-OPERATIVES

We're working to build partnerships that push the principles of co-operation forward, helping co-operatives and other social businesses thrive and survive.

It's our ambition to be at the forefront of this movement using our scale and influence to help others. We continue to be the largest funder of the UK Co-operative Movement and its institutions, providing over £1.6m of funding to a diverse range of organisations (see [here](#) for further details).

## IN 2024, WE:

- Continued to participate in Social Enterprise UK's corporate challenge, seeking to increase the number of social enterprises in our supply chain, and winning the 'Buy Social' Market Builder at SEUK's annual awards.
- Launched the International Co-operative Development Fund with others from the UK movement, which will support long-term reconstruction through co-operation. The fund was launched in the UK on 21 December 2024 to mark the 180th Anniversary of the Rochdale Pioneers.
- Attended the International Co-operative Alliance's Global Congress in New Delhi, where the United Nations International Year of Co-operatives 2025 was officially launched. Plans are in development for the UK to host the ICA's General Assembly in Manchester in July 2025.

We also strongly welcome the [Labour Government's pledge](#) to double the size of the co-operative and mutual economy and are committed to working with others to achieve this aim through the newly formed Co-operative & Mutual Council.

Our Co-op also has Independent Society Members (ISMs), which are other retail co-operatives operating food stores and other businesses around the UK. We supply food and non-food products to the ISMs on a wholesale basis through a jointly owned organisation called Federal Retail Trading Services (FRTS). We also have 15 ISM representatives on our National Members' Council to support collaboration and co-operation on the issues affecting our members and Co-op movement.





## OUR COMMUNITIES AND PEOPLE

- COMMUNITY
- SOCIAL MOBILITY, INCLUSION AND BELONGING
- OUR COLLEAGUES
- HEALTH AND SAFETY



**£18m**

invested in communities in support of our Vision and broader Co-op principles



**£4m**

raised for our partnership with Barnardo's, so far supporting 200,000 young people



**4m**

Our social activity has created value for **4m people** in our members' communities, on issues member-owners care about



**£32.8m**

Since 2021, Co-op Levy Share has seen **£32.8m** in pledges and has funded over **2,500 apprentices** from diverse backgrounds



**1st**

We became the first retailer to publish a **socioeconomic pay gap report**

# OUR COMMUNITIES

EQUAL  
ACCESS

PEACE  
OF MIND

We're not owned by a wealthy few, we're owned by our member-owners who have a say in how we spend a share of our profits to support local communities across the UK. Through member participation, co-operation and bringing communities together, we're delivering lasting social value for our member-owners and their communities.

It's important that we hold true to our [Co-operative Values and Principles](#), so investing in our local communities remains at the heart of our membership. We do this through local community participation, our Co-op charity partnership, and our national partnerships that deliver on a local level.

## LOCAL COMMUNITY PARTICIPATION

Co-operation and collaboration are key to helping us deliver social value to our member-owners and their communities. Our Local Community Fund supports causes in all our members' communities, while our new Member Activators are championing membership locally and encouraging participation on local issues.

### Supporting local causes across the UK

[Our Local Community Fund](#) supports projects across the UK that help to create sustainable futures for people and our planet. Since it launched in 2016, the fund has shared £114.5m with more than 36,500 unique community projects, with the share of funds for each cause driven by the choices of our members.

The fund continues to support grassroots organisations, with over half of causes supported in 2024 having an annual income of £25,000 or less. The hyper-local nature of the fund means we're able to support a diverse range of beneficiaries including low-income families (65%), people with disabilities (61%), ethnic minorities (49%) and LGBTQ+ communities (38%).

has been extended for 2025 with over £660,000 to be shared by our member-owners and Local Community Fund causes.

**£114.5m**

shared with Local Community Fund causes since 2016  
(2023: £107m)

**1.5m**

members chose a Local Community Fund cause in 2024  
(2023: 1.19 million)

**Over 1m**

people supported by Local Community Fund projects  
in 2024 (2023: 1 million)

In April, the 'Winners Share It All' prize draw was launched, to help boost Co-op's support for local communities and reward members and their chosen Local Community Fund cause when they shop with us. Our member-owners and their Local Community Fund causes shared over £495,000 thanks to the prize draw. ['Winners Share It All'](#)

### Co-operating in our communities

At the start of the year, we announced our new Co-op Vision, and to achieve this, we needed to review the way our local teams worked to support our connection between membership and local communities.

After 5 years with some fantastic work delivered by our Member Pioneers, we evolved the role and in September 2024, our team of 90<sup>1</sup> full-time and part-time Member Activators was launched. They're working closely with our member-owners, leading the charge in raising awareness of our membership value, whether it be economic, social or ownership value.



Since the team was launched, [Member Activators](#) have been hosting local forums, showcasing our sustainability commitments through Fairtrade Fortnight and promoting membership value through Community Celebrations with member-owners and local groups.

# 76,000

member engagements  
since the member activator  
programme began

## COMMUNITY PARTNERSHIPS AND CAMPAIGNS

We know that co-operation is vital in tackling the key challenges in our members' communities. We partner with like-minded organisations who can help to deliver positive and lasting change on the big issues our members care about and create social value in their local communities.

### Bringing communities together to support young people

More than a third of young people don't feel

positive about their future<sup>1</sup>. We want to help by raising [£5m for our partnership with Barnardo's](#) to support positive futures for 750,000 young people. Since it launched last year, members, colleagues, and customers have raised £4m and we've supported over 200,000 young people so far.

In 2024, our colleagues smashed fundraising targets by holding walkathons, car washes, raffles, cold water swims and more.

All our partnership support is co-produced by young people for young people, with 12 young people sitting on a Youth Advisory Group for the partnership. We're supporting young people online through advice and information on TikTok, Instagram and YouTube. In 2023, 12,000 Co-op Members helped shape our online support by sharing their thoughts on the types of content young people want to see.

We're also delivering face-to-face support services in 20 communities, including:

- **Hurlford Helping Hands:** A community pantry, providing local residents with access to 12 essential items weekly for £4.50, as well as transforming a disused space.
- **Magic Minds in Rhyl:** Weekly sessions and holiday activities focusing on wellbeing that young people help plan and deliver, including games, sports and getting outside, as well as confidence-building activities.
- **Burslem Youth Connect in Stoke-on-Trent:** Weekly and holiday sessions focused on food, wellbeing and skills like anti-bullying sessions, cooking skills, and volunteering.

In September, we launched our policy report, [Recipe for Success](#), which highlights the challenges

young people are facing in accessing food in their communities. Nearly four in five (79%) respondents reported skipping a meal due to money being tight.

As part of our partnership with Barnardo's, we're influencing the Government to bring about change. The report is co-designed by a team of young people and features views of over 45,000 9-25 year olds from across the UK, including young Co-op member-owners<sup>2</sup>.





## OWNED BY YOU

Our [Co-op Young Members' Group](#) has been working alongside our membership team and with young members and their families across the UK to develop our ideas around a new young membership proposition. Made up of six member-owners aged 16-25, our Co-op Young Members' Group (CYMG) acts as an advisory panel to make sure young people are better represented in our Co-op.

### Tackling the root causes of youth violence

Supporting young people is a big part of our Vision and we've been part of the [Peer Action Collective](#) (PAC) for three years now. PAC is a network of 10-25 year olds bringing young people together, listening to what they have to say and turning what they learn into action. It's a great time to reflect on the difference we're making, alongside our partners - the Youth Endowment Fund and #iwill Fund - and

to share how PAC is growing by connecting with the broader Co-op movement.

In this current cohort, PAC has employed 90 young people who have experience of youth violence, as Peer Researchers and Social Action leads. To help us find the root cause of youth violence, they've been trained by experts and are speaking to thousands of other young people to find out about their experiences and what can be done to make their communities safer and fairer.

### Supporting early childhood

This year, we announced our support for Her Royal Highness, The Princess of Wales' Business Taskforce's Case for Change report, which sets out the need for focusing on early childhood<sup>3</sup> within businesses, local communities, and wider society for a happier, healthier society.

Our [Co-op supports under-fives](#) in several ways, including within the 20 primary schools in our Co-op Academies Trust, and by helping baby banks through the Local Community Fund.

Along with other Taskforce members, we're also working to address a lack of sufficient numbers of early years professionals by funding apprenticeships through our unique [Co-op Levy Share Scheme](#). The Taskforce has committed to raising £5 million over the next 5 years, with a starting pledge of £1m to help fund over 600 apprenticeships.

# 1,568

young people reached by PAC by the end of 2024

### We've strengthened connections with key stakeholders and decision makers

Including: Police and Crime Commissioners, Members of Parliament, Department for Education and Violence Reduction Units

# £94,000

provided in grants supporting 47 baby banks since 2016

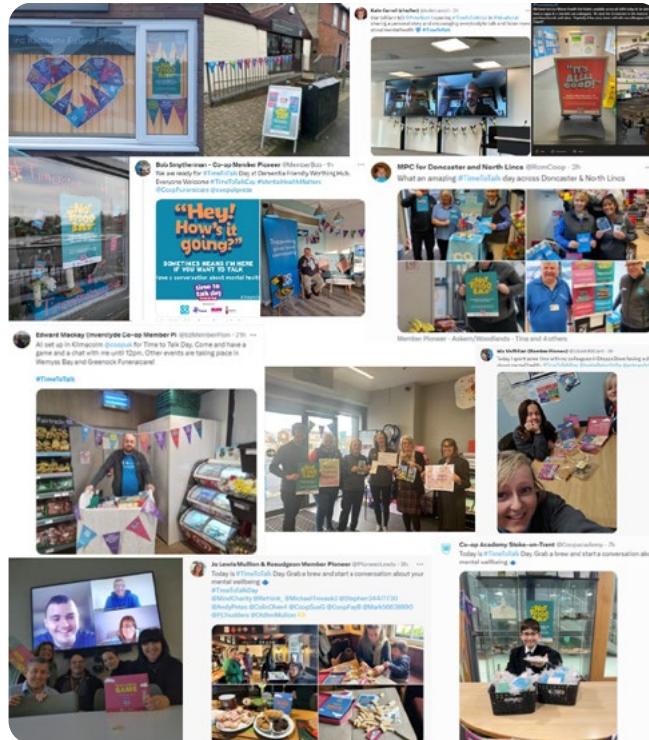
### £900,000 pledged supporting 111 apprentices

through the Co-op Levy Share Scheme since May 2024

## HELPING PEOPLE ACCESS THE SUPPORT THEY NEED

### Mobilising communities to support grief

Our partnership with [Cruse Bereavement Support](#) aims to help people talk about death and grief more openly, empowering people to provide everyday bereavement support to those who've experienced a loss. We're working in communities to raise the awareness of grief, helping to break down the taboos surrounding death and dying. By the end of 2025, we will have engaged 5,000 people in community-led bereavement support.



### Bringing communities together to talk about mental wellbeing

For the third year, we partnered with Mind, SAMH (Scottish Action for Mental Health) and Inspire on [Time to Talk Day](#), the UK's largest conversation about mental health and wellbeing.

There were lots of ways people got involved, from sharing on social media using #TimeToTalk, supporting conversations between colleagues in the workplace, and organising events in the community. In 2024, we saw **2.5 million** conversations happen around mental wellbeing as a result of Time to Talk Day.

**Over 3,000**  
engaged in community-led bereavement support since 2022

**Over 2.5m**  
conversations around mental wellbeing took place in 2024

**Over 16,000**  
member-owners helped us shape Time to Talk Day activity in 2024



### Accessing community warm spaces

In November 2024, we announced that [Co-op is supporting the Warm Welcome Campaign](#) to help grow the number of Warm Welcome Spaces and help people stay warm in the winter months.

We pledged to help our member-owners find their local Warm Welcome Space and to work with our community partners and local causes to help everyone in the UK have a Warm Welcome Space within a 30-minute walk of where they live. We've also supported thousands of Local Community Fund causes to sign up to provide a Warm Welcome Space in their community.

## SUPPORTING PEOPLE AND PLANET

### Sustainable solutions for food redistribution

In 2024, we continued to reduce food waste and improve food redistribution with our partners Hubbub and Your Local Pantry. As cost of living pressures continue, our partnerships with [Hubbub](#) and [Your Local Pantry](#) promote sustainable and dignified approaches to reducing food insecurity.

Since 2021, we have helped to double the size of the Hubbub Community Fridge Network, which now has more than 700 locations that were visited over 631,000 times in the last 12 months.

Since July 2023 we have funded 44 new community fridges across the UK, allowing local residents to come together to learn new food cooking and growing skills, access affordable food and connect with their neighbours. We also distributed 189 investment fund grants.

Since June 2022, we've supported Your Local Pantry to open 71 new pantries, growing their network to more than 121 pantries. In 2024, 58,614 people across 21,607 households were supported by Your Local Pantry.



### More than 700 locations

now in the Hubbub Community Fridge Network that were **visited by 300,000 people** in the last 12 months

### Communities supporting nature locally

Nature Neighbourhoods is our partnership with RSPB, the National Trust and WWF and is co-funded by the National Lottery Community Fund. The project is supporting 18 local community organisations to help them bring together local residents, businesses and decision makers to create long-term grassroots action plans for nature restoration and climate action.

Easy Come, Easy Grow in Newton Heath, Manchester, was created after residents connected with the local authority, the Mayor's office, National Trust and local Co-op Member Activators to discuss what could be done for nature and wildlife on their patch. Easy Come, Easy Grow MCR was born to help engage with local residents, access funding and to create a plan for the future of nature in the community.



### More than 121 pantries

in the Your Local Pantry network, serving **58,000 people** in 2024

## HELPING COMMUNITIES CO-OPERATE

The Co-op Academies Trust (CAT) is one of the largest multi-academy trusts serving the north of England, with 38 primary, secondary, special, and post-16 academies. The Trust provides an education based on Co-operative Values and Principles as well as supporting careers education and encouraging social action for over 20,000 young people.

By providing education and opportunities for the youngest in our society, our Academies aim to inspire a new generation of high-achieving, ambitious, skilled, and confident co-operators and are helping us deliver our social value priorities.



We've enhanced our contribution to our Co-op Academies, enabling greater support for the students who need it most by providing enrichment activities and removing social mobility barriers. We provide £1m of funding annually, which is targeted at supporting pupil premium students, as well as meeting the cost of CAT's community team.

CAT and its pupils get involved in key social value moments throughout the year, including Time to Talk Day. In 2024, Belle Vue Academy hosted their 'Community Lunch' to have an open discussion about mental wellbeing, while every Co-op Academy student took part in Time to Talk Day in February 2024.

Our Careers Programme, including Careers Uncovered and the Primary World of Work Week ensures that every year group in our academies, from Reception through to Post-16, receives some form of careers support.



## Academies Trust

# 2,637

students developed their knowledge of different careers through Careers Uncovered

# 23

suppliers and colleagues supported our academies through careers support

# 7,620

students celebrated Fairtrade Fortnight by holding community coffee mornings and Fairtrade bake-offs, with the produce being donated to their local homeless shelters

# 82

Co-op colleagues providing governance expertise as sponsor governors

# 1,480

primary school children took part in Funeralcare's Be Safe, Be Seen campaign with fluorescent snapbands donated to keep them safe during the winter months

## Building communities of the future together

Our charity, the [Co-op Foundation](#), is building communities of the future together. Through funding organisations across the UK, the Foundation is helping create kinder, more inclusive communities with fair opportunities for everyone.

The Foundation involved youth voice across their work in 2024. This included 32 young people from across Co-op Foundation and Co-op's youth networks getting involved in an online Hackathon to find out what meaningful youth participation looks like.

The Young Gamechangers Fund - a £4.5m partnership between Co-op Foundation, Co-op, and the #iwill Fund - awarded 33 grants to youth-led organisations and young people aged 10-25 who are transforming their communities into safer, more sustainable and more inclusive places to live.

Funding Futures is a £1.4m fund launched in 2024 to support social entrepreneurs aged between 16-30 with impactful ideas to help those sidelined by the financial system. A total of £50k was awarded to five applicants.

# Over £576,000

awarded to young people and youth-led organisations through the Young Gamechangers Fund.

# £933,000

awarded to seven organisations working to protect peatlands across the UK through the Carbon Innovation Fund

The Co-op Foundation's work also supports organisations driving systemic change. During the summer of 2024, the Foundation provided additional funding of £50,000 to Refugee Action to support their response to the far-right racist riots.

The Carbon Innovation Fund - a £3.5m partnership between Co-op and the Co-op Foundation to help reduce carbon emissions in food and farming - continued in 2024, to support organisations finding sustainable ways to create a thriving food and farming sector.

In 2024, the Co-op Foundation was announced as Co-op Live's Official Charity Partner, with the venue donating at least £1m to our charity every year. Co-op Live will also give tickets for every show to the Co-op Foundation, to enable those doing amazing work in their communities the opportunity to visit Co-op Live at no cost.

#### **Colleagues supporting social value in their communities**

Our colleagues are encouraged to take an active role in their local community by getting involved in our social action campaigns and activations.

At the start of 2024, colleagues across all business areas had mental wellbeing conversations during Time to Talk Day, while Funeralcare colleagues have been embracing our partnership with Cruse Bereavement Support and helping clients with their grief.

At a hyper-local level, colleagues are working with our new Member Activators to celebrate and support our Local Community Fund causes, Live Local Membership Engagement events and more.

Through our Community Donations Policy, our stores, depots and funeral homes can support groups and activities in their local community where it matters most by giving small, one-off donations of product or money. In 2024, over 2,785 activities were supported with over £455,000 donated. We also introduced a new process by which colleague time could be donated through our Food stores, resulting in 149 hours donated in the year.



## COMMUNITIES DATA

Key Performance data icons

Target Achieved

On Track

Close to Target

Behind Schedule

Target not Achieved

Restatement

In-depth assurance

Issue	2024 Target	Performance against Target	KPIs	2021	2022	2023	2024	2025 Target	SDG
Total Community Investment			UK community investment (£m) Cash	20	18.7	14.2	13.4 <span style="color: green;">A</span>		
			Co-op's commitment to supporting our member owners' communities remained strong, with over £13m invested in supporting both local community causes and national partnerships.						
			UK community investment (£m) Colleague Time	7.1	14.7	16.6	13.7 <span style="color: green;">A</span>		
			Colleague community activity in work time reduced slightly against 2023, with mid-year changes to our community field structure made to provide focused support to members, enabling them to benefit from the social, ownership and commercial value that Co-op Membership generates.						
			UK community investment (£m) Gifts in Kind	1.3	0.2	0.1	0 <span style="color: green;">A</span>		
			Change to scope of reporting resulted in exclusion of Gifts in Kind reported in 2023.						
			UK Leverage (donations by members, customers, partners and suppliers)	9.2	6.1	12.3	8.1 <span style="color: green;">A</span>		
			Investment through leveraged funding reduced after the 2023 peak driven by reporting of several significant match funding partnerships. Co-op customers, members, colleagues and suppliers continued to play their part in supporting UK communities through many channels, including donating to our National Charity partnership and through contributing to funds raised by sales of compostable shopping bags.						
			Total investment in UK communities (£m) Cash + Colleague Time + Gifts in Kind + Leverage	37.6	39.7	43.2	35.2 <span style="color: green;">A</span>		
			Total investment in international communities (£m)	3.6	5.2	3.1	3.1		
			Total investment in UK and international communities (£m)	41.2	44.9	46.3	38.4 <span style="color: green;">A</span>		
			Total community investment decreased from the peak driven by leveraged match funding reported in our 2023 report.						
Investment in community funding and broader Community plan	We will invest £20m in communities in support of our Vision and our broader Co-op principles.	Partially achieved: £18m invested through the Local Community Fund, community partnerships and our broader Community plan	£ invested through the Local Community Fund (£m)	13.5	12.4	10.5	7.1		
			Total community investment decreased from the peak driven by leveraged match funding reported in our 2023 report.						
			£ invested through partnerships and our broader Community plan (£m)				10.9		
			More than £10m was invested in partnerships and our broader Community plan in 2024. Notable investments included support for charity partners such as Barnardo's, Hubbub, Your Local Pantry and The Peer Action Collective, the operating costs of our Member Activator programme, and funding for Co-op Academies and the Co-op Foundation. Figure includes carrier bag levy of £2.2m.						
			Total investment in community partnerships and community plan LCF + Investment in partnerships (£m)				18		



## COMMUNITIES DATA

Key Performance data icons

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 Target not Achieved

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 In-depth assurance

Issue	2024 Target	Performance against Target	KPIs	2021	2022	2023	2024	2025 Target	SDG
Local Community Fund			Number of causes supported by LCF <sup>1</sup>	4,561	4,468	3,955	2,547		
			More than £7m was shared between 2500 local community projects, according to our member's priorities in 2024.						
			Number of Cause selections made by members	1,007,800	1,051,227	1,347,492	1,725,019		
			2024 saw Local Community Fund cause selection at its highest ever level, with Co-op members making their choice of local cause more than 1.7m times through the course of the year.						
			Projects supporting Access to Food welcomed into the LCF	569	586	457	-		
			Projects supporting Access to Mental Wellbeing Support welcomed into LCF	2,122	2,064	1,430	876		
			Projects supporting young people to fulfil their potential welcomed into the LCF	1,791	1,137	488	1,010		
			Projects tackling climate change, reducing waste and resource use, or protecting nature welcomed to the LCF		236	173	224		
			Projects helping older people feel connected welcomed to the LCF				389		
People supported in our member-owner communities	Our social activity will create value for 4m people in our Members' communities, on issues member-owners care about	 We've created value for over 4m people in 2024	Number of people supported by Community fridges and Local Pantries				382,359		
			Number of conversations held through Time to Talk Day				2,522,500		
			Number of young people engaged and supported through PAC <sup>2</sup>				1,568		
			Number of young people supported to improve their mental wellbeing and create opportunities for their future				207,710		
			Number of Co-op Academy students offered opportunities to engage with community activations				21,052		
			Number of beneficiaries supported through LCF	958,806	994,985	1,094,656	1,013,495		
			Total Beneficiaries				4,148,684		

<sup>1</sup> Local Community Fund

<sup>2</sup> Peer Action Collective

## COMMUNITIES DATA

Key Performance data icons

 Target Achieved

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 Close to Target

 Behind Schedule

 Target not Achieved

 Restatement

 In-depth assurance

Issue	2024 Target	Performance against Target	KPIs	2021	2022	2023	2024	2025 Target	SDG
Co-op Academies			Number of Academies	27	31	32	38		
			Number of governors	83	85	82	84		
			Contribution to Co-op Academies (£)	1.1m	950,000	635,000	1m		
Charity Partnership	We'll raise £5m by 2025 to bring communities together to support 750,000 young people.	 We've raised £4.1m by the end of 2024	£ raised in support of our National Charity Partnership with Barnardo's since 2023 (£m)			1.3	4.1	We'll raise £5m by June 2025 to bring communities together to support 750,000 young people.	
Community and member participation			Number of members engaged by Member Activators to enhance member participation and engagement with community organisations connected to the Co-op				76,000 <sup>1</sup>	We will enable 2.9m member engagements in our Co-op	
			Number of members supporting their communities by selecting local causes				1.47m		
			Number of member actions through 'Join In'				1.1m		
Colleagues involved in community activity during work time			Number of colleagues involved in community activity	6,622	11,194	12,231	9,952		
			Number of days (hrs)	47,518 (356,390)	97,945 (734,587)	107,135 (803,513)	84,917 (636,879)		
			Value of colleague time (£m)	6.1	14.7	16.6	13.7		

<sup>1</sup> Since programme began, not for the whole of 2024

# SOCIAL MOBILITY, INCLUSION AND BELONGING

Social Mobility, Inclusion and Belonging have long been issues our member-owners feel we can campaign, advocate and act for change on.

In 2024, we launched a new Social Mobility, Inclusion and Belonging strategy aligned to our new Co-op Vision. The strategy aims to create a more inclusive and diverse workplace, enhance social value, and ensure that our Co-op remains responsive to the needs of our colleagues, our member-owners and their communities. To deliver this, each business area has their own plan outlining their respective ambition across four key objectives:

## 1. ATTRACT AND RETAIN DIVERSE TALENT

We continue to focus on attracting and retaining people from diverse backgrounds by improving our end-to-end recruitment process. In 2024, we conducted an audit to identify barriers and have since improved our process; embedding a candidate screening tool, which has proven mechanisms to ensure an equitable process, and piloting diverse interview panels for senior vacancies.

**9%** of our leaders from an ethnic minority background

We continue to focus on increasing representation of ethnic minority leaders, and we now stand at 9% (up 1% from last year)

We also ran four development programmes for women and colleagues from ethnic minority backgrounds to support with personal growth and career progression. We'll continue to run these in 2025, including a new programme for colleagues from lower socioeconomic backgrounds, and we're exploring an LGBTQ+ programme.

## 2. ENHANCE INNOVATION AND PERFORMANCE THROUGH DIVERSE PERSPECTIVES

Our ambition is to provide products and services that meet the diverse needs of our customers and member-owners that are accessible, affordable and inclusive. To achieve this, we plan to implement a customer-centric and inclusive design approach, which involves co-creating solutions with customers from diverse backgrounds. Evaluating the impact of our products and services using quantitative and qualitative measures will help us make improvements based on the results.

## 3. BUILD REPUTATION AND SOCIAL VALUE

Our work to enable social mobility for our colleagues continues at pace. In July we became the first retailer to publish a socioeconomic [pay gap report](#) and action plan to address inequity in our organisation. The report informed our social mobility [commitments](#) for 2024 and beyond, and will be a permanent addition to our pay gap

EQUAL  
ACCESS

reporting suite in 2025. Publication of the report was only possible due to a huge increase in our colleague declaration rates, which stood at 81% at the end of 2024.



We are being recognised as a leading voice in advocating for colleague social mobility<sup>1</sup>. We have supported a number of our suppliers and other organisations starting their social mobility journey and, in 2025, we'll publish an employer toolkit, using our learnings to help others effectively support and empower their colleagues.

## 4. FOSTER A CULTURE OF INCLUSION AND BELONGING

Our Co-op inclusive leadership framework is tailored to individual leaders' development needs, and all Members of the Operational Board continue to have diversity and inclusion objectives as part of their end-of-year performance.

To embed our all-colleague code, which aims to set a standard for colleague behaviour, we've launched "recognising and tackling non-inclusive behaviours" training. We've also updated our policies on bullying, harassment and discrimination, and launched a new standalone policy on Sexual Harassment, along with mandatory training for all colleagues.

Following an audit against the Business Disability Forum's standard, and working in collaboration with our Represent colleague network, we created two workstreams to improve disability inclusion. The first focuses on transparency around reasonable adjustments, resulting in a new disability inclusion passport. The passport means colleagues' adjustment requirements travel with them wherever they work at our Co-op. The second focuses on better communication and awareness, resulting in a new disability awareness module. Next year we'll continue to build on this, and plan to launch training on neurodiversity.



## CO-OP LEVY SHARE

Co-op Levy Share launched in 2021, bringing together our suppliers and other employers to support thousands of apprentices. All levy payers pay 0.5% of their payroll costs as a tax into their levy every year to spend on their own apprenticeship training costs. Any unused levy expires after 24 months and is returned to HMRC. Levy Share allows partners to share unspent levy funds in a targeted way to support the provision of apprenticeships for under-represented groups.

During 2024, Co-op Levy Share expanded its reach but still continued to champion social value across our communities. We supported The Royal Foundation's Business Taskforce initiative to help to grow the number of apprentices in the early childhood sector by using Co-op Levy Share pledged funds to pay for training and assessment costs. The ambition was to receive £1m of pledged funds between May 2024 and April 2025. To date, we've reached a total of £900,000, supporting over 100 front line early childhood apprentices.

Since launching in 2021, over 2,500 apprentices have now benefited from the funding across all sectors, from stonemasons to data analysts, including [The Seashell Trust](#). You can read more on our approach to social mobility [here](#), and on our campaign page [here](#).

# £9.5m pledged

by partners and suppliers in 2024 against a target of £9m

# £32.8m pledged

in total since launching Levy Share in 2021



## CASE STUDY

### Co-op Levy Share

Seashell Trust is a charity dedicated to providing a creative, happy and secure environment for children and young people with complex needs from across the UK. The charity delivers tailored support promoting independence and building confidence, delivered through the programmes of education offered in their school and specialist college and through residential care provided for children in their care homes.

Co-op Levy Share has been able to support 18 apprentices working as Team Leaders, Coaching Professionals and front line care workers.

Harry Kidd, a Health and Wellbeing Lead Administrator, said: "The apprenticeship has made me more resilient, helped me grow my self-belief and put me on the right path for my career going forward."

Ben Gilks, a Community Sport and Health Officer said: "The main factor of the apprenticeship for me has been learning on the job and that I'm able to implement what I'm learning into my role. Having covered rapport building in one of my topics, it has not only benefitted me in work but also everyday life as for my external football coaching."

## SOCIAL MOBILITY, INCLUSION AND BELONGING DATA

Target Achieved

On Track

Close to Target

Behind Schedule

Target not Achieved

Key Performance data icons

Restatement

In-depth assurance

Issue	2024 Target	Performance against Target	KPIs	2021	2022	2023	2024	2025 Target	SDGs
Social Mobility, Inclusion and Belonging	We aim to increase our Minority Ethnic leadership representation to 10% by 2025	<p><b>R</b> We have revised and renewed our strategy for social mobility, inclusion and belonging in 2024. This has included broadening our objectives, and setting targets based on more comprehensive data, up to 2030</p>	% of colleagues who feel "Co-op is a place where people from diverse backgrounds can succeed"	77	84	82	84	<p>We will increase the proportion of ethnic minorities in leadership roles to 10% by 2027 and 13% by 2030</p> <p>We will increase the proportion of women in leadership roles to 45% by 2027 and 48% by 2030</p> 	
			Question changed in 2024. Data from previous years is for the question: % of colleagues who feel "My manager creates an environment where I can be myself"						
	By end of 2024, an additional £9m will have been pledged by our suppliers and partners through Co-op Levy share to support people from diverse backgrounds into apprenticeship	<p><b>✓ A</b> In 2024, an additional £9.5m was pledged to Co-op Levy Share</p>	Number of colleague networks	6	6	6	6		
			Number of members in networks	2,000	2,747	3,500	3,750		
			% colleagues who feel that they have experienced bullying, harassment or discrimination	Internal (7) External (12)	Internal (6) External (8)	Internal (6) External (8)	Internal (6) External (9)		
			Gender balance of hires	48% men, 52% women	53% men, 47% women	52% men 48% women	51% men 49% women		
			% female colleagues in leadership roles	42	42	40	43		
			% of our leaders from an ethnic minority background	6	7	8	9		
			% colleagues identify as non-heterosexual	8	8	8	9		
			% colleagues identify as having a disability	8	25	19	22		
			% colleagues identify as belonging to an ethnic minority group	11	14	14	16		
			% colleagues have dependant or caring responsibilities	30	31	25	25		
			£ pledged to Co-op Levy Share by partners and suppliers (since 2021) (£m)		15.8	23.3	32.8		

# CAMPAIGN – SOCIAL MOBILITY

At our AGM in 2021 members called on us to 'Campaign and advocate for change, to tackle the inequality we see today and challenge Government to address the root causes of these issues and enable social mobility throughout our society'.

We believe that fairness is central to social mobility; wherever you start should not determine where you end up. Putting this right is everyone's responsibility. Whilst the Government has a leading part to play we must all – employers, schools, communities and individuals – step up to the challenge. We want to break the link between who you are and what you can become.

In July 2024 we published our first socioeconomic background pay gap [report](#) – the first UK retailer to do so. The report is an important step on from the work we began in 2023, in partnership with the charity Making the Leap, to better understand social mobility, inclusion and belonging for colleagues at our Co-op. It informed our work to address inequality within our business and, in turn, inspire change at a societal level.

Alongside the report, we also shared the [progress](#) we have made against our 2023 Social Mobility Commitments and set new, more challenging ones to maintain the momentum of our campaign. We continue to campaign for socioeconomic background to become the 10th protected characteristic under the Equalities Act 2010.

To encourage other employers to consider publishing their own Pay Gap reports, we worked with the Social Mobility Foundation to produce a 'how to guide'. The [report](#) was published on 'Class Pay Gap Day' in November 2024.

We worked in partnership with a think tank, Demos, to produce new and compelling evidence into the potential economic impact of widespread employer action to promote social mobility. The key insight was that the UK economy could see a £19 billion boost. 'The Opportunity Effect' was launched at an event in Westminster, where the Minister for Employment, Alison McGovern MP, spoke alongside Shirine Khouri-Haq. The report included a number of recommendations to Government and actions for businesses. Advocating for these recommendations will continue into 2025.

Alison McGovern, Minister for Employment

We also supported a piece of [research](#) produced by the Ruskin Institute for Social Equality, 'A different future – How business can reduce inequality'. This research suggested that businesses have an important role in reducing inequality and set out how Government can create the conditions in which businesses can act.

We see apprenticeships as an important means by which to promote social mobility, and we have continued to advocate for reform of

the Apprenticeship Levy so that it delivers opportunities for all. Our advocacy included continued sponsorship of the All-Party Group on Apprenticeships in Parliament and providing oral and written evidence to Parliamentary Committees.

We continue to make progress on social mobility as measured by the Social Mobility Employers' [Index](#) and in 2024 achieved 34th place – a leap of 10 places since the previous year and our highest ever placing. We're the highest placed retailer in the index.

## SOCIAL MOBILITY COULD BOOST UK ECONOMY BY £19 BILLION A YEAR

### KEY STATS:



**£19 BILLION GDP BOOST**  
from improved social mobility



**£6.8 BILLION**  
in additional tax revenues – enough to hire 266,000 teachers or fund 911,000 school places



**1 IN 4**  
consumers are more likely to buy from businesses promoting social mobility



**Greater social mobility could add 540,000 JOBS**  
equivalent to adding a city the size of Glasgow to the economy

# OUR COLLEAGUES

EQUAL  
ACCESS

Being part of our Co-op as a colleague isn't like working anywhere else. We're part of something different, a movement that's over six million strong. Our colleague member-owners each own a piece of our Co-op and have a say in how we do things. Our colleague insights have helped shape our people plan; from wellbeing and development, to policies and benefits.

## COLLEAGUE WELLBEING

Supporting the physical, mental and financial wellbeing of our colleagues is an essential part of our People Plan and, in 2024, we continued to use our colleague insights to improve our wellbeing support so it works in the best possible way for our colleagues and their loved ones.

We brought this to life by launching a new Colleague Support Programme for colleagues and their families. Delivered by GroceryAid, the service offers additional services, including free mental health support for children, and relationship counselling. This brings together emotional, practical and financial support including a range of non-repayable grants.

Our 'Care Concierge' service was extended from supporting later life care to supporting adults of all ages, responding to the fact that almost a third of adult social care requests relate to those aged 18-64.

Our financial wellbeing strategy won two prizes at the Employee Benefits awards, including the top prize of the Grand Prix.

## 15,000 colleagues

signed up to our financial support service [Wagestream](#)

## £22m

In 2024, colleagues were able to access £22m through Wagestream

Alongside our partners Nest Insight, we've worked to raise awareness of the impact of opt-out savings, hosting an employer event during Talk Money Week and speaking at round table events through the year.

Across 2024 we continued working closely with our Colleague Networks to develop events and resources to best support our colleagues and their families, such as Mental Health Awareness Week, World Mental Health Day and Talk Money Week.

Looking ahead to 2025, we will continue to make all wellbeing support more accessible, encouraging our colleagues to engage with it and supporting them in the moments that matter. We will also continue to focus on evolving trauma support to best support our colleagues in their time of need.



## OWNED BY YOU

In line with our new Vision, we've been working collaboratively with colleagues to help evolve our culture - starting with a review of our behavioural frameworks. We've also been talking to our colleagues about what "Owned By You, Right By You" means to them as colleague member-owners. Putting membership back at the heart of the Co-op has also led to an immersion programme for our leaders in other membership-owned organisations.

## ENGAGEMENT AND CULTURE

Having engaged colleagues who are connected to our Co-op and feel valued for their contribution is fundamental. We measure colleague engagement and experience through our listening channels such as Talkback and Colleague Voice, which highlight where we need to focus to improve the everyday experience of our colleagues.

Our recent engagement survey (Talkback), completed by 85% of colleagues, showed that engagement rose to 73% in 2024 (2023: 72%). Our Manager Index measures four aspects of management behaviour and was at 81% in 2024. In 2023, development around manager listening was a key focus, and we launched our Co-operative Listening Framework. This year, 82% of colleagues reported that their manager listened to them and provided support, up 6% on last year.

### Reward and Recognition

Our colleagues continued to work exceptionally hard, providing a fantastic service to our member-owners and customers. Once again, we've increased our pay rates to align with the Real Living Wage, and all our Customer Team members in our stores received a pay increase of 10.1% from April 2024.

We've continued offering a discount of 30% to all colleagues on own-brand products (excluding

## 10.1% increase

Once again, we've increased our pay rates to align with the **Real Living Wage**. All our Customer Team members in our stores received a pay increase of **10.1%**.

alcohol). This is a major investment into supporting our colleagues. We also made an additional one-off winter recognition payment of £30 loaded onto colleague membership cards in December for all colleagues who don't participate in our Bonus Plan.

Our pay ratios can be found in the report of the Remuneration Committee in our 2024 [Annual Report](#).

The #BeingCoop Awards returned for another year, celebrating the difference our colleagues make and how they're bringing our Vision and Purpose to life. Categories reflect what matters to our Co-op such as the Community star and Inclusion awards.

### People Policies

We're always looking for ways we can do better for our colleagues - going beyond employment legislation and working with our colleagues to identify where we could make a difference to people through difficult life moments. So, in 2024, we continued to work alongside our colleague networks, trade unions and colleague insight channels to revise our people policies, such as increasing our maternity and adoption pay for eligible colleagues to 20 weeks' full pay, and doubling paternity pay for eligible colleagues from two to four weeks. Our leading fertility treatment policy provides flexible paid time off for colleagues to attend medical appointments whilst undergoing fertility treatment, as well as time off for colleagues whose partners are undergoing treatment so they can provide support, regardless of how long colleagues have worked at our Co-op.

Going beyond our own employees, we've been supporting charities to campaign on specific issues including the Miscarriage Association's Leave For Every Loss campaign.

We took part in round tables at Downing Street to engage directly with the Government on the 'Making Work Pay' plan and the Employment Rights Bill. We also gave evidence to the Employment Rights Bill committee in Parliament, which could play a pivotal role in shaping the future of work. Through our engagement with Government, we've been able to demonstrate the need for businesses to take time to implement change effectively, so they can make them work in practice as well as in principle.

## LEARNING AND DEVELOPMENT

In response to previous feedback, we've focused development on empowerment and rolled out leadership training that takes a systemic view of empowerment. Psychological safety in our Co-op now exceeds the industry benchmark, with 74% feeling able to speak up safely. We've also driven active conversations about colleagues' careers, putting in place talent forums and using the data in our HR systems to better understand our people's aspirations. We've been able to use this data to inform talent programmes, targeted development and engage our diversity networks on talent activity.

### Apprenticeships

We have 578 colleagues currently in learning on an apprenticeship standard - that's 152 more than in 2023 - and we've celebrated 155 colleagues successfully achieving an apprenticeship, with 45% gaining a distinction grade.

We've increased our apprenticeship offer to over 50 standards this year (40 in 2023) ranging from Level 2 to Level 7. Our increased offer included



2

standards such as Sustainability, Regulatory Compliance, Commercial Procurement, Counter Fraud Investigator, and a new Co-op data academy. We have plans to expand this further in 2025.

Identifying low representation of female leaders in Logistics, we've also launched the first Logistics Women in Leadership apprenticeship programme.

This year we were delighted to be recognised in the top 100 apprenticeship employers. This award is extra special as ranking is made as result of feedback from our colleagues and their experience of being part of a Co-op apprenticeship.



### Engagement with Trade Unions

We have formal recognition agreements with trade unions Unite and Usdaw across all areas of our business. We actively encourage colleagues to become union members, but also respect the right of colleagues not to join a union. We communicate

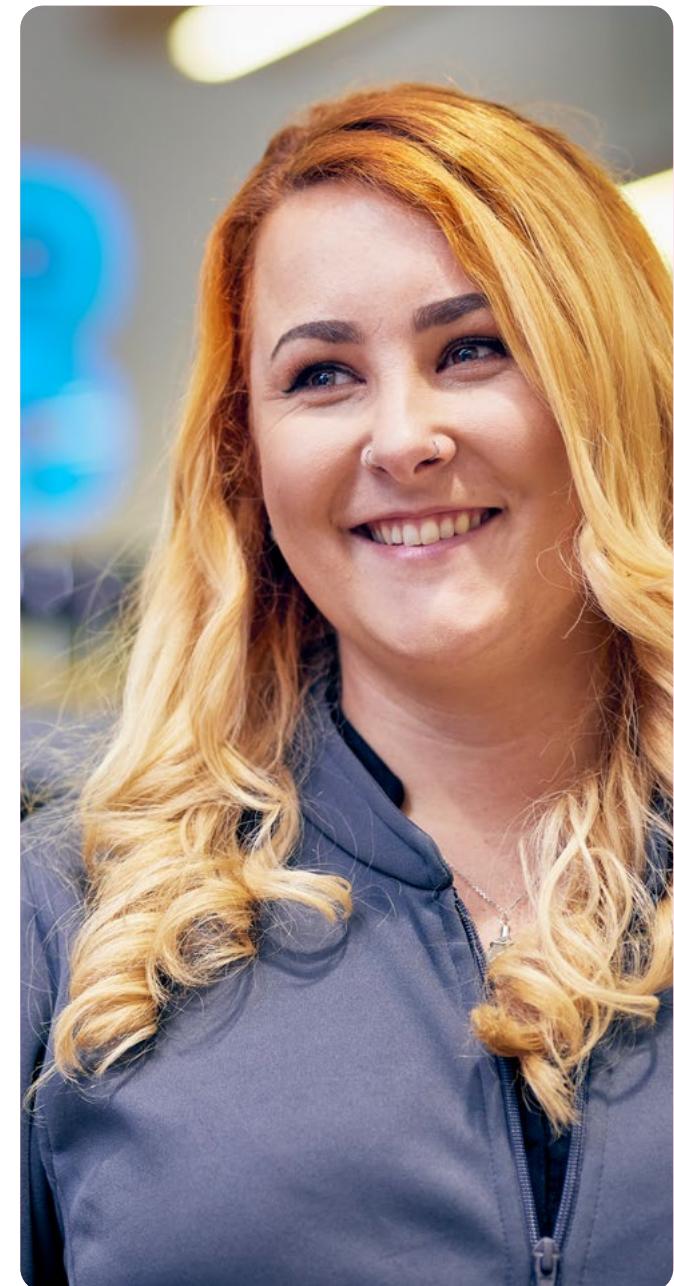
and consult with each union regularly to maintain positive and constructive relationships.

### Whistleblowing

To ensure we do the right thing by our Values and Principles, we operate a whistleblowing procedure. The policy is included in the Code of Business Conduct and is available on our website. An external independent company operates a hotline and web page known as "Speak Up", that allows colleagues and suppliers to raise concerns confidentially about business practices or wrongdoing. In 2024 we received 319 reports through this process (2023: 273). As well as whistleblowing reports, the external provider also takes calls requesting feedback, providing additional information and seeking advice. In addition to the reports made via the external provider, 44 reports were made direct to Co-op colleagues (2023: 39). We have a procedure for recording and investigating whistleblowing reports, a summary of which is presented to our Risk and Audit Committee.

### Pensions

Our defined contribution pension scheme is available to all our colleagues from day one of joining the Co-op, including those who do not meet automatic enrolment criteria, and our automatic enrolment offer exceeds the minimum required. In 2024, just over 39,000 colleagues were in the scheme, which equates to 72% of all colleagues. Our pension schemes (both defined benefit and defined contribution) are also responsible for the pensions of colleagues who have left the business. In 2024 this comprised of 42,000 pensioners (2023: 41,500) and 76,000 deferred pensioners yet to retire (2023: 72,000).



# HEALTH AND SAFETY

PEACE  
OF MIND

Keeping colleagues, partners, and members of the public safe is central to running our Co-op.

## HOW WE MANAGE SAFETY

Looking after the health, safety and wellbeing of our colleagues and customers is a responsibility we all share. Our 'Three Lines of Defence' approach includes dedicated teams within each business area responsible for day-to-day Health and Safety (H&S) management, supported by H&S subject matter expertise, and guidance with assurance provided by Internal Audit.

We also draw on our well-established Primary Authority partnerships<sup>1</sup>, covering health and safety, food safety, and fire safety issues, and have recently engaged with an additional Primary Authority to cover devolved matters in Wales.

We ask our colleagues to report every H&S and crime issue on our MySafety reporting platform. Mandatory training is provided to all colleagues on key H&S topics and we encourage colleagues to use all the security equipment available to help prevent, deter and detect crime in stores. We are working with a number of industry-leading police partnerships and third parties, such as the National Business Crime Solution, Safer Business Network and Retailers Against Business Crime, to address issues with persistent offenders. This process uses our MySafety data to support successful outcomes in managing offenders. We're also one of the founding members of [Pegasus](#) which was created so that retailers could share organised crime/gang intelligence with a central

police unit for support. Our Board actively supports and sponsors a safety culture – starting each board meeting with an "H&S moment".

You can read more on our 'Safer Colleagues, Safer Communities' campaign [here](#).

Looking ahead, as part of our ongoing commitment to continuously improve H&S, we are including Lost Time Incident Rate (LTIR) as a Group-wide key performance indicator (KPI) for 2025.

**176**

Reportable accidents (colleagues) (2023: 210)

**324**

Reportable accidents per 100,000 colleagues (2023: 375)

**4,068**

Non-reportable accidents (colleagues) (2023: 4,537)

**7,260**

Non-reportable accidents per 100,000 colleagues (2023: 8,097)



# CAMPAIGN – SAFER COLLEAGUES, SAFER COMMUNITIES

Since 2018, our Safer Colleagues, Safer Communities Campaign has aimed to make our colleagues safer through our action as a business and through securing greater protection in law for shopworkers.

We were delighted that in 2021, following our successful campaigning, the Government agreed to make assaulting a shopworker – or anyone performing a public duty or a service to the public – an aggravated offence. This became law in 2022 when the Police, Crime, Sentencing and Courts Act received Royal Assent. Thanks to this, along with the specific offence of abusing or assaulting a shopworker, which the Scottish Parliament passed in the summer of 2021, shopworkers right across the UK now have greater protection in law.

Through continual review of Co-op crime data, regrettably, we continue to see unacceptable levels of retail crime – including shoplifting, anti-social behaviour, and assaults. Now in 2024 and when compared to 2022, retail crime at Co-op has increased by a staggering 41%, anti-social behaviour by 36% and assaults by 23%. In all, Co-op sees 1,000 incidents per day occurring across our 2,400 stores nationwide. However, our efforts operationally, alongside our campaigning activity, see the Co-op under-index on crime compared to the wider sector. In the Association of Convenience Stores Crime Survey 2024, Co-op accounted for 29% of stores in the sample but only 6% of the crimes reported, while in the British Retail Consortium's Crime Report 2024 the Co-op accounted for 8% of stores but only 2% of the crimes reported.

The Co-op led the way to securing a response from police in October 2023, when the then National Police Chief's Council published the Retail Crime Action Plan. As a result, we have seen a significantly improved response rate from the police, including a trebling of attendance levels when offenders have been detained in stores by our tactical guarding teams.

Following this, our Co-op welcomed commitments from Government and was proud to hear of new legislation outlined in the King's Speech on 17 July 2024 by means of a standalone offence, protecting shopworkers in England and Wales, much the same as in Scotland. Furthermore, the 2024 Autumn Budget in October saw the Chancellor of the

Exchequer commit to repealing Section 176 of the Anti-Social Behaviour, Crime & Policing Act 2014.

Our Co-op continues to raise awareness through support of Respect for Shopworkers Week. In November 2024, we once again supported USDAW's Freedom From Fear campaign. Co-op extended over 50 invites to Members of Parliament, presenting them with an opportunity to visit stores and discuss further the impact retail crime has on our colleagues – this resulted in many of those invited taking advantage of the opportunity.

Looking ahead to 2025, Co-op will continue to actively lobby police and Government on this agenda, seeking to ensure that their commitments to tackle retail crime are delivered.



## OUR PEOPLE DATA

Key Performance data icons

Target Achieved

On Track

Close to Target

Behind Schedule

Target not Achieved

Restatement

In-depth assurance

Issue	2024 Target	Performance against Target	KPIs	2021	2022	2023	2024	2025 Target	SDGs
Wellbeing		<p>I know how to access Co-op's wellbeing support if needed</p> <p>Question amended in 2023 Talkback survey. Previous question was "The Co-op provides me with resources to help me manage my wellbeing".</p> <p>Cases covered through colleague assistance programme</p> <p>Absence rate (%)</p> <p>Financial support given to colleagues via Wagestream (£m)</p> <p>Number of colleagues saving with Wagestream</p> <p>Number of GP appointments provided by our Virtual GP Service</p>	73%	70%	82%	81%			
			1,368	1,336	2,264	2,116			
			4.4	4.9	4.5	4.6			
			4.7	12.37	19.6	20			
				4,227	5,020	4,772			
			658	1,200	1,481	1,418			
Engagement & Recognition	<p>We aim to achieve a colleague engagement index score of 74%, as measured through our colleague survey</p> <p>In 2024, our colleague engagement score was 73%</p>	<p>Overall engagement score (%)</p> <p>Manager Index</p> <p>In 2024 we changed our leadership KPI to our manager index, measured through our Talkback survey - it comprises of four questions: "My manager listens to me and provides support", "My manager gives feedback to improve my performance", "My manager role-models the Co-op's Ways of Being", and "My manager treats colleagues fairly".</p> <p>Total colleague headcount at year end</p> <p>Total voluntary turnover (%)</p>	72	68	72	73			
						81%			
			60,232	57,219	56,071	53,785			
			25	30	25	20			



## OUR PEOPLE DATA

Key Performance data icons

Target Achieved

On Track

Close to Target

Behind Schedule

Target not Achieved

Restatement

In-depth assurance

Issue	2024 Target	Performance against Target	KPIs	2021	2022	2023	2024	2025 Target	SDGs
Apprenticeships			Apprentice starts	278	320	325	469		4 QUALITY EDUCATION 
			Total apprentices on programme (at end of year)	472	473	426	614		
			% apprentices male and female	46 male 54 female	43 male 57 female	42 male 58 female	43 male 57 female		
			Funeralcare: Number of apprentices	91	146	134	175		
			Support Centre: Number of apprentices	100	66	89	147		
			Food: Number of apprentices	246	183	148	219		
			Logistics: Number of apprentices	26	64	40	52		
			Legal Services: Number of apprentices	9	14	15	18		
Pension scheme			Insurance	N/A	N/A	N/A	3		
			No. of pensioners	44,000	41,500	41,500	42,000		
			No. deferred pensioners	64,500	72,000	72,000	76,000		
Speak Up			% colleagues in a pension scheme	72	71	70	72		
			Whistleblowing reports through Speak Up	265	297	273	319		
			Number of whistleblowing reports made direct to Co-op colleagues	32	37	39	44		

## OUR PEOPLE DATA

Key Performance data icons

 Target Achieved

 On Track

 Close to Target

 Behind Schedule

 Target not Achieved

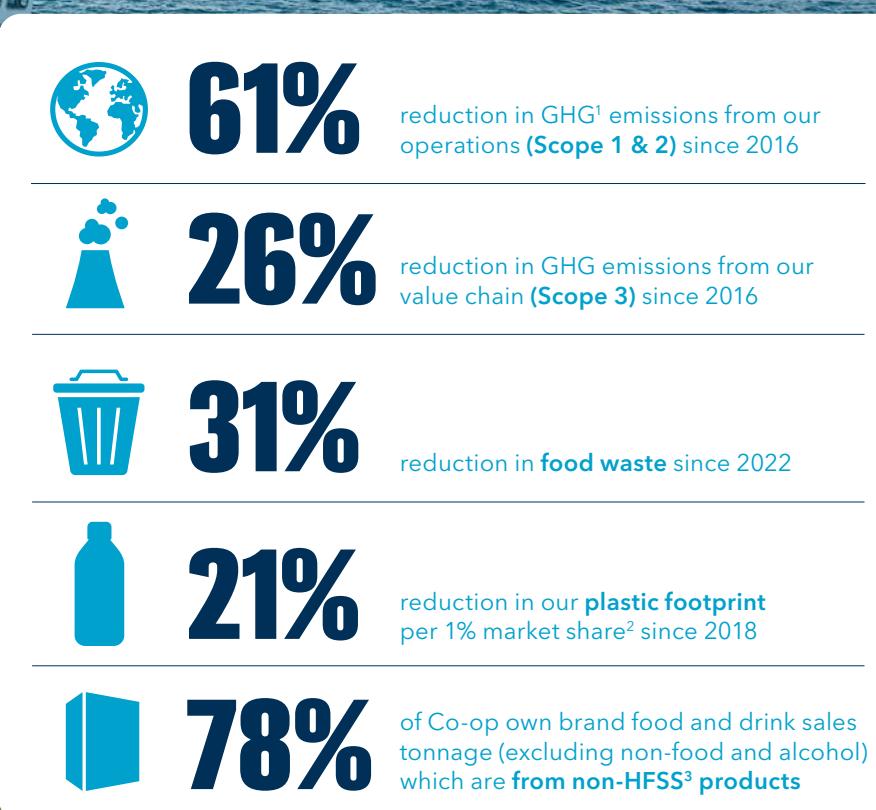
 Restatement

 In-depth assurance

Issue	2024 Target	Performance against Target	KPIs	2021	2022	2023	2024	2025 Target	SDGs
Health and Safety			Reportable accidents (colleagues total)	250	203	210	176		
			Reportable customer accidents	18	14	23	17		
			Non-reportable customer accidents	1,709	1,481	1,716	1,302		
			Non-reportable accidents (colleagues total)	5,718	5,157	4,537	4,068		
			Reportable accidents (per 100,000 colleagues)	415	355	375	324		
			Non-reportable accidents (per 100,000 colleagues)	5,012	9,014	8,097	7,260		

# PLANET

- CLIMATE CHANGE
- RESOURCE USE
- HEALTHIER, MORE SUSTAINABLE DIETS



<sup>1</sup> Greenhouse gas  
<sup>2</sup> Kantar Total Till Roll market share  
<sup>3</sup> HFSS is a shortened term for food and beverage products which are high in fat, salt, and sugar, as defined by the OFCOM nutrient profiling model 2004-5

# CLIMATE CHANGE



Our member-owners have called for us to act on climate change. We're running out of time to limit the worst impacts of global warming. We need a radically lower carbon world, and we can't achieve it alone.

Over the last two decades, we've campaigned for climate action. We've reduced our reliance on fossil fuels, removed damaging fridge gases and slashed the carbon emissions of our buildings and vehicles, but it's clear we need to think bigger.

We need more sector co-operation, to work together to achieve our common goal. That's why, in 2024, we've worked with charities, academics, Government, fellow co-operatives, our retail competitors, and our suppliers to work towards our climate ambitions.

## CO-OP'S CLIMATE ACTION MILESTONES

2006	2007	2009	2012	2013	2019	2021	2023	2024
<b>SET OUR FIRST LONG-TERM CLIMATE TARGET</b> to halve our carbon emissions (from operations) by 2020	<b>CAMPAIGNED FOR THE CLIMATE CHANGE ACT</b> with 20,000 members and a national advertising campaign	<b>MARCHED ON PARLIAMENT FOR CLIMATE ACTION</b> with 2,500 Co-op members and their families	<b>LOBBIED FOR A HALT ON FRACKING</b> and more support for community energy	<b>CAMPAIGNED FOR COMMUNITY ENERGY</b> with 58,000 Co-op members helping lobby for a new government strategy	<b>SET OUR SECOND CLIMATE TARGET</b> after hitting our first target early, to cover our whole supply chain	<b>LAUNCHED CARBON INNOVATION FUND</b> with Co-op Foundation, supporting innovations in low carbon food supply	<b>JOINED FORCES FOR NATURE</b> with RSPB, funding the restoration and protection of damaged UK peatlands	<b>ACCELERATED OUR VALUE CHAIN AND OPERATIONS TARGETS</b> aligned to the latest SBT <sup>1</sup> guidance

## KEY TERMS

**Carbon (emissions):** Our total greenhouse gas emissions expressed as their 'carbon dioxide equivalent (CO<sub>2</sub>e)'. This includes all greenhouse gases, not just carbon.

**Science-based targets:** Targets to reduce carbon fast enough to limit global warming, providing everyone follows the target. A 1.5°C-aligned target reduces carbon fast enough to limit global warming to no more than 1.5°C, enough to avoid many of the worst impacts.

**Net Zero:** Reducing emissions to below a defined threshold which can then be absorbed<sup>1</sup>. This is different to carbon neutrality which does not require any carbon reduction or permanent removal.

**Value chain:** All the steps involved in making the products we sell or delivering services, often split into upstream (happens before our business) and downstream (happens after our business). It covers things that are part of our responsibility and impact, but aren't under our control, as distinguished from our operations.



As we approach 20 years of climate action, three principles continue to guide our response:

1

### FOLLOW THE SCIENCE

We follow the science in our target setting and decision making. Above all else we must rapidly reduce the carbon we put into the air.

2

### FAIR AND JUST

We work for a fair and just transition for people and planet. Solving the climate crisis can't come at the expense of those who can least afford it.

3

### DRIVE SYSTEMS CHANGE

We co-operate to drive systems change because we are stronger and more effective when we work with others.

The vast majority of our carbon emissions are in the production of the products we sell (our value chain), but we have the greatest control and responsibility for the emissions from running our co-operative (our operations).

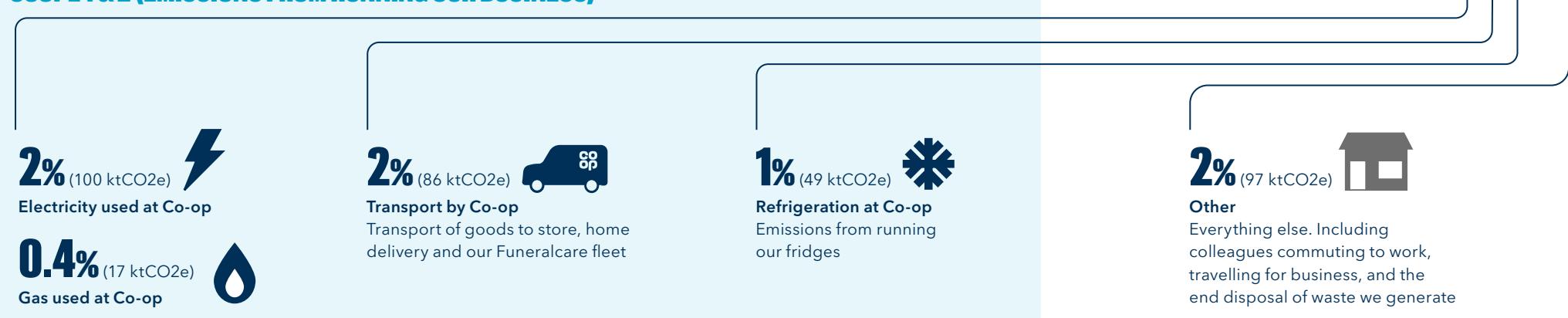
<sup>1</sup> We follow the SBTi definition, meaning reducing energy and industry emissions by 90%, and forestry, land use and agriculture emissions by 72%, with the remaining emissions balanced by permanent stores of carbon such as forestry or carbon capture.

# CO-OP'S CARBON FOOTPRINT 2024 (kt CO<sub>2</sub>e)

## SCOPE 3 (EMISSIONS FROM OUR VALUE CHAIN)



## SCOPE 1 & 2 (EMISSIONS FROM RUNNING OUR BUSINESS)



This breakdown shows emissions within the scope of our near-term target boundary. Our total footprint also includes a number of smaller categories of GHG emissions excluded from our near-term targets as per SBTi guidance, detailed on page 54. The percentages have been rounded to the nearest whole number.

# PRINCIPLE 1. FOLLOW THE SCIENCE, RAPIDLY REDUCE CARBON EMISSIONS

Globally, we're out of balance with the natural limits of our planet. The science is clear, the only answer is to reduce carbon emissions everywhere, and fast.

Our long-term goal is to reach **Net Zero** emissions across our full value chain by 2040, and for our own operations by 2035. Our near-term targets are to reduce carbon emissions quickly enough to remain consistent with the 1.5°C ambition of global climate agreements.

This year, we became one of the first UK convenience retailers to have our near-term and long-term climate targets validated by the Science Based Targets Initiative.

## CARBON REDUCTION TARGETS<sup>2</sup>



### Long-term target

We will be a Net Zero business by 2035 for our operations (Scope 1 and 2) and by 2040 across our value chain (Scope 3)



### Near-term targets

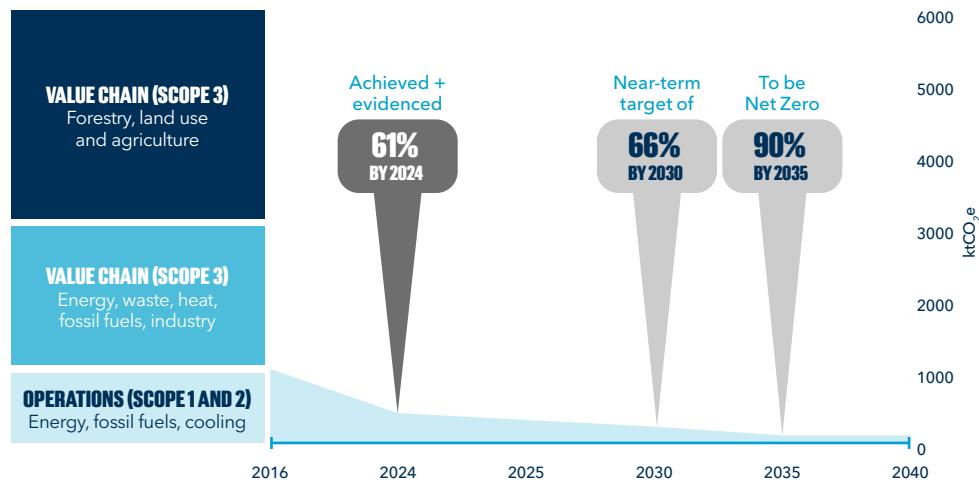
We commit to reduce absolute Scope 1 and 2 emissions by **66%** by 2030, from a 2016 base year.



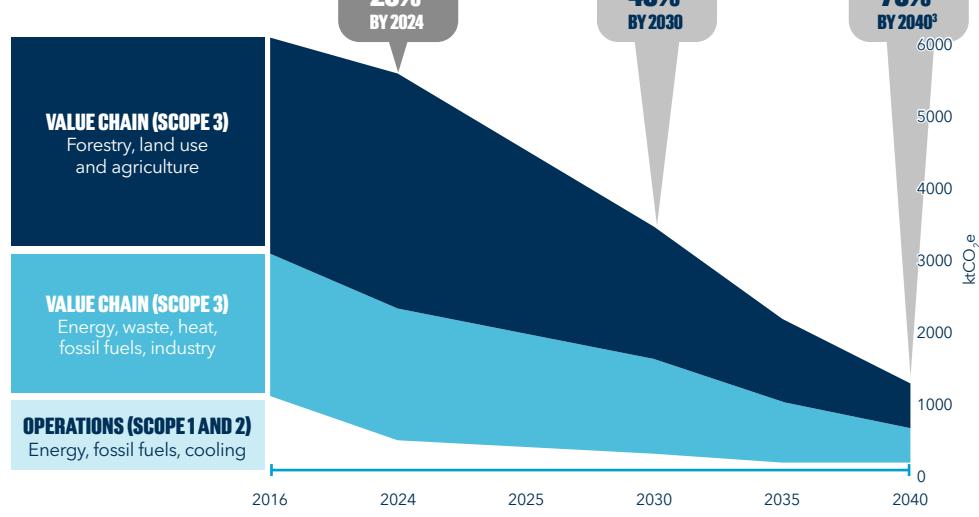
We commit to reduce absolute Scope 3 emissions by **48%** by 2030, from a 2016 base year.

The rest of this section sets out what we're doing to meet these targets, for both our own operations and our wider value chain.

## CO-OP OPERATIONS (SCOPE 1 AND 2)



## VALUE CHAIN (SCOPE 3)



<sup>2</sup> Following the latest best practice guidance of the **Science Based Targets Initiative**, we have set detailed target pathways which break down our 'energy and industry' and 'forestry, land use and agriculture' emissions and our pathway to reach Net Zero. These are set out in detail in our performance data.

<sup>3</sup> This equates to a 90% reduction in Scope 1, 2 and 3 energy & industrial emissions and a 72% reduction in FLAG emissions. See full target detail in the Data Tables at the end of this section.

## HOW WE'RE REDUCING CARBON EMISSIONS – SCOPE 1 & 2

In 2024, the carbon emissions from running our business continued to reduce by a further 4% compared to 2023. This means that we have now reduced our Scope 1 & 2 emissions by 61% since 2016.

## 61% reduction

Near-term target: 66% reduction by 2030.  
2024 Achieved: 61% reduction

### HOW WE'RE REDUCING OUR ENERGY USE



We continue to invest in energy efficient lighting, upgrading old lighting to LED with smart controls



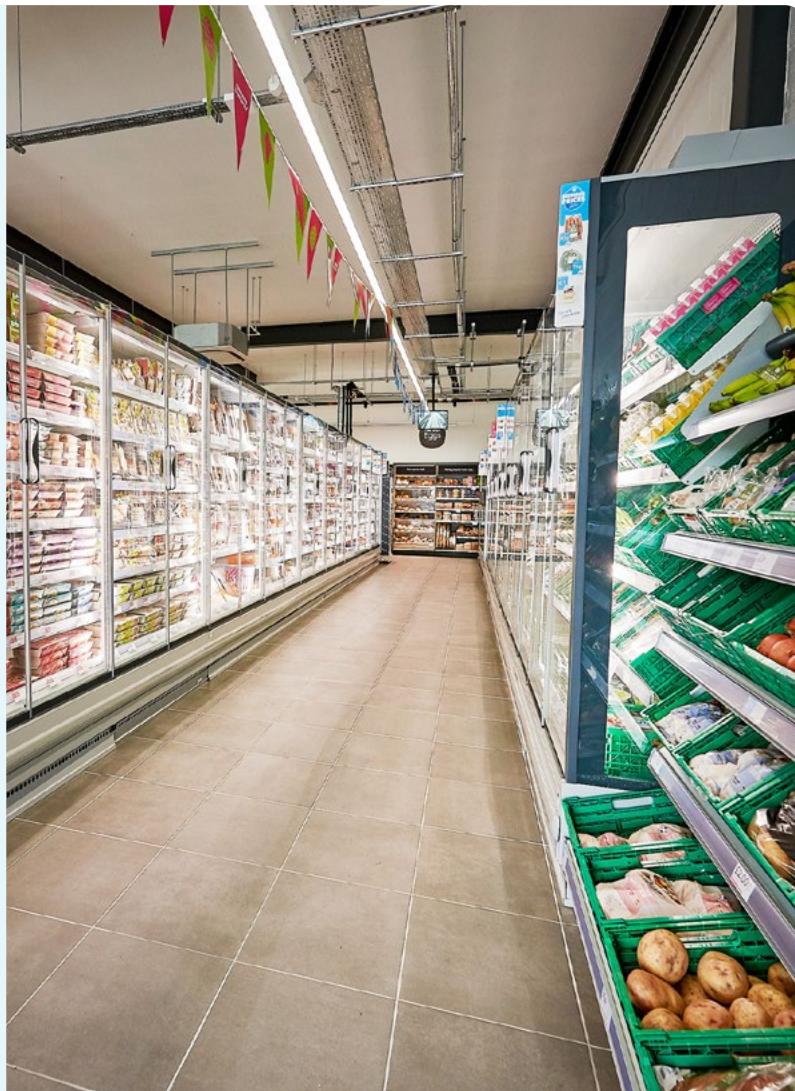
We have installed over 14,000 fridge doors<sup>1</sup>, reducing energy consumption



We are upgrading the scope and capability of our energy management control systems within our stores to optimise how our equipment operates



We completed over 900 energy audits in 2024 to identify new, innovative ways of saving energy



### REDUCING OUR ENERGY USE

In 2024, we have reduced our electricity consumption by 4% and our gas consumption by 1% through a combination of refits, low-capital projects, and 'invest to save' measures such as fridge doors, enhancing our asset-control capability, LED lighting, and wider efficiency campaigns. We have invested £6.9 million and implemented over 5,000 energy-reduction initiatives throughout 2024, which equates to a reduction in emissions of c5,000 tCO<sub>2</sub>e. Through our extensive energy auditing programme, we have continued to identify more opportunities, completing over 900 energy audits across the estate in 2024. We have continued to improve our insights into our energy consumption through investments in our infrastructure and submetering of assets.

### GENERATING AND SOURCING RENEWABLE ENERGY

We have announced our partnership with a solar developer to install solar panels on up to 700 sites across our estate, increasing our renewable energy supply and alleviating pressure on the wider national grid. We aim to deliver 30,000 MWh of generation through this, which is the equivalent of 11,111 homes. We have also continued to source corporate Power Purchase Agreements, increasing the overall renewable capacity in the UK market as well as our own green energy.

## PHASING IN LOW-IMPACT REFRIGERANTS

In 2024, we have continued to invest in phasing in low-impact refrigerants, and by the end of 2024, 21.9% of our food estate was using natural refrigerants. This proactive investment has enabled us to reduce the amount of HFC<sup>2</sup> refrigerants in our estate, contributing to a reduction of 73% in refrigerant emissions since 2016.

## REDUCING OUR TRANSPORT FUEL USE

In 2024, we have reduced emissions from our logistics fleet by 4%<sup>3</sup> compared to 2023. We've continued to make improvements to our logistics routing, scheduling, and vehicle fill and we monitor and report on vehicle fridge plug-in compliance. We've also moved store deliveries between depots in our network to reduce kilometres, and in 2024, we conducted a series of trials to test and learn about alternative fuel solutions to assist our planning for the decarbonisation of our logistics fleet.

In 2024, we have right-sized our fleet of vehicles used for home deliveries, substantially reducing the number of diesel vans in our home delivery fleet. 44% of our home delivery stores now have an electric van. We've also introduced a further 33 electric hearses, 31 electric limousines and 33 electric ambulances into our Funeralcare fleet.



## AWARDS & RECOGNITION: DECARBONISING CO-OP OPERATIONS



In 2024, we won 3 industry awards for our work on energy efficiency and natural refrigerants:

- We won the Energy Managers Association's Energy Management Awards for 'ESOS Assessment 2024' for our approach to meeting our regulatory obligations under the Energy Savings Opportunities Scheme (ESOS) using our internal teams to undertake site audits, enhancing our insights on energy use.
- We won two awards in the RAC<sup>1</sup> Cooling Industry Awards for 'Environmental Collaboration of the Year (Commercial or Domestic Project)' and for 'Retail Project of the Year', for working closely with nearly 50 people from 8 companies to collaboratively design a new equipment solution for low-carbon heating and cooling for convenience food retail. See case study, overleaf.

We've been shortlisted for two other awards for 2025 for this collaborative work:

- Chartered Institution of Building Services Engineers (CIBSE) Building Performance Awards - Client of the Year 2025
- Retail Week 2025 - Green Initiative of the Year Award

We were also invited to speak at the ATMOSPHERE conference in Prague in November about our leaps forward in this space.

To achieve our collective goal of limiting global warming, we must continue to collaborate, learn from others, and share our journey and innovations.

<sup>1</sup> Refrigeration Air Conditioning

<sup>2</sup> Hydrofluorocarbon

<sup>3</sup> Calculated on a like for like basis

# CASE STUDY



## Sustainability Showcase: Low-Carbon Heating & Cooling - Bramhope, Leeds

Continually improving energy efficiency, and phasing out HFC<sup>1</sup> refrigerants and fossil fuels are some of our top priorities on our journey to Net Zero operations, and our low-carbon heating and cooling system at our Co-op Food store in Bramhope has gained national interest from retail peers and the refrigeration industry.

In 2024, we worked with supply-chain partners to complete the design of a **new low-carbon heating and cooling system for convenience food retail**, which we installed at our Co-op Food store in Bramhope (Leeds) in May.

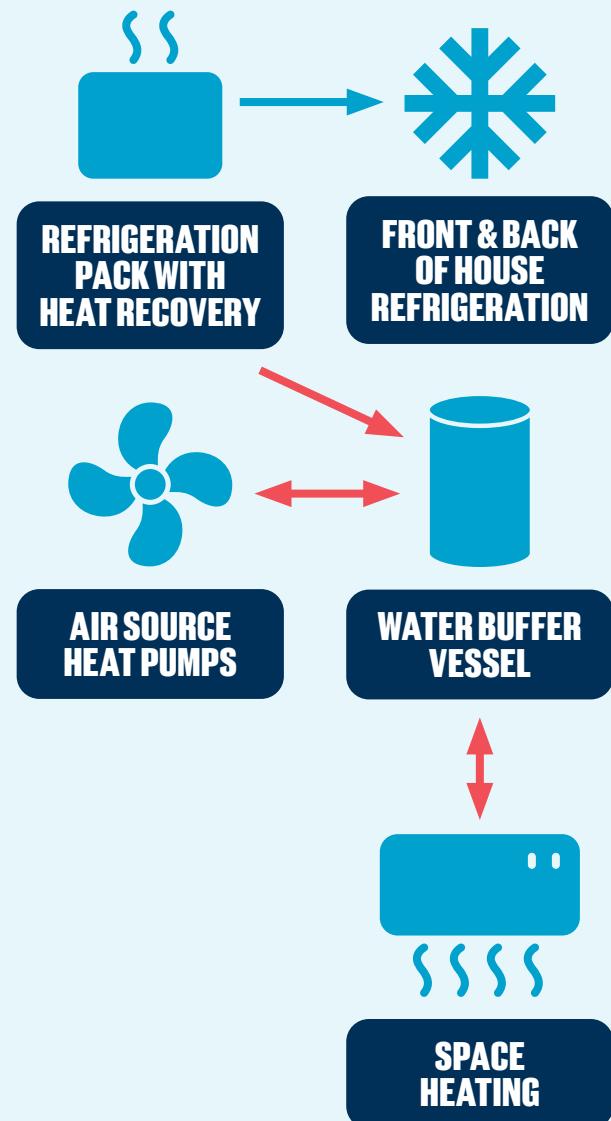
We have hosted our retail peers and supply-chain partners on site, and we have attended industry events to **showcase how the power of**

co-operation can help us all to innovate on our collective journey to Net Zero.

The final design is **modular, significantly smaller**, and has a **wider refrigeration capacity** than the current Co-op store specification. **It uses only natural refrigerants** and includes **heat recovery and reuse** via a water circuit, with heat storage in a buffer vessel, to provide store heating. **Heat pumps** are also installed to 'top up' the heat if needed, or to provide cooling in warmer weather.

This new low-carbon heating and cooling system is being monitored to help us understand how it performs through different seasons, **and initial data indicates energy savings of around 37%** compared to a typical new Co-op Food store.

Low carbon refrigeration, store heating, and store cooling system



## HOW WE'RE REDUCING CARBON EMISSIONS – SCOPE 3

# 26% reduction

Value chain and product (Scope 3) emissions since 2016

Near-term target: 48% reduction by 2030

2024 Achieved: 26% reduction

Our Scope 3 emissions represent over 90% of our total carbon footprint, and the vast proportion of these emissions are linked to producing the products we sell. This makes reducing the carbon footprint of our value chain and products our biggest opportunity for climate impact. There are three main actions we've taken in 2024:

- Aligned with UK retailers on product carbon footprinting
- Scaled up our supplier engagement
- Reduced the carbon footprint of our key ingredients

## ALIGNING ON PRODUCT CARBON FOOTPRINTING

### Understanding Product Emissions

Calculating the emissions linked to the products we sell is incredibly complex. This process, known as product carbon footprinting, helps us see the true environmental impact of what we sell and where we need to act to make meaningful, sustainable changes. It's been a long process to get data that's both reliable and comparable.

This year, we have supported the [BRCA/Mondra coalition](#) to launch Mondra as a software tool built for the food industry. It pulls together lots of data sources to give suppliers a clear view of the emissions tied to their products. The best bit? It's being adopted industry-wide, so retailers and suppliers can work with consistent, aligned data, covering everything from farm, transport, and the finished product.

### Measuring Our Carbon Footprint

We stick to the rules when measuring our carbon footprint, following guidance from the GHG Protocol and WRAP. This year, we've stepped up our game in improving the quality of our Scope 3 data. Alongside Mondra, we've dived deeper into how we measure packaging emissions, giving us a sharper focus on the areas that matter most.

Better data comes with some adjustments. Our baseline emissions for previous years have been updated and are restated [here](#). We estimate we've cut our targeted Scope 3 emissions by another 2% in 2024, equating to a total reduction of 26% since 2016. This reflects a mix of market changes such as shifts in the types of products we sold in 2024, and proactive steps by Co-op and our suppliers to cut carbon.

### Tracking Scope 3 Emissions

As the science behind carbon accounting evolves, it's likely we'll need to update and recalculate our total Scope 3 emissions estimates every year. But we've built a solid system to track how these emissions change over time. Crucially, we're not doing this alone. We're working with others in the industry to ensure our approach is both consistent and transparent (see [Principle 3](#)).



## TARGETS AND PROGRESS

### Supplier engagement on climate change



**Previous target:** By the end of 2024, 50% of our carbon emissions from Purchased Goods and Services will be from suppliers with validated science-based targets.



**Achieved:** By the end of 2024, 48% of our carbon emissions from Purchased Goods and Services are from suppliers with validated science-based targets.



**New target:** By the end of 2025, more than two thirds (67%) of our carbon emissions from Purchased Goods and Services will be from suppliers with validated science-based targets.

### Supplier Engagement

In 2024, we worked closely with over 40 suppliers that have the biggest impact on Co-op's carbon footprint on climate-related topics. We now track progress among our top 200 suppliers in setting science-based carbon reduction targets. This year, 48% of these suppliers have validated near-term targets (2023: 36%). By collaborating with suppliers, we're sharing best practice and identifying projects to speed up decarbonisation.

We've also refined our sustainability guidelines for suppliers, making Co-op's commitments, priorities, and expectations clear. Due to our clear guidance, our commercial teams are including sustainability into more decisions.

## CASE STUDY



### Engaging with suppliers to help us reach our climate reduction targets.

The delivery of sustainability benefits through Value Chain initiatives has been and continues to be a key part of achieving our carbon reduction and sustainability commitments within our supply chains. Our initiative to move beef mince from rigid plastic packaging to 'Vac Pac' extended the shelf life of the product from eight days to 15 days, generating a waste saving of £1.2m.

It also reduced the amount of plastic in the product by ~60% - equivalent to 146 tonnes of plastic removed per year, or around 462 tonnes of CO2e.

In 2024, we have removed a total of 458 tonnes of packaging, which equates to around 1,336 tonnes of CO2e.

In 2024, we built more sustainability targets into supplier contracts and scored more product categories on climate performance during tender reviews.

With our finance teams, we have been building climate change and decarbonisation into our wider commercial goals. We have relaunched our sustainability-linked loan, tying our access to lower-cost finance and business lending to achieving specific sustainability objectives.

## REDUCING THE CARBON FOOTPRINT OF KEY INGREDIENTS

Our largest category of product emissions is meat and dairy production. Animal products are generally higher in carbon compared to plant-based products, and we sell a considerable amount of these products, especially fresh milk in our convenience stores.

We're especially focused on reducing the carbon intensity of beef and dairy supply chains. Read more about our commitment to support British farmers, what that means in practice, and how we work together [here](#).

## PRINCIPLE 2. WORK FOR A FAIR AND JUST TRANSITION, ADAPT TO A CHANGING CLIMATE

We work towards adapting to both the changing climate and the societal changes required to rapidly reduce carbon emissions in a way that is fair to all people. Our approach is split into two parts:

- **Understanding risk:** Ensuring we understand the scale of change that is coming, including the growing risk to our business and the people who produce and supply our products and services.
- **Acting now:** Ensuring that we act as an ethical and fair-trading partner to the people we source from and to support their adaptations to climate impacts.

### UNDERSTANDING CLIMATE RISK

We are committed to complying with the UK Government's mandate to share the Climate-Related Financial Disclosures (CRFD) Regulations 2022, which are TCFD-aligned climate disclosures.

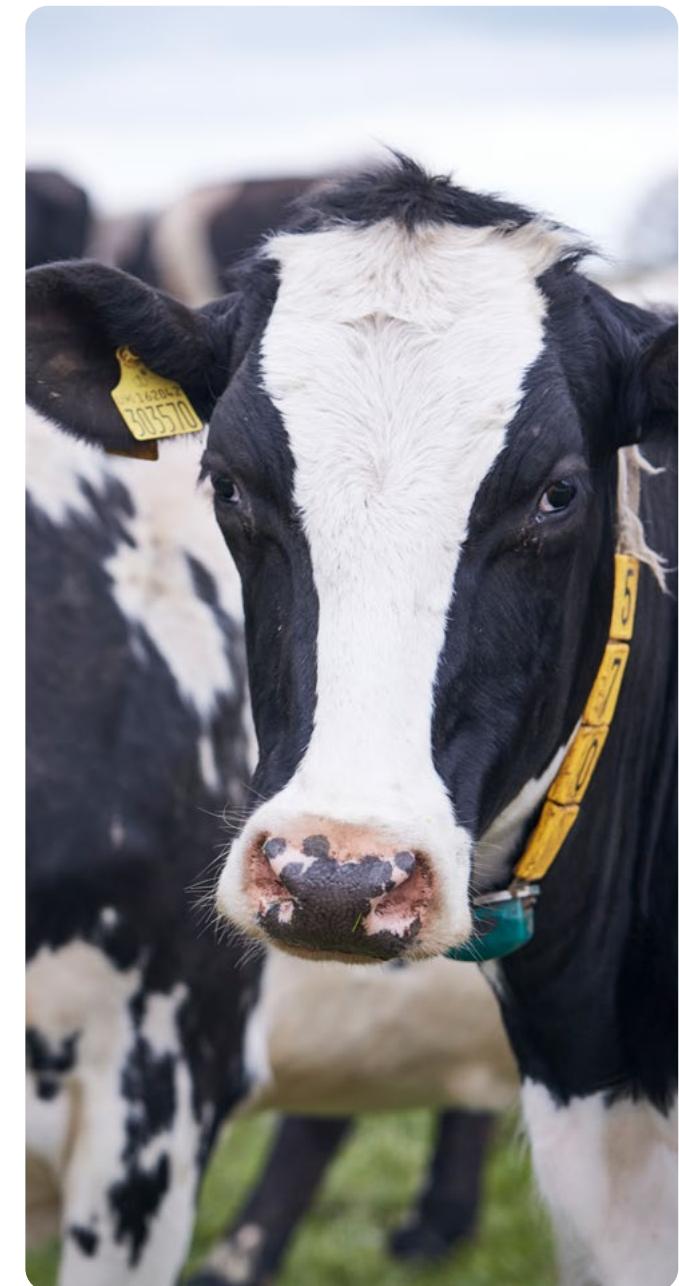
We publish a detailed climate risk disclosure report each year which you can read [here](#).

### ACTING NOW: SUPPORTING CLIMATE ADAPTATION

A key principle of climate justice is that people in low-income countries, who have done the least to cause climate change, should not unfairly bear the largest burden.

Climate change is making growing conditions more volatile, affecting food production and, in turn, livelihoods and lives. Farmers and workers who produce our products are being impacted by extreme weather events and a changing climate as a result of the climate crisis.

Our aim is to support our producers to adapt to climate change, through diversifying income, growing resilient crop varieties, and adopting new practices like shade planting. This year, we've highlighted this through our [Fairtrade](#) products.



## CASE STUDY



### Using our branding to raise awareness of climate impacts for producers.

With 2024 marking 30 years of Co-op pioneering Fairtrade, we rebranded over 30 of our popular Fairtrade products. The new packaging features bold messages to illustrate the impact of choosing Fairtrade.

Millions of farmers and workers are facing the impacts of climate change and extreme weather and, through Fairtrade, we're supporting producers in our supply chain to become more resilient and adapt.

The new packaging raises awareness of the reality of climate change with our customers and members, while explaining how buying Fairtrade helps producers.

We are seeing an increasing need to support our producers against the impacts of climate change across our supply chains. Through our work with the Food Network for Ethical Trade (FNET),

alongside other retailers and suppliers, we've produced new resources and support to address climate change issues including heat stress.

## CASE STUDY



### The Impact of Climate Change on Human Rights

Co-op, as a founding member, has actively participated in the Ethical Trade Initiative (ETI) Just Transitions Working Group. We have supported the development of resources for members that explain how extreme heat increases risks for workers and provide expectations and recommendations for companies and suppliers.

Additionally, through our participation in the Food Network for Ethical Trade (FNET) Human Rights & Climate Working Group, which aims to enhance members' understanding of climate change impacts through a human rights perspective, we have contributed to the development of practical resources to integrate climate and environmental factors into human rights due diligence (HRDD) programmes, along with an associated risk assessment tool.

# CROSS INDUSTRY COLLABORATION

## PRINCIPLE 3. CO-OPERATE FOR SYSTEMS CHANGE, WORK TOGETHER ACROSS SOCIETY

We can't solve the global climate crisis alone, we need co-operation. In 2024, we have collaborated across our sector and wider society.

### POLITICAL ENGAGEMENT AND LEADERSHIP

Co-op is a campaigning organisation, and last summer our members joined Fairtrade's call for MPs to stand with farmers pushed to the brink by unfair trade and the climate crisis. Our CEO Shirine remains co-chair of the UK Government's Net Zero Council, uniting ministers, business and finance leaders to accelerate the transition to Net Zero, and we publish our public policy engagement in detail on page 110.



### CO-OPERATION WITH OUR PEERS

With industry groups and environmental NGOs<sup>1</sup>, we've been addressing key challenges in the food system's transition to Net Zero. We've supported cross-industry alignment through the IGD<sup>2</sup> Transition Plan for the UK Food System. With the BRC<sup>3</sup>-Mondra coalition, we're now working with retail peers to produce more accurate carbon footprints for food products, consistently and at scale.



### FUNDING CLIMATE ACTION

We've continued to use proceeds from our single-use carrier bag charges to support climate and nature action, including restoring vast swathes of degraded peatland in Mid Wales, Shetland and the Scottish Highlands, supporting local communities to create their own plans for nature through Nature Neighbourhoods and brand new solutions through our Carbon Innovation Fund with Co-op Foundation.



<sup>1</sup> Non-governmental Organisations

<sup>2</sup> Institute of Grocery Distribution

<sup>3</sup> British Retail Consortium

## CLIMATE CHANGE DATA

Key Performance data icons

Target Achieved

On Track

Close to Target

Behind Schedule

Target not Achieved

Restatement

In-depth assurance

Issue	2024 Target	Performance against Target	KPIs	Baseline 2016	2021	2022	2023	2024	2025 Target	SDGs
Direct Emissions (Scope 1 & 2)	<p><b>SBTi-approved science-based target</b></p> <p><b>Near-Term Target:</b> The Co-operative Group commits to reduce absolute Scope 1 and 2 emissions by 66% by 2030 from a 2016 base year.</p> <p><b>Net Zero Target:</b> The Co-operative Group commits to reach Net Zero by 2035 for our own operations. In practice this means a 90% reduction in absolute Scope 1 and 2 emissions by 2035.</p>	<p><b>On Track</b></p> <p>Between 2016 and 2024 we have reduced our absolute Scope 1 &amp; 2 emissions by 61%. We are on track to meet our next target of achieving a 66% reduction in Scope 1 &amp; 2 emissions by 2030.</p>	<p>Scope 1 GHG emissions: Refrigeration (ktCO<sub>2</sub>e)</p> <p>In 2023, the UK had significantly fewer days where peak temperatures were a challenge for our refrigeration assets than in previous years, which contributed to the 25% decrease in refrigerant emissions we reported last year. This year, with peak temperatures at a more normal level, we have not seen a further significant year-on-year decrease in refrigerant emissions compared to 2023. Whilst 2024 only shows a small reduction vs 2023, the overall reduction vs 2022 (a more comparable year for weather) is a significant achievement.</p> <p>Scope 1 GHG emissions: Transport (ktCO<sub>2</sub>e)</p> <p>Scope 1 GHG emissions: Energy: Fuel (ktCO<sub>2</sub>e)</p> <p>Scope 2 GHG emissions: Energy: Electricity, Location-based accounting (ktCO<sub>2</sub>e)</p> <p><b>Total direct emissions from running our business</b></p> <p>location-based accounting: Scope 1 and 2 GHG emissions (ktCO<sub>2</sub>e)</p> <p>Building energy use (GWh)</p> <p>Total energy use including transport fuel (GWh)</p> <p>% of electricity from renewable sources</p> <p>Scope 2 GHG emissions accounting for renewables: Energy: Electricity, Market-based accounting (ktCO<sub>2</sub>e)</p>	181	73	66	50	49 <span style="color: green;">A</span>	<p><b>SBTi-approved science-based target</b></p> <p><b>Near-Term Target:</b> The Co-operative Group commits to reduce absolute Scope 1 and 2 emissions by 66% by 2030 from a 2016 base year.</p> <p><b>Net Zero Target:</b> The Co-operative Group commits to reach Net Zero by 2035 for our own operations. In practice this means a 90% reduction in absolute Scope 1 and 2 emissions by 2035.</p>	  

<sup>1</sup> You can read more about how we're generating and sourcing renewable energy [here](#)

## CLIMATE CHANGE DATA

Key Performance data icons

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Target not Achieved

Restatement

In-depth assurance

Issue	2024 Target	Performance against Target	KPIs	Baseline 2016 ktCO <sub>2</sub> e	2024 ktCO <sub>2</sub> e	2025 Target	SDGs																																											
Indirect Emissions (Scope 3)	<p><b>SBTi-approved science-based targets<sup>1</sup></b></p> <p><b>Near-Term Target:</b> Energy and industrial: The Co-operative Group commits to reduce absolute Scope 3 GHG emissions in the listed categories by 58.8% by 2030 from a 2016 base year. Forests, Land and Agriculture (FLAG): The Co-operative Group commits to reduce absolute Scope 3 FLAG emissions by 42.4% by 2030 from a 2016 base year.</p> <p><b>Long-Term Target:</b> Energy and industrial: The Co-operative Group commits to reduce absolute Scope 3 GHG emissions in the listed categories by 90% by 2040 from a 2016 base year. Forests, Land and Agriculture (FLAG): The Co-operative Group commits to reduce absolute Scope 3 FLAG emissions by 72% by 2040 from a 2016 base year.</p> <p><b>Overall Net Zero Target:</b> The Co-operative Group commits to reach Net Zero GHG emissions across the value chain by 2040</p>	<p></p> <p>Between 2016 and 2024 we reduced our absolute Scope 3 from the categories included in our near-term science-based target by 26%.</p>	<p>To ensure the accuracy and consistency of our GHG emissions reporting over time, we have rebaselined our scope 3 reporting for 2024. For more details on our methodology, please read our Basis of Reporting document <a href="#">here</a></p> <p><b>Scope 3 emissions categories included in near-term science-based targets</b></p> <table> <tbody> <tr> <td>Category 1 - Purchased Goods &amp; Services - Goods for Resale - Ingredients<sup>2</sup></td> <td>3,284</td> <td>2,540</td> </tr> <tr> <td>Category 1 - Purchased Goods &amp; Services - Goods for Resale - Land use change<sup>1</sup></td> <td>470</td> <td>333</td> </tr> <tr> <td>Category 1 - Purchased Goods &amp; Services - Goods for Resale - Ingredients transport</td> <td>150</td> <td>95</td> </tr> <tr> <td>Category 1 - Purchased Goods &amp; Services - Goods for Resale - Manufacturing</td> <td>780</td> <td>461</td> </tr> <tr> <td>Category 1 - Purchased Goods &amp; Services - Goods for Resale - Packaging</td> <td>635</td> <td>532</td> </tr> <tr> <td>Category 1 - Purchased Goods &amp; Services - Cremation</td> <td>12</td> <td>12</td> </tr> <tr> <td>Category 1 - Purchased Goods &amp; Services - Goods and Services not for Resale</td> <td>220</td> <td>147</td> </tr> <tr> <td>Category 3 - Fuel and Energy-Related Activities</td> <td>75</td> <td>47</td> </tr> <tr> <td>Category 4 - Upstream transportation and distribution</td> <td>165</td> <td>117</td> </tr> <tr> <td>Category 5 - Waste generated in operations</td> <td>2</td> <td>1</td> </tr> <tr> <td>Category 6 - Business travel</td> <td>5</td> <td>3</td> </tr> <tr> <td>Category 12 - End-of-life - Customer food waste disposal</td> <td>35</td> <td>40</td> </tr> <tr> <td>Category 12 - End-of-life - Customer packaging waste disposal</td> <td>6</td> <td>7</td> </tr> <tr> <td><b>Total Scope 3 emissions in near-term science-based target scope (ktCO<sub>2</sub>e)</b></td> <td><b>5,839</b></td> <td><b>4,333</b></td> <td></td> </tr> </tbody> </table>	Category 1 - Purchased Goods & Services - Goods for Resale - Ingredients <sup>2</sup>	3,284	2,540	Category 1 - Purchased Goods & Services - Goods for Resale - Land use change <sup>1</sup>	470	333	Category 1 - Purchased Goods & Services - Goods for Resale - Ingredients transport	150	95	Category 1 - Purchased Goods & Services - Goods for Resale - Manufacturing	780	461	Category 1 - Purchased Goods & Services - Goods for Resale - Packaging	635	532	Category 1 - Purchased Goods & Services - Cremation	12	12	Category 1 - Purchased Goods & Services - Goods and Services not for Resale	220	147	Category 3 - Fuel and Energy-Related Activities	75	47	Category 4 - Upstream transportation and distribution	165	117	Category 5 - Waste generated in operations	2	1	Category 6 - Business travel	5	3	Category 12 - End-of-life - Customer food waste disposal	35	40	Category 12 - End-of-life - Customer packaging waste disposal	6	7	<b>Total Scope 3 emissions in near-term science-based target scope (ktCO<sub>2</sub>e)</b>	<b>5,839</b>	<b>4,333</b>				<p><b>SBTi-approved science-based targets<sup>3</sup></b></p> <p><b>Near-Term Target:</b> Energy and industrial: The Co-operative Group commits to reduce absolute Scope 3 GHG emissions in the listed categories by 58.8% by 2030 from a 2016 base year. Forests, Land and Agriculture (FLAG): The Co-operative Group commits to reduce absolute Scope 3 FLAG emissions by 42.4% by 2030 from a 2016 base year.</p> <p><b>Long-Term Target:</b> Energy and industrial: The Co-operative Group commits to reduce absolute Scope 3 GHG emissions in the listed categories by 90% by 2040 from a 2016 base year. Forests, Land and Agriculture (FLAG): The Co-operative Group commits to reduce absolute Scope 3 FLAG emissions by 72% by 2040 from a 2016 base year.</p> <p><b>Overall Net Zero Target:</b> The Co-operative Group commits to reach Net Zero GHG emissions across the value chain by 2040</p>	 
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<sup>2</sup> Includes both FLAG and energy and industrial emissions because of current uncertainties in how these can be separately quantified. We have also only included GHG emissions in our inventory - NOT any form of carbon removals.

<sup>3</sup> Our new science-based target also includes a commitment to no deforestation across primary deforestation-linked commodities with a target date of December 31, 2025.

## CLIMATE CHANGE DATA

Key Performance data icons

Target Achieved

On Track

Close to Target

Behind Schedule

Target not Achieved

Restatement

In-depth assurance

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## CLIMATE CHANGE DATA

Target Achieved

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Target not Achieved

Restatement

In-depth assurance

Key Performance data icons

Issue	2024 Target	Performance against Target	KPIs	Baseline 2023	2024	2025 Target	SDGs
Indirect Emissions (Scope 3)	50% of Category 1 Scope 3 emissions covered by suppliers with validated science-based targets by the end of 2024	<span style="color: red;">✖</span> As of the end of 2024, 48% of Category 1 Scope 3 emissions were covered by suppliers with validated science-based targets.  We remain on track for an increasing percentage of our supply to come from suppliers with aligned climate targets. The slight shortfall to our end-of-year target largely reflects delays in the SBTi validation process for some of our key suppliers.	% of Category 1 Scope 3 emissions covered by suppliers with validated science-based targets <sup>1</sup>		36% <span style="color: blue;">R</span> 48% <span style="color: green;">A</span>	67% of Category 1 Scope 3 emissions covered by suppliers with validated science-based targets by the end of 2025	 

<sup>1</sup> We track the commitment status and progress of our top 200 suppliers by contribution to Category 1 Scope 3 emissions

# CAMPAIGN – CLIMATE JUSTICE

We launched our Climate Justice campaign in 2021 alongside publishing our Climate Plan, recognising that we are in the grip of a climate and nature crisis and throughout 2024 we have continued to campaign for a faster, fairer transition to Net Zero for the sake of both people and planet.



## OWNED BY YOU

Our member-owners drove forward our Climate Justice campaign this year with over 80,000 Join In engagements through the year.

Firstly, in January of this year, around 7,000 members took part in a survey where we shared the findings from our [Gen Z\(ero\): creating a pathway to a greener, fairer future](#), giving us rich insight into what our members understood about climate change, Net Zero and what a just transition means.

Secondly, in June, over 44,000 members took part as we supported the Climate Coalition's Great Big Green Week. We encouraged our members to 'make a swap' during the week, and to engage with their communities about the importance of all playing our part in the transition to Net Zero.

Thirdly, in September, around 31,000 members took part in our Climate Justice campaign activity as we celebrated Fairtrade Fortnight. Members asked their Member of Parliament to sign the Fairtrade Foundation's pledge to bring the voices of farmers and workers in lower-income countries to the table, including in discussions about tackling the climate crisis.

Looking ahead to 2025, and as the impact of more volatile weather patterns as a result of global heating becomes ever clearer, we'll continue to advocate for Climate Justice with three pillars of activity:

- Taking Part: we all have a part to play – every family, community, business and government – in tackling the climate crisis: we need to be working together towards a fairer, greener future
- People & Planet: it cannot be right that those who have contributed the least to the advance of global heating are disproportionately impacted by the worst of its effects
- Renewable Energy: whether for the sake of energy security, economic security or the environment, moving faster to decarbonise the grid should be a top priority

Throughout 2024, Co-operative Group CEO Shirine Khoury-Haq has played an important role as industry co-chair of the Net Zero Council, alongside the Energy Minister. The Net Zero Council was initially convened in 2023 to develop robust sector pathways to Net Zero, review financing challenges and identify the key challenges faced by SMEs.

Looking ahead to 2025, Shirine will resume this role, now alongside the Secretary of State for Energy Security and Net Zero. The Net Zero Council will be reconvened with an expanded remit in advising Government on the development of strategy and policy, progressing work on business sector roadmaps, and in communicating with the public about the part they have to play. We will, nonetheless, continue our Climate justice campaign

alongside this important role, because we're absolutely clear that governments, not only here in the UK but globally, need to step up with much greater urgency in the years to come.



# RESOURCE USE

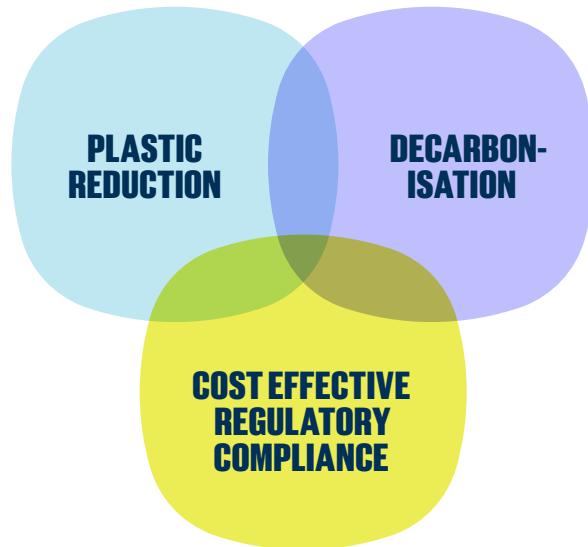
A  
SUSTAINABLE  
FUTURE

EQUAL  
ACCESS

## PLASTICS AND PACKAGING

Plastics and packaging are essential to keep food fresh and avoid waste. But we need to make sure our packaging:

- Is designed to be recyclable at the end of its life.
- Has a minimal impact on the environment.
- Complies with current and emerging regulations in a cost-effective way.
- Is attractive to customers, using innovation where appropriate.



In 2024, we've continued our focus on plastic reduction in line with our goal of a 30% reduction by the end of 2025. To date, we've reduced our plastic footprint by 21% compared to our 2018 baseline year.<sup>1</sup>

<sup>1</sup> To date, we've reduced our plastic footprint by 6,642 tonnes compared to our 2018 baseline year.

As our Kantar market share decreased from 6.1% to 5.4% over the 6 years, this equates to a reduction of 20.8% relative to market share.

<sup>2</sup> Per- and polyfluoroalkyl substances.

## PROJECT TONNES REDUCED

	Switching mushrooms to PET and flow wrap	<b>81</b>
	Switching breaded chicken to card	<b>48</b>
	Ready meal sleeve reduction	<b>46</b>
	Removing lids from humous	<b>46</b>
	Switching soup to cartons	<b>41</b>
	Salmon tray redesign	<b>40</b>
	Rolling out paper banana bands to all lines	<b>38</b>
	Switching cordials to quad strength concentrate	<b>36</b>
	Reduced gauge steak trays	<b>22</b>
	Carrot bag weight reduction	<b>13</b>
	Trial of kitchen roll in a paper wrapper	<b>10</b>
	Unwrapped swedes	<b>5</b>

We've started a programme of supplier assessments to baseline our performance on responsible sourcing of packaging materials, starting with PFAS<sup>2</sup> forever chemicals, nurdle-free supply chains, and sustainably sourced aluminium.

We've developed our carbon accounting methodology by assessing the climate change impacts of packaging at component level and have developed our expertise in this area using Gabi software to complete lifecycle assessments and decide on the right course of action.



## OWNED BY YOU

In support of Recycling Week, over 17,000 members joined in to learn more about the impact of plastic packaging and to help shape how we might tackle the issue in the future.

We've invested in our data systems to ensure we have 100% compliance in submitting data for Extended Producer Responsibility (EPR) ahead of the new legislation coming into force in 2025. We've also joined a working group with other retailers and brands preparing for the [deposit return scheme \(DRS\) for drinks containers](#) by 2027.

We've collected soft plastics across our UK-wide network of 2,300 collection points since 2021. With the lack of a UK recycling solution, we introduced soft plastic collection points in communities to increase recyclability and reduce the volume of soft plastic going to landfill. In 2024, we recycled over 2,000 tonnes of polyethylene. No soft plastics collected by Co-op were exported, sent to landfill, or incinerated without energy recovery. Currently, 5% of the soft plastic we collect is recycled back into thermoforming film, and 62% is upcycled and made into bags and sacks. The remaining 33%, including food waste and cigarette packets, is unrecyclable or contaminated material and is burnt for energy recovery.

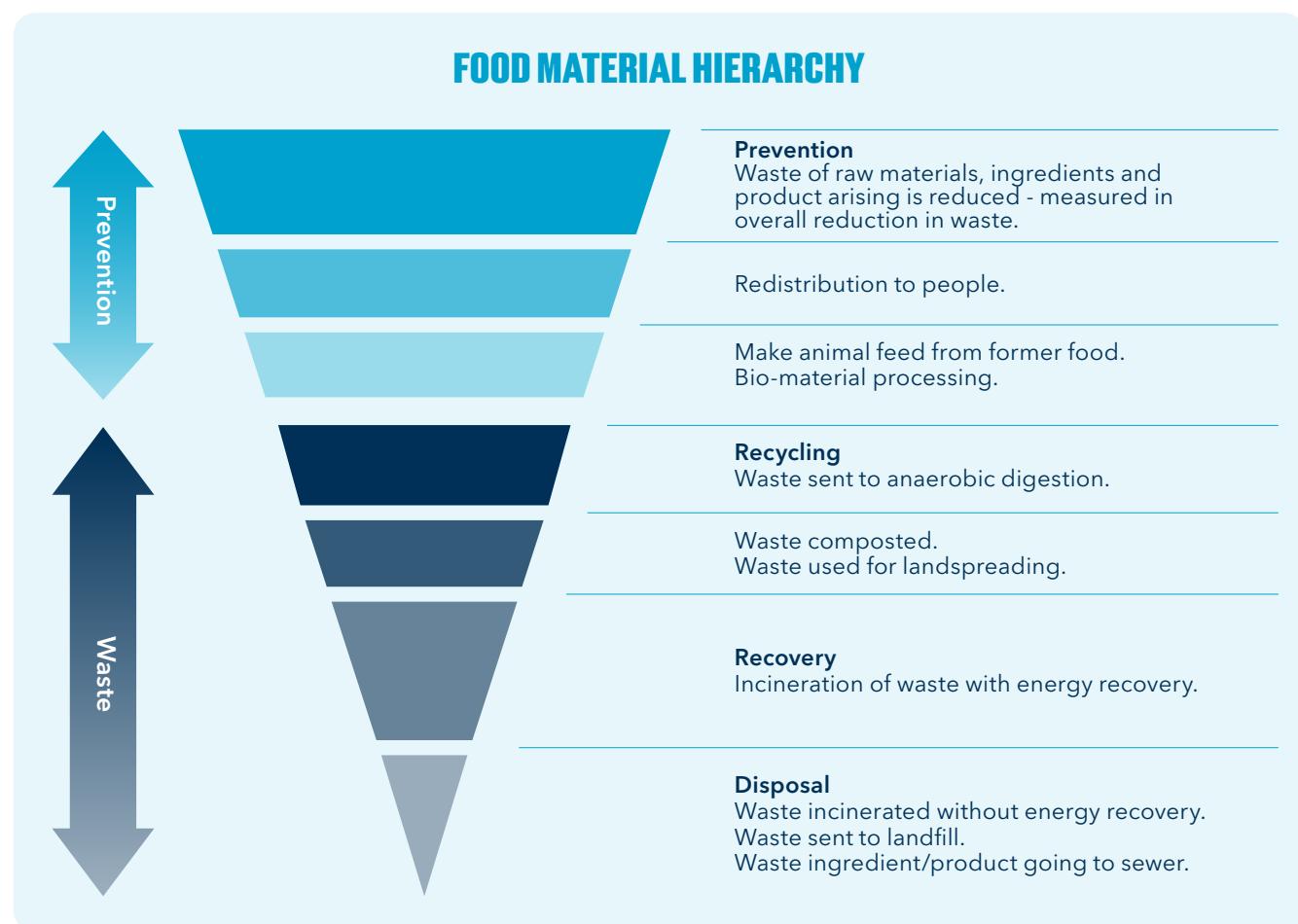
In 2025, we're aiming to achieve our target of a 30% reduction in our plastic footprint. We know this is a challenge, but we are focused on working with our suppliers to pursue opportunities that reduce plastic. After this point, in line with successor agreements to the UK Plastics Pact and WWF Basket, we'll be focusing on further decarbonising our packaging footprint across all materials, towards a net zero position by 2040. We'll do this by reducing the weights of all materials where we can, removing unnecessary packaging components, increasing recycled content, and working with suppliers to develop carbon efficient manufacturing processes. We'll continue to look for innovative packaging formats and materials that are low carbon, recyclable, and cost effective under the new cost regime of EPR. We're also preparing for the new regulatory landscape by ensuring materials are designed to be in the lowest

eco-modulation category possible, whilst ensuring we stay in line with emerging recyclability guidance and preparing our stores and systems for the arrival of DRS and [Simpler Recycling](#).

## FOOD WASTE

Food loss and waste is impacting negatively on the environment, the economy, food security, and nutrition.

Our priority remains to prevent food waste and surplus from being created in the first place. We source our Co-op's food and drink with care, so we are passionate about making sure it is valued and protected along the supply chain. We work with suppliers and colleagues to prevent and reduce the amount of food waste we create by continuously improving how we order, manage, handle and sell our stock.



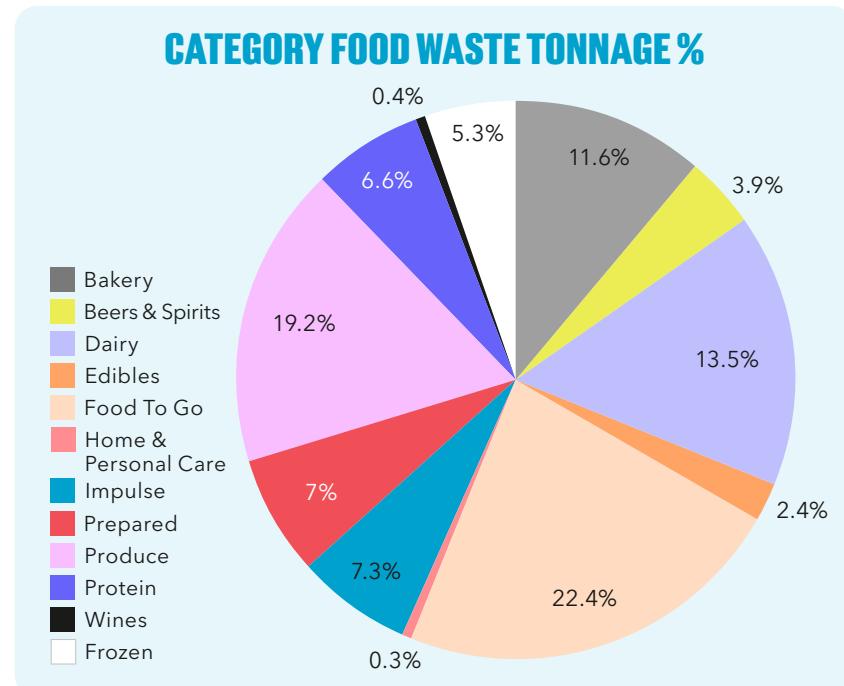
We partner with Caboodle at store, and a range of national and local partners at depot, to redistribute as much edible surplus food as possible, with the remainder being used to make green energy<sup>1</sup>.

In tackling food waste, we continue to follow the food material hierarchy (see diagram on previous page).

This year, we've reduced food waste by a further 2.7% compared to 2023. The food waste we generated in store and depot, broken down by category, is shown in the graph below, highlighting where our greatest volumes of food waste were.

Our operational food waste total and food waste intensity<sup>2</sup> has remained stable in 2024, sitting at 1.03%.

We have almost halved food waste in our depots over the past year through a combination of changes in process, engagement with suppliers, and ongoing redistribution efforts by stock managers.



## CASE STUDY

### One size doesn't fit all

We have a diverse range of store sizes, locations, and sales profiles, making a one-size-fits-all approach unsuitable for optimising product delivery to stores. We also know that waste occurs frequently in fruit and veg categories. We carried out several waste prevention activities focused on fruit and veg in 2024, including matching case sizes to the specific needs of our unique range of stores, preventing waste while ensuring

fresher products were available.

During 2024, this approach has been successfully rolled out on broccoli (including Tenderstem®), green beans, avocado, blueberries and raspberries, preventing 29 tonnes of broccoli and 4 tonnes of blueberries<sup>3</sup> from being wasted on just two of the product lines.

In 2025, we're planning a further roll out, adding an additional eight product lines.

<sup>1</sup> Through anaerobic digestion.

<sup>2</sup> Food waste intensity is a metric that measures the amount of food we've wasted relative to the amount of food we've handled in our operations. It's calculated by dividing the weight of food wasted by the weight of food handled.

<sup>3</sup> 86k head of broccoli, 26k packs of blueberries.

# 6,111 tonnes

The amount of surplus food redistributed from our stores and depots combined was 6,111 tonnes

At stores we redistributed 5,299 tonnes through the platform Caboodle to 1,898 local community groups. And our depot teams shared 812 tonnes of surplus food with a range of partners, including FareShare, City Harvest, The Bread and Butter Thing, and Company Shop.

See [here](#) for more detail on supporting access to food in our communities.

In 2025, we will continue working towards a 50% reduction (versus 2022) through accelerating our focus on preventing food waste and ensuring our food is valued by everyone.



## Turning surplus food into social value

Caboodle plays a crucial role in reducing our food waste at store, whilst supporting the community. Local groups, such as our Community Fridges (run in partnership with Hubbub), are matched with their local Co-op stores via the Caboodle platform, ensuring that quality food can be eaten by those who need it, instead of going to waste. Community groups can easily register on the Caboodle platform and choose convenient collection slots, in the morning or evening. This initiative has successfully redistributed over 20,000 tonnes of food to community partners across the country to date, significantly impacting food security and sustainability.

**“I always feel it’s really important that we support our local community and food banks. We have been using Caboodle for a few months now and it’s working really well for us. They collect every day and they take everything! It makes it all much easier. My team and I feel so much better knowing the food is going to good use and not just going in the bin. ”**

Helen, Store Manager at Co-op Telford

## OPERATIONAL AND CONSTRUCTION WASTE

Over the past year, we produced 58,628 tonnes of waste from our operations, with the proportion diverted from landfill remaining at 99% (2023: 96%). Our on-site Salvation Army collection banks also helped customers and members to donate 4.9kt of clothing and textiles.

In 2024, we continued to monitor construction waste through our partnership with Recology, recording 3,388 tonnes of waste and diverting 96% from landfill.

## WATER

Throughout 2024, we have continued to improve our water consumption data across the estate. This is helping us to identify opportunities for water efficiency investment and informing our water audit plans. In 2025 we intend to install automatic water meters across some key sites to enable more efficient leak and consumption monitoring.



## RESOURCE USE DATA

Key Performance data icons

Target Achieved

On Track

Close to Target

Behind Schedule

Target not Achieved

Restatement

In-depth assurance

Issue	2024 Target	Performance against Target	KPIs	Baseline	2021	2022	2023	2024	2025 Target	SDGs
Operational waste			Total operational waste from running our business (kt)	-	83	73 <span style="color: #0070C0;">R</span>	59 <span style="color: #0070C0;">R</span>	59		
			This KPI has been restated from 'Total waste' to 'Total Operational waste' as the figure does not include construction waste. The restatement also removes Customer Salvation Army Charitable Donations from the figure.							
Food waste	We will reduce food waste generated in our stores and depots by 50% by 2030, compared to 2022	<span style="color: #0070C0;">=</span> To date, we have reduced our food waste by 31% compared to 2022	% of total waste diverted from landfill (including energy-from-waste, anaerobic digestion, recycling or reuse)	-	98	99	99	99	We will reduce food waste in our stores and depots by 50% by 2030, compared to 2022	
			Food waste - store and depot, (tonnes)	21,388 (in 2022)	-	21,388	15,151	14,726 <span style="color: #0070C0;">A</span>		
			Food surplus redistributed total (tonnes)	-	6,951	7,309	6,095	6,111 <span style="color: #0070C0;">A</span>		
			Food surplus redistributed through FareShare, TBBT, City Harvest and Company shop (tonnes)	-	1,177	911	899 <span style="color: #0070C0;">R</span>	812 <span style="color: #0070C0;">A</span>		
			Food surplus redistributed through Co-op Food Share (prior to 2022); and through Co-op Caboodle from 2022 (tonnes)	-	5,774	6,398	5,202	5,299 <span style="color: #0070C0;">A</span>		
			Store food waste intensity (the % of products our stores handle that becomes food waste)	-	1	1.3	1	1		
			Store and depot food waste intensity (% products from store and depot that become food waste)	-	-	-	-	1.03 <span style="color: #0070C0;">A</span>		

## RESOURCE USE DATA

Key Performance data icons

Target Achieved

On Track

Close to Target

Behind Schedule

Target not Achieved

Restatement

In-depth assurance

Issue	2024 Target	Performance against Target	KPIs	Baseline	2021	2022	2023	2024	2025 Target	SDGs																																														
Plastics and packaging	We will reduce our plastic footprint by 30% by the end of 2025, compared to 2018	<p> To date, we've reduced our plastic footprint by 6,642 tonnes compared to our 2018 baseline year. As our Kantar market share<sup>1</sup> decreased from 6.1% to 5.4% over the 6 years, this equates to a reduction of 20.8% relative to market share.</p> <p>Our packaging target of 30% reduction by the end of 2025 is a challenge but we are focused on working with our suppliers to pursue opportunities that reduce plastic.</p>	<p>% reduction in plastic packaging per 1% market share (from 2018)</p> <table> <tr> <td>Packaging: 11.6</td> <td>Packaging: 16.7</td> <td>Packaging: 18.3</td> <td>Packaging: 12.9</td> </tr> <tr> <td>Carrier bags: 7.2</td> <td>Carrier bags: 7.5</td> <td>Carrier bags: 7.4</td> <td>Carrier bags: 7.9</td> </tr> <tr> <td>Total: 18.8</td> <td>Total: 24.2</td> <td>Total: 25.7</td> <td>Total: 20.8</td> </tr> </table> <p>% average recycled content in our own-brand plastic packaging</p> <table> <tr> <td>-</td> <td>33</td> <td>35</td> <td>33 (PET 71%)</td> <td>41 (PET 79%)</td> </tr> </table> <p>Total Packaging handled (tonnes)</p> <table> <tr> <td>284,979 (2006)</td> <td>181,630</td> <td>165,617</td> <td>150,849</td> <td>172,810</td> </tr> </table> <p><b>Packaging handled by material (tonnes)</b></p> <table> <tr> <td>Glass</td> <td>128,027 (2006)</td> <td>99,889</td> <td>90,028</td> <td>80,173</td> <td>65,892</td> </tr> <tr> <td>Plastic</td> <td>78,492 (2006)</td> <td>41,507</td> <td>37,980</td> <td>35,424</td> <td>38,588</td> </tr> <tr> <td>Paper</td> <td>42,794 (2006)</td> <td>26,892</td> <td>25,107</td> <td>23,564</td> <td>57,027</td> </tr> <tr> <td>Steel</td> <td>27,381 (2006)</td> <td>5,632</td> <td>4,934</td> <td>4,424</td> <td>4,416</td> </tr> <tr> <td>Aluminium</td> <td>8,285 (2006)</td> <td>7,710</td> <td>7,443</td> <td>7,104</td> <td>6,756</td> </tr> </table>	Packaging: 11.6	Packaging: 16.7	Packaging: 18.3	Packaging: 12.9	Carrier bags: 7.2	Carrier bags: 7.5	Carrier bags: 7.4	Carrier bags: 7.9	Total: 18.8	Total: 24.2	Total: 25.7	Total: 20.8	-	33	35	33 (PET 71%)	41 (PET 79%)	284,979 (2006)	181,630	165,617	150,849	172,810	Glass	128,027 (2006)	99,889	90,028	80,173	65,892	Plastic	78,492 (2006)	41,507	37,980	35,424	38,588	Paper	42,794 (2006)	26,892	25,107	23,564	57,027	Steel	27,381 (2006)	5,632	4,934	4,424	4,416	Aluminium	8,285 (2006)	7,710	7,443	7,104	6,756	We will reduce our plastic footprint by 30% by the end of 2025, compared to 2018
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Water	We will reduce water consumption across our properties by 10% by 2025, compared to 2020	<p> Our water consumption for 2024 was similar to 2023 consumption, reflecting an improvement in our overall water data. We continue to develop our proactive water efficiency measures, such as improved leak monitoring, and will continue to seek other ways to reduce consumption throughout the year.</p>	<p>Average water used per site (m<sup>3</sup>)</p> <table> <tr> <td>310 (in 2020)</td> <td>344</td> <td>406</td> <td>283</td> <td>286</td> </tr> </table> <p>% water reduction (y/y)</p> <table> <tr> <td>-</td> <td>11 (increase)</td> <td>18 (increase)</td> <td>30.2</td> <td>1 (increase)</td> </tr> </table>	310 (in 2020)	344	406	283	286	-	11 (increase)	18 (increase)	30.2	1 (increase)	We will reduce water consumption across our properties by 10% by 2025, compared to 2020																																										
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<sup>1</sup> Kantar Total Till Roll market share

# HEALTHIER, MORE SUSTAINABLE DIETS

We have an important role to play in helping our member-owners, colleagues and customers lead healthier, more sustainable lives.

The key [principles](#) of a healthier, more sustainable diet include eating more fruit and vegetables, a wider variety of protein sources and fewer, less healthy products. This aligns with the Government [Eatwell Guide](#), with research showing that following the [Guide](#) could result in around a 32% reduction in environmental impact ([Carbon Trust](#)) and a 7% reduction in mortality ([BMJ](#)). It is vital that Co-op helps move customers towards this type of diet if we are going to achieve [our climate ambitions](#).

In 2024, we embedded a healthier, more sustainable diets strategy, aiming to shift the balance towards more healthy and sustainable sales through three areas of focus:

## HEALTHIER, MORE SUSTAINABLE PRODUCTS

We are committed to designing products with quality, health and sustainability in mind. Our Product Development team continue to review how we can develop our products to make healthier and more sustainable decisions easier for our customers.

A  
SUSTAINABLE  
FUTURE

EQUAL  
ACCESS

To measure how we are helping customers to eat more fruit and veg, we track our sales and, in 2024, 19.4% of total Co-op sales tonnage (excluding alcohol and non-food) came from Co-op fruit and veg sales<sup>1</sup>.

To play our part in supporting the [WWF's ambition](#) to halve the environmental impact of UK shopping baskets by 2030, we committed to reporting on our protein sales. In 2024, 26% of total Co-op sales tonnage (excluding alcohol and non-food) came from animal protein<sup>2</sup> and 0.66% from plant protein<sup>3</sup>.

Throughout 2024, 62% of Co-op own-brand products sold were non-HFSS and 78.5% of our Co-op own-brand food and drink sales (in tonnes) were from non-HFSS products. This year, we have invested in our data and reporting methodology to give a more detailed reflection of our range over the year, rather than at a certain point in time. While we continue to work on data for branded products, we have set a target that by 2030, 83% of our Co-op own-brand food and drink sales (tonnes) will come from non-HFSS<sup>4</sup> products (excluding alcohol and non-food). This target will be updated in line with our improved data.

We are committed to reducing the amount of salt and calories in our customers' diets by working towards Government reformulation targets (see data table page 66).



## Gro

We are dedicated to offering products that cater to a wide range of dietary needs and expanding the availability of vegan and vegetarian products in our stores and ranges. In the coming year, Gro branded products will move into Co-op's core brand design, with clear labelling to ensure customers can shop the products easily. To help us achieve our commitment, all future product development will have an emphasis on continually increasing vegetarian and vegan options across our own-brand ranges.

<sup>1</sup> Fruit & vegetable definitions can be found in the basis of reporting document

<sup>2</sup> Animal protein definitions can be found in the basis of reporting document

<sup>3</sup> Plant protein definitions can be found in the basis of reporting document

<sup>4</sup> HFSS is shortened term for food and beverage products which are high in fat, salt, and sugar, as defined by the [OFCOM nutrient profiling model 2004-5](#)

## ACCESSIBILITY

At the 2024 Co-op AGM, our member-owners asked us to invest in Member Prices on more healthy products and ingredients, and provide inspiration and education around healthier cooking at home.

We have incentivised the sale of healthier products, such as fruit and vegetables, by lowering their prices through our Co-op Member Prices scheme.

In 2024, we expanded our range of lunchtime meal deal snacks to include more fresh fruit lines such as bananas and apples.

A key commitment to our customers is that all our Co-op own-brand products which are 'reduced' or 'light' alternatives to a standard product will be no more expensive (based on price/kg).

## CASE STUDY



At the end of 2024, we promoted the Healthy Start scheme on our till screens in our England, Wales and Northern Ireland stores.

## INSPIRING HEALTHIER, MORE SUSTAINABLE BEHAVIOURS

In 2024, we supported the Veg Power campaign again, which encourages children to eat more vegetables.

We are an official partner of parkrun, using the partnership to reach and engage with a passionate community, to promote health and wellbeing.

In 2024, we ran behaviour change trials (one online and one instore) to encourage customers to buy Co-op own-brand plant proteins, such as canned chickpeas and dried lentils.

We will take the learnings from these trials to explore further opportunities.

### Alcohol and Tobacco

We sell e-cigarettes and smoking cessation products in most of our stores. In 2022, we adopted our new Responsible Sourcing Policy for E-Cigarettes, to ensure that our vaping products are targeted towards existing adult smokers as a cessation aid. In 2024, we continued to work with suppliers to ensure that our ongoing range is fully compliant ahead of the new legislation changes that come into effect from 1st June 2025. We're also committed to selling alcohol responsibly. We work in partnership with the [Drinkaware Trust](#) and provided £272,323 of funding to them in 2024.

## Helping customers buy more fruit and vegetables

During a three-month trial (June-August 2024), approximately 55,000 member-owners were selected to earn booster offers (e.g. £1 added to their membership card) for shopping a specified number of times or buying certain products on a specified number of occasions within a time period.

Participating members received two personalised booster offers to complete each month based on their current shopping behaviour. To encourage healthy eating, all members were also

given either a fresh fruit booster, or a vegetable and salad booster each month.

Over the trial period, boosters encouraged more members to purchase fresh fruit, vegetables and salad more often<sup>5</sup>, with a sales unit uplift of 16% for fruit and 14% for vegetables and salad.

By the end of 2024, booster offers were extended to over 200,000 members and we plan to extend further. We have continued to give participating members a fruit or vegetable booster every month.

## HSD DATA

Target Achieved

On Track

Close to Target

Behind Schedule

Target not Achieved

Restatement

In-depth assurance

### Key Performance data icons

Issue	2024 Target	Performance against Target	KPIs	2020	2021	2022	2023	2024	2025 Target	SDGs
Healthier, more sustainable diets	We will continue to report on the percentage of Co-op own-brand products which are non-HFSS (excluding alcohol and non-food)	<span style="color: green;">✓</span>  <span style="color: green;">✓</span>  	% of Co-op own-brand products that are non-HFSS products (excluding alcohol and non-food)	-	-	58	60	62	We will continue to report on the percentage of Co-op own-brand products which are non-HFSS.	
			% of Co-op own-brand food and drink sales tonnage (excluding alcohol and non-food) which are from non-HFSS products	-	-	-	78.5	By 2030, 83% of our Co-op own-brand food and drink sales (tonnes) will come from non-HFSS products, excluding non-food and alcohol.		
			To ensure the accuracy and consistency of our reporting over time, we have changed our reporting method this year. For more details on our methodology, please read our Basis of Reporting document <a href="#">here</a>							
			% Co-op own-brand products that meet their calorie reduction target, which are in line with or lower than the Office for Health Improvement and Disparities' reformulation programme	-	-	95	95	95	Co-op own-brand products which are 'reduced' or 'light' alternatives to a standard line will continue to be no more expensive, based on price/kg	
			% Co-op own-brand products that meet their Public Health England 2024 maximum salt target	-	94	95	96	97	Co-op own-brand products which are 'reduced' or 'light' alternatives to a standard line will continue to be no more expensive, based on price/kg	
			Number of Co-op own-brand products that are 'reduced' or 'light' alternatives to a standard line that <b>do not</b> meet our commitment to be no more expensive (based on price per g/ml)	1	1	0	0	0	Co-op own-brand products which are 'reduced' or 'light' alternatives to a standard line will continue to be no more expensive, based on price/kg	
			% of total Co-op sales tonnage (excluding alcohol and non-food) which came from Co-op fruit & veg sales	-	-	-	19.4	We will continue to report on the percentage of total Co-op sales tonnage (excluding alcohol and non-food) which came from Co-op fruit & vegetable sales		
			% of total Co-op sales tonnage (excluding alcohol and non-food) which came from animal protein	-	-	-	26	We will continue to report on the percentage of total Co-op sales tonnage (excluding alcohol and non-food) which came from animal protein and plant protein		
			% of total Co-op sales tonnage (excluding alcohol and non-food) which came from plant protein	-	-	-	0.66	We will continue to report on the percentage of total Co-op sales tonnage (excluding alcohol and non-food) which came from animal protein and plant protein		

# RESPONSIBLE SOURCING

- ETHICAL TRADE AND HUMAN RIGHTS
- FAIRTRADE
- INTERNATIONAL DEVELOPMENT
- SUSTAINABLE SOURCING
- SUPPORTING BRITISH FARMERS
- RESPONSIBLE PROCUREMENT



**100%**

of our Co-op own label bananas, tea, coffee, chocolate, bagged sugar, roses, and cocoa (including as an ingredient) are Fairtrade and we are the **world's biggest seller of Fairtrade wine**



**£11.1m**

spent with social enterprises to improve the diversity of our supply chain



**484**

We rolled out free training on responsible recruitment through our ongoing support of the Responsible Recruitment Toolkit, which was delivered to **484 individuals and 256 businesses**



**10%**

of the soy we use in our products is deforestation- and conversion-free



**94%**

of the palm oil used in our products is **RSPO segregated**  
See full breakdown of sourcing certifications [here](#)

# ETHICAL TRADE AND HUMAN RIGHTS

Our focus is to provide support for our suppliers, work collaboratively to protect the most vulnerable workers, and continue to champion resilient livelihoods for everyone in our supply chain.

We are committed to ensuring that the people providing our own-brand products are treated fairly, and that their fundamental human rights are protected and respected. These rights include international labour rights, such as the right to fair pay, safe and decent working conditions, and protection from forced labour, modern slavery and harsh or inhumane treatment. In 2024, we also conducted a pan-Co-op human rights risk assessment to ensure greater coherence in our approach to tackling modern slavery, more details of this can be found here in our Modern Slavery Statement.

This section is structured around our five strategic priorities, which we continued to focus our work around in 2024.

## DRIVING INNOVATION IN DUE DILIGENCE AND TRANSPARENCY

Our Food business has a robust programme of assessing and monitoring high-risk labour and human rights issues across our supply chain. In 2024, our programme covered 3,035 sites (665 tier 1 and 2,370 tier 2 supplier sites), across 63 countries, employing 758,399 workers. Our expectations are outlined in our [Human Rights Position Statement](#) and our [Sound Sourcing Code of Conduct](#).



We require all Co-op own-brand suppliers<sup>1</sup> in our Food business to join [Sedex](#) (Supplier Ethical Data Exchange<sup>2</sup>), with tier 1 sites in high-risk countries needing an independent audit prior to approval.

## 6,778 improvements

In 2024, we supported 6,778 improvements (5,911 were closed) to working conditions through our comprehensive monitoring programme, spanning 1,581 audits.

We also use information raised by workers through grievance mechanisms and whistleblowing lines, such as [Unseen](#), as well as suppliers and other independent sources of information. Where required, we have supported collaborative independent human rights investigations into issues raised in our supply chain, such as an investigation into harassment and bullying raised this year by a whistleblower at a food processing site in the UK. Our [Modern Slavery Statement](#) includes further information on issues found in our supply chains.

We have increased transparency in our supply chain by ensuring high risk supply chains share Beyond Tier 1<sup>3</sup> site information. This supports our collaborative efforts to mitigate and address human rights risks in these supply chains. As part of our commitment to supply chain transparency, we have disclosed details of our Co-op Food own-brand tier 1 supplying sites and dis-aggregated worker data, along with beyond tier 1 data in high risk

supply chains. In 2024, we took the step of sharing this supply chain data on the [Open Supply Hub](#) where it is possible to engage with our supplier site information through an interactive map.

## EMBEDDING ETHICAL TRADE INTO CORE BUSINESS ACTIVITIES AND WINNING HEARTS AND MINDS

We work closely with our internal colleagues to ensure the ambitions and objectives of the Human Rights and Ethical Trade strategy are supported and embedded across all core business functions.

To achieve this, we provide internal ethical trade and human rights training as part of the induction programme and provide regular updates to the wider business. We collaborate with technical and commercial colleagues on the human rights risks within our supply chain, seeking their support where needed. Our commercial processes, including tenders, assess suppliers' capabilities to manage human rights, ensuring that ethical considerations are [woven into the fabric of our supply chain relationships](#).

In addition, to support suppliers, we have regular review meetings and annual cross-functional ethical trade reviews that allow us to discuss human rights strategies and identify areas for collaboration. We encourage open dialogue with our suppliers and work with them collaboratively to address issues when they are identified.

<sup>1</sup> Defined at the Co-op as Bakery, Beer, Wine and Spirits, Dairy, Frozen, Food To Go, General Home and Leisure, Grocery Edibles, Grocery Impulse, Home and Personal Care, Produce and Protein

<sup>2</sup> Sedex is a global technology company that specialises in data, insights and professional services to empower supply chain sustainability. Sedex provides practical tools, services and a community network to help companies improve their responsible and sustainable business practices and source responsibly

<sup>3</sup> Sites 'Beyond Tier 1' include sites at tier 2 and further down the supply chain, depending on the nature and complexity of the supply chain

## BUILDING CAPACITY AND RESILIENCE IN OUR SUPPLY BASE

We recognise the importance of collaboration and knowledge-sharing within our supply chain to address the root causes of human rights issues. That is why, in 2024, we continued partnering with organisations such as the [Food Network for Ethical Trade \(FNET\)](#), [Responsible Recruitment Toolkit \(RRT\)](#), [Stronger Together](#), the [Modern Slavery Intelligence Network](#), [Unseen's Helpline Business Portal](#) & [Modern Slavery and Exploitation Helpline](#), and the [Seafood Ethics Action \(SEA\) Alliance](#). For further details our our collaborative activity please see our Modern Slavery Statement [here](#). You can read more on our [website](#) and in our [Modern Slavery Statement](#).

## TACKLING MODERN SLAVERY AND MITIGATING HUMAN RIGHTS RISKS

This year, we furthered our efforts to meet our goal to eliminate illegal and unfair recruitment fees in our global supply chains. In 2024, we provided free access to modern slavery and responsible recruitment training for suppliers and labour providers in our supply chain though our sponsorship of Stronger Together and the Responsible Recruitment Toolkit. This reached 3,135 delegates across 126 supplier events, representing 1,772 supplier sites. We also continued our work to understand and map the use of recruitment fees in our supply chain.

We continue to analyse and prioritise our labour rights risks and, to support this, we have identified eight priority areas of activity covering 17 sourcing countries. See our [website](#) for detail on what the

priorities are, the supply chain and products, and how we're responding to the issues. These priorities are reviewed annually using insights from trusted partners and external sources to ensure they remain fit for purpose. For more information of our pan Co-op review of our human rights risks in 2024 please read our [Modern Slavery Statement](#).

## EMPOWERING WORKERS AND ENHANCING LIVELIHOODS

In 2024, we collaborated with others to convene a multi-stakeholder roundtable on Gender Based Violence and Harassment (GBVH) in tea supply chains and launched a new programme to address root causes. Please see case-study 4 of our [Modern Slavery Statement](#).

An evaluation of the impact of the [Inua Dada project](#) on women showed that the two-year gender empowerment programme in the Kenyan flower sector has had a significant impact on the women working there.

Alongside other major UK retailers, we've signed [IDH's Living Wage Commitment](#) to work together to close the living wage gap in international banana supply chains by the end of 2027. As a leading Fairtrade retailer, we are already taking significant steps to meet the living wage. However, we recognise collaborative industry action is needed to address wage gaps for all workers. In 2024, we have continued to work with UK retailers and [IDH](#) on the commitment roadmap and have submitted data to inform annual IDH report on progress. Read more [here](#).

These priorities will remain the focal points of our work into 2025 and beyond.

# 3,000 individuals engaged

via supplier capacity building events in 2024





## Treating People Fairly Awards

Every day, all around the world, our global producers face challenges and uncertainty caused by global crisis, supply chain disruption and irregular income. As a co-operative, we recognise that people are naturally at the heart of everything we do, and we are committed to ensuring the wellbeing of people throughout our supply chains.

In 2024, we held our Treating People Fairly Awards, to recognise and celebrate suppliers demonstrating a significant commitment to ethical trade and making a positive impact for workers through their actions. Applications were assessed by an independent judging panel and six suppliers were shortlisted. The judges were pleased to

name [G's Fresh](#) and [La Riojana](#)<sup>1</sup> as joint winners for their projects, along with highly commending four other suppliers for their innovative and impactful projects. G's Fresh have created an industry-leading responsible recruitment programme to address recruitment risks, including illicit recruitment fees. La Riojana have utilised Fairtrade Premium and Co-op funding to bring life-changing benefits to its local community, including a water well and a secondary school.

These award-winning projects have been captured in case studies for businesses and the public alike to learn from. [Visit our Treating People Fairly page to read more.](#)

## ETHICAL TRADE & HUMAN RIGHTS DATA



Key Performance data icons

Issue	2024 Target	Performance against Target	2025 Target	SDG
Supply Chain Transparency	We will champion the role of women and vulnerable people in our supply chains and, in 2024, we will continue to roll out training to address issues of gender-based violence in the supply chain, and support collaborative initiatives to address the root causes.	<p>With our flower supplier Flamingo, we commissioned an independent evaluation of our two-year Inua Dada programme, which empowered female workers through inclusive policies, capacity building and community-driven solutions. The report summarises key lessons, successes and challenges from our work. It provides valuable insights for others advancing gender equity within sustainability. You can read more <a href="#">here</a>.</p> <p>We collaborated to address systemic sexual and gender-based violence and harassment issues at a supplier site, across the Kenyan tea sector and the wider Kenyan and South African agriculture industry. You can read more about this in Food Case study 5 of our Modern Slavery Statement.</p>	We will develop a strategic approach to Enhanced Due Diligence with interventions in 10 high risk supply chains or recruitment corridors.	 
	We will continue to work collaboratively to eliminate illegal and unfair recruitment fees in our global supply chain.	<p>We continued our work to understand and map the use of recruitment fees in our supply chains in 2024. Through our support of the UK Seasonal Workers Scheme Taskforce, we are proud to be working with Defra on the jointly funded Employer Pays Principle (EPP) feasibility study to reduce the risk of workers entering into debt for their migration costs. The project includes modelling for how costs could be equitably and appropriately shared along supply chains, whilst also considering the sustainability of UK agriculture. We believe this a vital and important step to making EPP a reality in the SWS in a way that protects the livelihoods of workers and growers in supply chain.</p> <p>In 2024 we completed a collaborative study to map existing commitments to responsible recruitment and the EPP in the global tuna processing sector and are taking steps to address recommendations.</p> <p>We rolled out free training on responsible recruitment through our ongoing support of the Responsible Recruitment Toolkit, which we delivered to 484 individuals and 256 businesses.</p>	We will champion the role of women and vulnerable people in our supply chains, and continue to roll out training to address issues of gender-based violence in the supply chain and support collaborative initiatives to address root causes.	
	We will carry out an independent review of our priority human rights focus areas and continue to publish the steps we are taking to mitigate the root causes of issues identified.	<p>In 2024 we carried out a pan-Co-op review of our priority risks and we continue to publish the steps we have taken to mitigate these risks along with future priorities.</p>	We will continue to work collaboratively to eliminate illegal and unfair recruitment fees in our global supply chain.	 

Issue	2024 Target	KPIs	2021	2022	2023	2024	2025 Target	SDG
Supply Chain Transparency		Number of supplier sites globally (Tier 1 and Tier 2)	2,620 (733 Tier 1, 1,188 Tier 2)	2,838 (734 Tier 1, 2,104 Tier 2)	3,212 (682 Tier 1, 2,530 Tier 2)	3,035 (665 Tier 1, 2,370 Tier 2)		
		% high-risk Tier 1 suppliers completing self assessment in sedex	100	100	100	100		
		% high-risk Tier 1 sites audited	99	100	100	100		
Supplier Capacity Building		Number of supplier engagement events	82	91	121	126	We will support our suppliers in improving human rights across our supply chains through the delivery of our global supplier engagement programme, reaching over 2,500 delegates in 50 events in 2025.	
		Number of individuals engaged via supplier engagement events	7,208	6,557	6,452	3,135		
		Hrs. of engagement at supplier engagement events	9,427	6,551	10,044	13,537		
		Number of sites reached through supplier engagement events	1,441	1,106	1,513	1,772		
		In 2022, we launched a two-year diversity and inclusion programme 'Inua Dada' in Kenya to economically empower and to increase the confidence and visibility of horticultural female workers both at the workplace and in the community. The two-year programme ended in 2023 which has resulted in a decrease of the number of individuals trained through our supplier engagement events throughout 2024.						71

## ETHICAL TRADE & HUMAN RIGHTS DATA

 Target Achieved

 On Track

 Close to Target

 Behind Schedule

 Target not Achieved

 Restatement

 In-depth assurance

Key Performance data icons

Number of sites and workers on Sedex and location of audits in 2023/24		Sites	Workers	Audits	Issues
Africa		969	302,244	686	3,535
Asia		253	21,389	82	339
Europe		1,410	282,304	586	1,931
North & Central America		49	16,186	34	179
Oceania		17	1,794	1	2
South America		337	134,422	192	822
<b>Total</b>		<b>3,035</b>	<b>758,339</b>	<b>1,518</b>	<b>6,808</b>

Status of improvement actions identified in valid audits in 2023/24	Total improvement: actions raised		Improvements: actions completed and verified		Improvement: actions completed by supplier (verification due in 2025)		Improvement: actions due for completion in 2025		Overdue improvement actions			
	Critical / Major	Minor	Critical / Major	Minor	Critical / Major	Minor	Critical / Major	Minor	Tier one	Tier two	Critical / Major	Minor
Exploitation of labour	59	76	55	75	2	1	1	0	0	0	1	0
Freedom of association	32	165	28	156	1	7	2	2	0	0	1	0
A safe & hygienic working environment	2,431	1,188	2,131	1,085	160	62	137	39	2	1	1	1
Child labour	28	23	24	16	3	2	1	3	0	1	0	1
Living wages to be paid	346	280	283	254	33	15	24	9	2	2	4	0
Working hours are not excessive	510	236	393	207	66	15	47	14	3	0	1	0
No discrimination	31	47	28	41	1	3	2	2	0	0	0	1
Regular employment	453	81	406	77	28	2	18	2	0	0	1	0
No harsh or inhumane treatment	152	24	140	21	10	2	2	0	0	0	0	1
Other issue types	409	207	311	180	48	19	46	8	2	0	2	0
<b>Sub Total</b>	<b>4,451</b>	<b>2,327</b>	<b>3,799</b>	<b>2,112</b>	<b>352</b>	<b>128</b>	<b>280</b>	<b>79</b>	<b>9</b>	<b>4</b>	<b>11</b>	<b>4</b>
<b>Total</b>	<b>6,778</b>		<b>5,911</b>		<b>480</b>		<b>359</b>		<b>28</b>			

# FAIRTRADE

A  
SUSTAINABLE  
FUTURE

Around one third of the world's food is produced by 570 million small-scale family farms, many in parts of the world facing the most extreme poverty<sup>1</sup>. Driven by our passionate members, we have championed the Fairtrade movement for 30 years, supporting trade justice through fairer prices, working conditions and terms of trade.

We believe Fairtrade is the gold standard of ethical and sustainable certifications. Fairtrade is more than a label - it is a movement for trade justice.

In 2024, we were incredibly proud to celebrate three decades of championing the Fairtrade movement, supporting farmers and workers to improve their livelihoods and invest in their communities.

The challenges facing farmers and workers are greater than ever. Unfair and unjust trading practices mean commodity and agricultural supply chains are especially vulnerable. The climate crisis is having an increasingly devastating impact on our food system as well as communities across the globe, with unpredictable weather patterns impacting food supply and producer livelihoods.

We put people and planet at the heart of our Climate Justice campaign, and are standing with farmers by investing in strategies that support them to adapt, mitigate and build their resilience.

**“Through FACSCA<sup>2</sup>, we have been taught about how to plant indigenous trees, indigenous vegetables, use of organic fertilizers and how to place drainage in the farm. Now when I go to the farm, I get good yields and thus I have money for food, children’s clothes and a few things in the house. There is a huge difference. ”**

Emily Chepngenoh Rotich, Fintea Growers Cooperative Union.



# CO-OP'S FAIRTRADE LEADERSHIP

At Co-op, we have been championing Fairtrade for over 30 years.



**1992**

We were the first major retailer to start selling ethically traded Cafédirect coffee, which became one of the world's first Fairtrade certified products in 1994

**1st**



**2000**

We were the first retailer to bring Fairtrade bananas to the UK, and to launch an own-brand Fairtrade product; our milk chocolate bar

**1st**



**2003**

We were the first UK retailer to make all of our coffee Fairtrade

**1st**



**2016**

We were the first UK retailer to make all of our own-brand chocolate Easter eggs Fairtrade (excluding Free From)

**1st**



**2008**

We were the first UK retailer to switch all Co-op own-brand hot drinks, bagged sugar and cotton wool to Fairtrade

**1st**



**2004**

We partnered with Traidcraft to launch the first fairly traded wine in 2001, which became the world's first Fairtrade wine in 2004

**1st**



**2017**

We were the first UK retailer to commit to sourcing all of the cocoa used as an ingredient on Fairtrade terms

**1st**



**2018**

We were the first UK retailer to commit to sourcing all African roses on Fairtrade terms

**1st**



**2022**

We were the first retailer to move all own-brand and branded South African wine to Fairtrade

**1st**



**2024**

We became the first UK retailer to extend our commitment to sourcing 100% Fairtrade roses<sup>2</sup>

**1st**

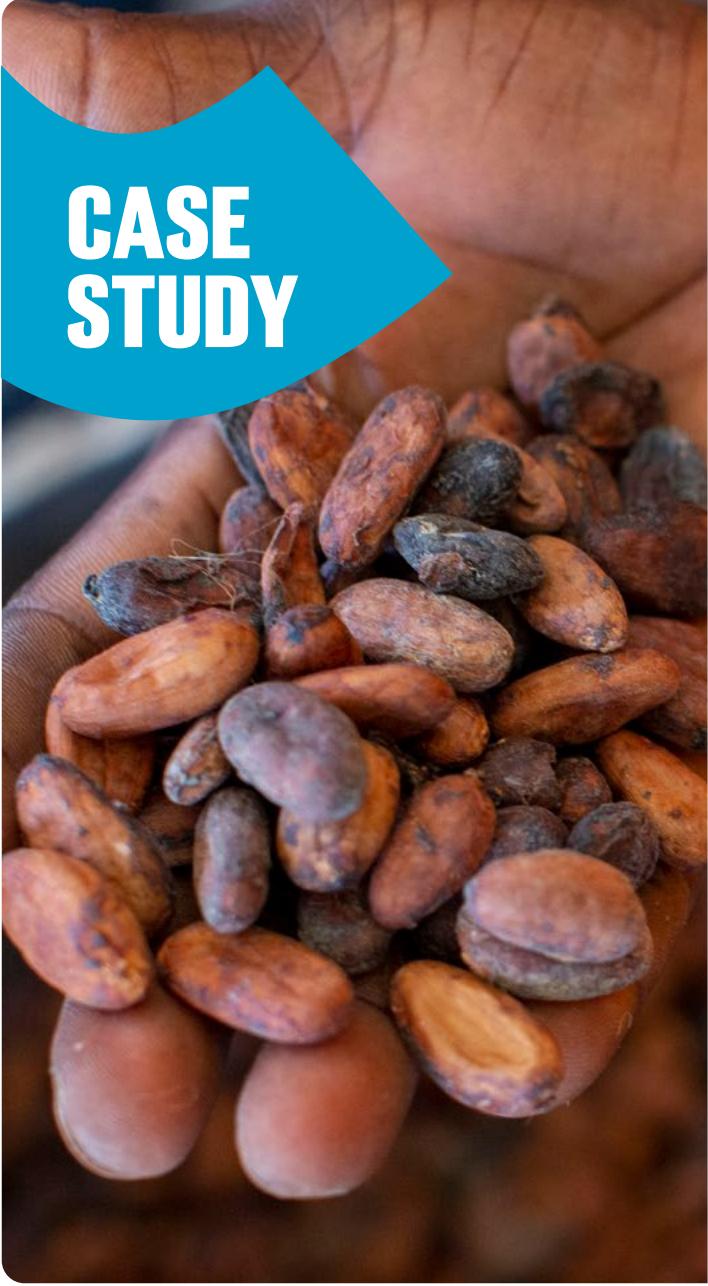


## OWNED BY YOU

Last year, more than 70,000 members joined in to share their ideal chocolate bar flavour combinations with us, and in January, they chose their favourite from our shortlist.

As shaped by Co-op members, bars of our Fairtrade Chunky Salted Caramel and Pretzel chocolate landed on shelves in Co-op stores in July.

Read more [here](#).



## CASE STUDY

### Pioneering 30 years of Fairtrade

2024 marked the 30th anniversary of the first FAIRTRADE Mark and Co-op is very proud to have been supporting Fairtrade since the beginning, driven by our passionate members.

To celebrate, we developed a bold Fairtrade Fortnight campaign, encouraging our members and customers to 'choose a fairer future'. We rebranded over 30 of our Fairtrade products in bold new designs that illustrated the impact of choosing Fairtrade and the positive change that can be driven by farmers and workers. We developed a range of in-store promotional materials and member discounts on own-brand and branded Fairtrade products to make our Fairtrade range even more accessible. We also reached thousands of members through a suite of exclusive 'Join In' activities and launched a marketing campaign showing our support for Fairtrade, with our press activity over the fortnight reaching two million people.

**“Our member-owners have continually challenged our Co-op to do right by the farming communities in our global supply chains by championing Fairtrade. 2024 is a proud year for our Co-op; marking three decades of standing for fairness for farmers and workers around the world.**

**Our partnership with Fairtrade is not just a marketing message; it is a commitment to responsible sourcing, working with our suppliers and their communities, to change almost half a million farmers' and workers' lives for the better and deliver real social value.**

**We need others to join the Fairtrade movement to tackle the challenges the food systems face in the next 30 years. Join us. ”**

Shirine Khoury-Haq, CEO, Co-op

**“Our valued and longstanding partnership with Co-op over the past 30 years demonstrates the powerful and tangible impact of working with farmers and workers to improve their livelihoods and their communities around the world. Co-op's commitments and achievements continue to inspire; they were the first to make a 100% global Fairtrade rose commitment in 2024, they continue to innovate and launch the first-of-their-kind Fairtrade products, which will positively impact even more farmers and workers around the world, and they also show what can be done to raise awareness and engagement on Fairtrade in the UK via bold marketing and clear communications to their members and customers. Together, we are collaborating to drive progress and build a fairer and more sustainable future for the farmers and workers in Co-op's global supply chains. ”**

Nyagoy Nyong'o, Chair, Fairtrade Foundation Board of Trustees

Our objective to be the UK's biggest supporter of Fairtrade is underpinned by a three-pillar plan:

## SOURCING

We are continuing to drive impact through our sourcing of Fairtrade ingredients and unique sourcing commitments to Fairtrade producer organisations.

- 100% of our Co-op own-label bananas, tea, coffee, bagged sugar, roses and cocoa (including as an ingredient) are sourced on Fairtrade terms, and we are the world's biggest seller of Fairtrade wine.
- In 2024, we continued to be a Fairtrade leader in the UK. We sell more Fairtrade flowers and wine than any other individual grocery retailer. In 2024, Co-op became the first UK retailer to extend our commitment to sourcing all of our roses on Fairtrade terms, and to introduce Co-op branded Fairtrade rum.
- Co-op's Fairtrade sourcing supports around 182 producer organisations across 27 countries, reaching almost half a million farmers and workers.
- Despite another volatile year for global supply chains, overall in 2024 we maintained steady volumes of Fairtrade ingredients sold, despite some drops in categories caused by availability issues. We continue to champion Fairtrade, with our market overtrade increasing in 2024.

## INNOVATION

In 2024, we delivered outcomes across four multi-year Co-op Future of Food Sourcing projects, investing in support for improved livelihoods and climate change resilience of Fairtrade farming communities:

- Tea, coffee, and flowers: We finalised a 3-year programme with Fairtrade Africa, supporting 19,430 producers from 12 organisations in Kenya, Ethiopia and Rwanda. The programme focused on supporting producers to become more resilient and adaptive to climate change (see case study [here](#))<sup>1</sup>.
- Bananas: Partnering with CLAC Fairtrade Producer Network, Fairtrade Foundation and Fyffes to improve soil health and productivity in the Dominican Republic and Colombia, supporting smallholder resilience and livelihoods (see case study [here](#)).
- Cocoa: Partnering with Fairtrade Africa to support women with training, strengthening their leadership to support better livelihoods in Ghana and Côte d'Ivoire, as part of the Women's School of Leadership.
- Flowers: Partnering with our supplier, Flamingo Horticulture, who are delivering a programme, 'Inua Dada' (meaning 'Uplift Women' in Swahili), to improve women flower farm workers' earning potential through training and income diversification initiatives in Kenya (read more [here](#)).

## COMMUNICATIONS

Through our strong relationships with producer organisations, we campaign on the issues that matter most to them and amplify their voices:

- We delivered another successful [Fairtrade Fortnight campaign](#), celebrating 30 years of Fairtrade, and 30 years of Co-op championing this movement for trade justice<sup>2</sup>.
- Advocating for Climate Justice: Since 2021, we have led the call for climate justice, advocating for farmer-focused climate action. During Fairtrade Fortnight, we educated our customers and increased awareness on why action is needed. We also supported Fairtrade Foundation's ['Be The Change' campaign](#), asking MPs to pledge their support.



<sup>1</sup> £378,106 given to the programme

<sup>2</sup> Scheduling over 90 events

# CASE STUDY



## FACSCA: Building climate resilience

2024 was the final year of our three-year flagship FACSCA<sup>3</sup> programme, designed to support Fairtrade farmers and workers to become more resilient and adaptable to climate change. The programme was funded by Co-op, implemented by Fairtrade Africa and worked with 12 producer organisations in Ethiopia, Kenya and Rwanda. Through FACSCA, farmers and workers in Co-op's coffee, tea and flower supply chains have implemented climate mitigation and adaptation measures at farm level, while also increasing crop yields and quality. Investments in local youth enterprises have supported participants to implement income diversification initiatives. Through a Training of Trainers model, and the establishment of two Fairtrade Centres of

Excellence, local farming communities retain access to training and developmental resources, helping to drive continuous improvement in these supply chains.

The programme reached 19,430 farmers and workers and achieved the following results:

- Out of the 91.4% of the trained coffee farmers, 90.4% are implementing good agricultural practices on their farms, increasing their average annual production by 56%<sup>4</sup>, whilst improving the quality of their coffee.
- Tea farmers have adopted more sustainable practices such as introducing drought and frost-tolerant tea varieties and effective soil

management strategies. Through climate change sensitisation training, flower farm workers now have a good understanding and awareness of the causes and implications of climate change, with 100% of those interviewed taking precautions to manage the impact of daily activities. Additionally, 93.8% were taking precautions to reduce deforestation.

- 12 youth groups received youth seed capital for climate-change-focused enterprises. 255,000 seedlings were distributed to farmers and 785 farmers participated in training on income diversification initiatives.

<sup>3</sup> Fairtrade Alliance for Climate-smart Supply Chains in Africa

<sup>4</sup> From 1288.01 kgs in 2021 to 2018.26 kgs per farmer

## FAIRTRADE DATA

Target Achieved

On Track

Close to Target

Behind Schedule

Target not Achieved

Key Performance data icons

Restatement

In-depth assurance

Issue	2024 Target	Performance against Target	KPIs	2021	2022	2023	2024	2025 Target	SDGs
Fairtrade			Number of core commodities and categories with a Fairtrade Commitment	7	7	7	7	7	 
			Our commitment to Fairtrade continues across seven core categories - 100% of our tea, coffee, bananas, cocoa, bagged sugar, South African wine and roses are Fairtrade, and we are the biggest retailer of Fairtrade wine in the world.						
			Amount of Fairtrade ingredients we purchase via our Fairtrade products (volume measured in tonnes/litres/stems) <sup>2</sup>	49,517 Mt 16.7 million litres 53.3 million stems	48,967 Mt 16.1 million litres 52.4 million stems	43,126 Mt 14.7 million litres 71.3 million stems	40,751 Mt 15.95 million litres 64.8 million stems		
			Demonstrates material impact to Fairtrade producers. They benefit from Fairtrade Standards, Minimum Price and Premium with every Fairtrade purchase.						
			Number of Fairtrade lines in our range (own-label and branded)	383	464	422	346		
			Shows extent of full range of Fairtrade products. Includes seasonal lines. We introduced new Fairtrade lines into our own-brand and branded ranges in 2023.						
			Minimum number of Fairtrade lines in any Co-op store (own-label and branded)	71	90	93	90		
			Fairtrade overtrade	416	450	462	458		
			Fairtrade market share among UK convenience stores (%)	81.5 (vs 60.2 total convenience)	84.1 (vs 59.2 total convenience grocery market share)	82.9 (vs 59.1 total convenience market share)	82.1 (vs 55.7 total convenience market share)		
			Fairtrade market share among UK total grocery market (%) <sup>1</sup>	21.1 (vs 5.1 total grocery market share)	22.4 (vs 5 total grocery market share)	21.7 (vs 4.7 total grocery market share)	20.7 (vs 4.5 total grocery market share)		
Overtrade is the direct comparison between the market share in Fairtrade vs market share in the total grocery market. An overtrade occurs when a retailer's market share in Fairtrade is higher than its market share in grocery.									

<sup>1</sup> Kantar grocery (food & drink) market share

<sup>2</sup> This includes ingredients purchased for NISA Fairtrade products

# INTERNATIONAL DEVELOPMENT



On World Water Day 2024, we celebrated our pioneering partnership with The One Foundation at the House of Lords, as they reached the incredible milestone of £30 million raised and 5 million lives changed through clean water, hygiene, and sanitation projects around the world. This milestone was achieved largely in thanks to Co-op members and shoppers purchasing Co-op own-brand water.

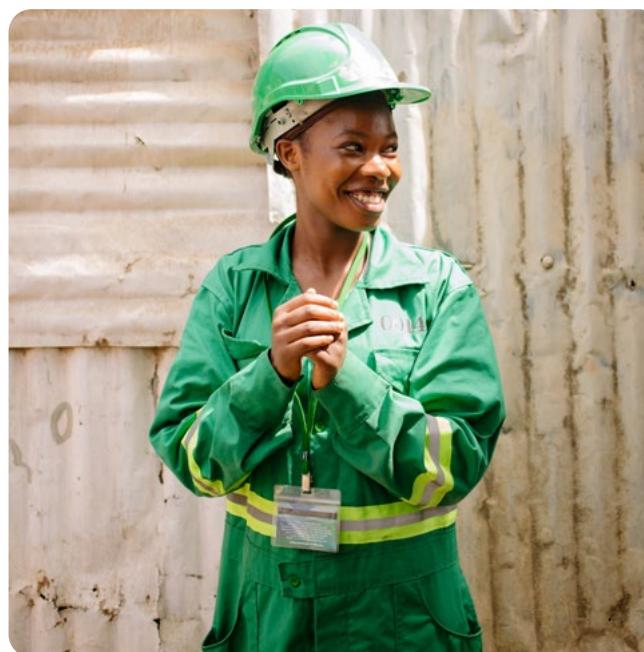
**“ This shared co-operative vision is creating a fairer world for communities across the Global South and has been instrumental in enabling us to provide WASH<sup>1</sup> services to our Fairtrade supply chains. ”**

Shirine Khoury-Haq, Co-op CEO

Now more than ever, we must make the world a more water secure place.

Water security remains one of our key priorities. We believe that investing in water security – sustainable, resilient water resources and services for all – is one of the best ways to address increasing climate vulnerability and inequalities.

As part of our partnership with The One Foundation, we invest directly in water security programmes within our supply chain. We also collaborate with other retailers and food businesses to take collective action in key food-sourcing areas through WRAP's Water Roadmap (read more [here](#)).



## ONE FOUNDATION

Clean water for all remains a core part of our water security strategy. Thanks to our member-owners and customers, we raise donations through sales of Co-op own-brand bottled water to support projects bringing clean water, sanitation, and hygiene (WASH) solutions to communities living in some of the most extreme poverty. We've donated more than £21m over the past 18 years and over £2m in 2024 alone. In partnership with The One Foundation, these funds have helped to drive water security and deliver safe water and improved sanitation to over 193,000 people living and working in Kenya, Rwanda, Ghana, and Malawi during 2024. Over the last 18 years, over 3.2 million lives have been changed through this partnership.

10% of our donations to The One Foundation are ringfenced to provide direct support in humanitarian emergencies, providing WASH solutions. To date, we have provided over £1.8m in funding for crises ranging from famine, war, and viruses through to natural disasters.



## CASE STUDY



Community members fill jerry cans with water through water taps installed by Oxfam in the Al Mawasi Area.  
Photo credit: Alef Multimedia Company/Oxfam

### Emergency access to water during conflict

An Oxfam report, from July 2024, found that the amount of water available in Gaza had reduced since the start of the conflict by 94 per cent to 4.74 litres a day per person – just under a third of the recommended minimum for survival in emergencies and less than a single toilet flush. Due to a lack of clean water and basic hygiene items, cases of diarrhoea, hepatitis, and jaundice have been increasingly prevalent. Through our partnership with The One Foundation, Co-op provided £150,000 to enable Oxfam and its

partners to deliver life-saving WASH services including water trucking, installing desalination units and latrine blocks, distributing hygiene kits and rehabilitating wastewater networks. Our contribution, together with funding from others, helped Oxfam and partners reach nearly 780,000 people between October 2023 and September 2024 in Gaza and the West Bank, nearly half of them children. **We are grateful to our member-owners and customers who made this possible by purchasing Co-op bottled water.**

### WATER UNITE

With help from our member-owners and customers, we donated £607,523 to global charity Water Unite in 2024.

Donations from sales of participating brands means Water Unite can fund innovative and scalable solutions to tackle the global and inter-related problems of water conservation, sanitation, and plastic pollution. Water Unite uses an innovative funding model to leverage investment in the systems needed to keep clean water flowing, and to tackle plastic pollution. Together with our branded suppliers, we've generated over £4,334,802 for Water Unite since 2017. This funding has helped support innovative local entrepreneurs working to tackle water, sanitation, and plastic waste issues in developing countries across Africa and Asia.

WATER  
UNITE

In 2024, **Water Unite Impact (WUI) secured**

**US\$7.5 million** from the U.S International Development Finance Corporation (DFC).

DFC's funding will accelerate WUI's mission to connect impact-driven companies with capital, expertise and networks for substantial growth.

**Our funding enabled WUI to successfully complete its pilot phase** (2021-2023) and make its initial five impact investments. This strong portfolio of social enterprises and track record enabled WUI to catalyse additional funding from DFC.

# CASE STUDY



Photography: Alexander James-Aylin

## Water Unite & Mr. Green Africa

Total plastic production in Kenya has reportedly reached approximately 400,000 tons, posing significant environmental challenges<sup>1</sup>. Globally, an estimated 15-20 million people depend on informal waste collection for their livelihood<sup>2</sup>. Without formal employment, wastepreneurs often face exploitation from traders who pay them poorly or refuse to purchase collected materials, leaving them without income.

Mr. Green Africa (MGA) addresses these issues by recycling and selling ethically sourced plastic materials, empowering marginalised wastepreneurs to responsibly gather and process waste. These materials are then distributed to local

markets, helping to formalise the plastic supply chain, create job opportunities, and reduce plastic pollution in developing cities.

Water Unite has been working with Mr. Green Africa since 2021, following an investment of US\$ 200,000 via the Water Unite Impact Fund. This has been made possible thanks to pioneering partners such as the Co-op. Since then, MGA has been able to scale its operations, most recently illustrated by the launch of its pre-processing hub. As of November 2024, MGA processed over 4,300 tonnes of plastic waste with more than 1,900 active wastepreneurs in the region.<sup>3</sup>

**“ If we look at the scale of the issue, such funding will allow us to bring it to the next level and prove the case that you can do local value addition by empowering the people that are involved in the collection, ultimately creating better livelihoods. ”**

Keiran Smith, CEO and Co-Founder of Mr. Green Africa

<sup>1</sup> Mogoathe, L. (2019, November 22). How Companies Are Turning the Tide of Plastic Pollution in Kenya. [Global Citizen](#).

<sup>2</sup> GRID-Arendal (2022). A Seat at the Table: The Role of the Informal Recycling Sector in Plastic Pollution Reduction, and Recommended Policy Changes. [GRID-Arendal](#).

<sup>3</sup> Co-op's impact as a proportion of funding was 24 tonnes of plastic waste processed and 11 active wastepreneurs.

## INTERNATIONAL DEVELOPMENT DATA

Key Performance data icons

Target Achieved

On Track

Close to Target

Behind Schedule

Target not Achieved

Restatement

In-depth assurance

Issue	2024 Target	Performance against Target	KPIs	2021	2022	2023	2024	2025 Target	SDGs
International development and clean water			£ raised for One Foundation (since 2007) (£m)	15.1	17.2	19.3	21.3		
			£ raised for Water Unite (since 2017) (£m)	2.5	3.1	3.7	4.3		
			£ raised for Disasters Emergency Committee (DEC)	140,000	1.2 m	161,000	120,000		
			Our £ raised for DEC has returned to levels consistent with 2021 after the 2022 peak driven by funds raised in response to the invasion of Ukraine.						
			Fairtrade & Sustainable Sourcing Projects	298,400	384,779	285,000	185,000		
			International community investment (£m) Cash	3.6	4.1	3.1	3.1		
			International community investment (£) Colleague time	2,000	1,000	0	0		
			This reduction is due to the end of our ClimateCare scheme. We continue to back climate-related community investment through domestic initiatives (see page <a href="#">X</a> for more details).						
			International community investment leverage (donations by members, customers and suppliers)	0	1.1m	61,000	32,500		
			Our leveraged funding has reduced after the 2022 peak driven by funds raised in support of the DEC appeal in response to the invasion of Ukraine.						
			International investment as a % of pre-tax profit	6.3	1.7	1.3	1.9		
			For years we've invested above and beyond 0.7% of our pre-tax profit in international development projects and are committed to for the years to come.						



# SUSTAINABLE SOURCING



Sourcing the ingredients and raw materials we use can have a significant impact on the natural environment, whether that's in waterways, agricultural land, soil or forests.

We're committed to caring for the environments that our ingredients are sourced from. Where it drives change, we support credible certifications and work with key partners to take a restorative approach to nature.

We focus our [responsible sourcing strategy](#) around categories of ingredients that have the greatest sourcing risks for our business. Since many ingredients have shared risks, our category approach is a more effective way of tackling sourcing risks. Our ingredient categories are<sup>1</sup> fresh produce, animal protein, primary forest-risk commodities<sup>2</sup> and Fairtrade priority ingredients.

This approach aligns with our commitments to external partnerships, including IGD, WRAP<sup>3</sup> and WWF<sup>4</sup> Retailers' Commitment for Nature, and reflects our evolving risk approach whilst continuing to prioritise the actions and opportunities that will reduce our most material sourcing risks.

This section is structured around the different ecosystems our ingredient categories are based in:

- Aquaculture and Fisheries
- Forests and Peatland
- Fields and Orchards



## OWNED BY YOU

Our big conversation with members on ethics

We held our biggest conversation yet this year! Across the year, through a range of activities, members shared with us over 300,000 views as we celebrated [30 years of Responsible Retailing](#), and asked them to shape how we will work together on ethical campaigns in the future.

## AQUACULTURE AND FISHERIES

We are dedicated to preserving our oceans, marine life and the livelihoods of our suppliers. By employing a risk assessment process for all our fish products, we ensure responsible seafood sourcing.

As proud members of the Sustainable Seafood Coalition, we adhere to its voluntary codes of conduct for responsibly sourcing and labelling fish and seafood. Our collaboration with the Sustainable Fisheries Partnership keeps us up to date with the latest industry science, and our participation in the Global Ghost Gear Initiative addresses the issue of discarded fishing gear, contributing to marine ecosystem health.



<sup>1</sup> Some ingredients will come under more than one category

<sup>2</sup> Cattle (beef), cocoa, coffee, palm oil, rubber, soy, wood (including paper/pulp, charcoal)

<sup>3</sup> Waste and Resources Action Programme

<sup>4</sup> World Wide Fund for Nature

In 2024, 56% of our wild-captured seafood was sourced from MSC fisheries (2023: 77%). The overall fish range has reduced in Co-op this year, and a number of products that carried the MSC<sup>1</sup> logo have been removed, resulting in the overall reduction of assured products. We are still committed to [MSC sourcing](#) and are looking for ways to label more seafood products in 2025. We strive for transparency, and details of all our wild-capture fisheries and farmed seafood sources can be accessed on the [Ocean Disclosure Project website](#).

We actively support Fisheries Improvement Projects (FIPs) as a crucial step toward achieving fisheries sustainability and certification within a defined five-year timeframe. We support various UK FIPs such as [Project UK](#), which has now concluded, and remain committed to supporting FIPs, both in the UK and internationally, as part of our ongoing commitment to advancing fisheries sustainability and certification.

## FORESTS AND PEATLAND

This year, global deforestation rates continued at an alarming rate, with an estimated 10 million hectares cleared each year between 2015 and 2020<sup>2</sup>. We recognise that deforestation and land conversion present a significant risk in, and to, food supply chains, and tackling this risk is essential to meeting the ambitions in our climate plan, as well as the wider protection of nature and communities.

In line with the Science-Based Target initiative's Forest, Land and Agriculture (FLAG) guidance we are committed to zero deforestation across our primary deforestation-linked commodities, with a target to reach this by the end of 2025. Reaching this

target remains challenging and we know there is a significant risk we will not meet it on time. We have made progress in several areas, outlined below, and have increased the transparency of our forest supply chains. But we need to see a significant increase in the rate of this progress and wider system changes during the next year to meet the goal.



COCOA

**100%** of our own-brand cocoa is Fairtrade



COFFEE

**100%** of our own-brand coffee is Fairtrade



PALM

**100%** palm oil in our own-brand products is certified by the Roundtable on Sustainable Palm Oil (RSPO).

Because of the scale of many of these supply chains, collective efforts play a vital role in managing the risks and taking action. We are signatories to the UK Soy Manifesto, members of the Retailers' Palm Oil Group, Retail Soy Group, Palm Oil Transparency Coalition and Soy Transparency Coalition.



CATTLE

**100%** British for fresh and frozen



SOY

**10%** of the soy we use in our own-brand products is deforestation and conversion free



RUBBER

Our fairly traded household gloves are produced on  
**Fairtrade terms**



WOOD

**99%** wood and paper in own-brand products is from FSC<sup>3</sup>, PEFC<sup>4</sup>, or recycled sources

<sup>1</sup> Marine Stewardship Council

<sup>2</sup> [State of the World's Forests 2020](#)

<sup>3</sup> Forest Stewardship Council

<sup>4</sup> Programme for the Endorsement of Forest Certification

New regulations will come into force for the EU at the end of 2025, setting legal requirements for sourcing forest-risk commodities. This will likely have significant impacts on supply chains and support progress at an industry level. We've continued to advocate for the urgent and aligned introduction of secondary legislation in the UK to ensure robust minimum requirements for entire food systems.

As well as driving positive change, we recognise the risk of unintended consequences on smallholders within supply chains. We have highlighted this in our advocacy and within the projects we support.

### Palm oil and soy

Palm oil and soy production can impact communities through deforestation, climate change and habitat loss. To achieve a sustainable approach to sourcing, we engage across the industry, and with environmental NGOs<sup>9</sup>, to understand the best approach and set clear policies. The advice from NGOs is to source responsibly, as this is the most effective way to drive change, and alternatives to crops such as palm oil are often more environmentally damaging due to their land use.

All our palm oil is certified by one of the Roundtable on Sustainable Palm Oil (RSPO) schemes. We continue to use 100% RSPO-certified palm oil in our own-brand products and, in 2024, 94% of the palm oil used in our products was segregated (2023: 92%).

We're committed to sourcing segregated RSPO palm oil wherever we can. Collaborative efforts through our membership of the Retailers' Palm Oil Group remain a key route to tackling the issues shared across the industry. We've maintained a

high coverage of segregated RSPO palm oil, and we continue to look for solutions for responsible sourcing and transparency in remaining areas (derivatives and fractions) where segregated RSPO supply is not currently possible.

Our most significant use of soy is in feed for livestock in our meat, dairy, egg and farmed fish products. We're targeting 100% physical, responsibly sourced and deforestation-free soy across our own-brand supply chain by 2025.

Our soy policy sets out how we work with our suppliers and the steps that will support us all in fulfilling our commitment. We've engaged with our strategic suppliers on soy and deforestation more widely this year. You can read the full policy and our soy commitment [here](#).

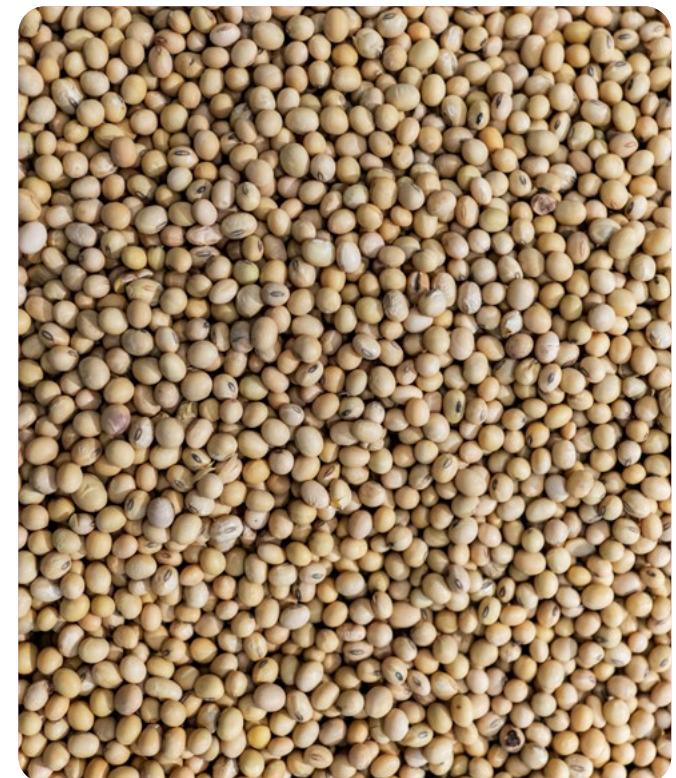
Achieving verified deforestation-free and conversion-free soy is an industry-wide challenge and progress has not yet been possible as fast as we and other members of the Retail Soy Group would have hoped. During 2024, we've continued to actively participate in the UK Soy Manifesto - a collective industry agreement to ensure all physical shipments of soy to the UK are deforestation-free and conversion-free<sup>10</sup> (vDCF) by the end of 2025. Work has intensified around driving aligned standards that will verify these flows, and 2025 will be crucial in achieving our ambition.

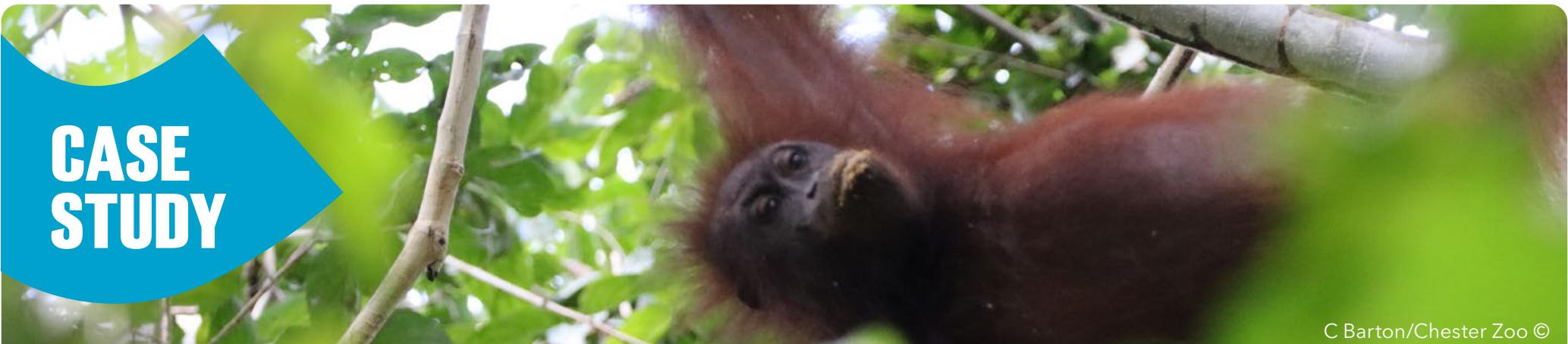
## 6th globally

WWF Palm Oil Buyers Scorecard 2024: Co-op scored 21.94/24 - in 'Leading the way category' and 6th globally.

Our own-brand soy footprint is covered either by schemes supporting the transition (RTS regional credits or mass balance systems) or physically vDCF (segregated certification or sourced from low-risk origin). Credits continue to cover the largest proportion of our footprint. They support more responsible soy production and provide an important first step, but are not an endpoint. As we increase physically certified flows, we will reduce our use of credits as a method of covering our footprint.

You can read more on our palm oil strategy [here](#). For information on our coffee and cocoa sourcing, see our section on [Fairtrade](#).





## CASE STUDY

### Partnerships to drive systems change

We know that we need to manage risk and impact beyond our direct sourcing decisions, ensuring the environments and communities are supported to allow responsible and resilient production.

Since 2019, we've supported reforestation and biodiversity research on former palm oil plantations in Malaysian Borneo, in partnership with Chester Zoo and HUTAN. We're working towards a target of planting 50,000 trees by the end of 2025, supported by in-depth biodiversity research. This project supports our ambitions on forests and nature, using 49 species of tree to create a connected wildlife corridor and the monitoring of how it's then used by returning species (186 documented so far). This not only delivers immediate restorative impacts to a production landscape, but also provides learnings that can be used to deliver future restoration more effectively at a larger scale.

We've also partnered with Solidaridad, a social CSO<sup>8</sup>, through its National Initiatives for Sustainable & Climate-Smart Oil Palm (NI-SCOPS) programme to support palm smallholders in Sarawak, Malaysia. The programme aims to empower smallholders to improve their livelihoods, make their farms resilient to climate change, and prevent deforestation.

Co-op supported a research study to better understand the emission profiles of smallholder farmers. The project closely monitors ten smallholder farmers in the implementation of climate-smart farming strategies. This is intended to develop insights on how to improve farm resilience in light of climate change impacts, which can be used for the broader implementation of Good Agricultural Practices.

Smallholders are an essential part of the palm production landscape, producing around 40%<sup>9</sup> of

global palm oil. Although smallholders contribute least towards climate change, they are the most vulnerable to its effects. Legislation and certification can also create administrative burdens that could unintentionally exclude these producers, and it is therefore important that we support outside of these routes in the short-to-medium term.

**“ I am grateful for the opportunity to participate in this programme, and I am confident that the knowledge and skills I have gained will benefit me in my career and contribute to a more sustainable future for the palm oil industry. I strongly encourage the continuation and expansion of this programme to benefit future generations. ”**

Aminah, smallholder from Perak, Malaysia.

<sup>8</sup> Civil Society Organisation

<sup>9</sup> [www.solidaridadnetwork.org/wp-content/uploads/2023/04/Briefing-paper-EUDR-and-palm-oil-smallholders.pdf](http://www.solidaridadnetwork.org/wp-content/uploads/2023/04/Briefing-paper-EUDR-and-palm-oil-smallholders.pdf)

## Wood and paper

We ensure that the wood and paper used in our own-brand products come from a responsible source and is of known origin. 99% comes from Forest Stewardship Council (FSC) or recycled sources (2023: 98%).

97% of coffins manufactured by our Funeralcare business were made from FSC® certified wood (2023: 98%). In 2025 we will be carrying out sourcing activity on the solid timber supply chain which is not currently covered by FSC to meet our deforestation commitment in 2025.

**99%**

wood and paper in own-brand products is from FSC or recycled sources (2023: 98%)

**97%**

of coffins we manufactured (from 2023-2024) were made from FSC® certified wood (2023: 98%)

## Peat

Peat is a vital natural resource, providing carbon storage and natural flood defences. In April 2021, we became the first UK retailer to ban the use of peat in bagged growing products sold in our stores, covering both own-brand and branded products. While this was an important first step, we recognise peat is also used more widely in our supply chains and we need to address this as part of a responsible approach to growing media, ensuring

we are using alternatives where we can understand and manage the sourcing risks.

We are working towards phasing out peat on bedding and pot plant ranges. Since 2022, we have removed 980,000 litres of peat from the range.

We are continuing our partnership with RSPB to restore upland peatland in Scotland and Wales, bringing vital peatland back into good condition to reduce carbon loss, and help to tackle [climate change](#) and protect nature.

## FIELDS AND ORCHARDS

We work with producers and growers, focusing on protecting our natural resources, water, soil and biodiversity, and building resilience in the changing climate. We understand that, whilst doing this, we must also consider impacts on people and their livelihoods. See our commitments on Fairtrade and Ethical trade. Read on for more information about our approach on water security and pesticide use, and our focus on fresh product, horticulture and crop protection in 2025.

### Water security

Without water, there is no food. The impending shortfall in water availability, coupled with farming's reliance on water<sup>10</sup> and a UK economy reliant on water outside of its borders<sup>11</sup> means we are facing increasingly serious risks related to water security and food sourcing.

Recent figures show dwindling water resources are under pressure from pollution, often from agriculture. In England, none of the rivers are in good overall health<sup>12</sup>, with 60% of river pollution attributed to agriculture and rural land management.

We're committed to playing our part in changing this for the better. We've been developing a more integrated water security strategy to help us protect our farmers and our food supply from growing risks, without compromising water resources for people and nature.

Throughout 2024, we continued our work with others to improve water security - both through our unique partnerships with The One Foundation and Water Unite (read more [here](#)), and via collective action in our food supply chain.

As founding supporters of WRAP's Water Roadmap, Co-op continues to work collaboratively with our peers, our suppliers and local delivery bodies to achieve the Roadmap's over-arching target that half the UK's fresh food will be sourced from areas with sustainable water management by 2030. It is essential we work collaboratively to improve water security in our most at-risk, shared food sourcing areas.

To help drive progress towards the milestones set out in the Water Roadmap, we continued our work with WRAP, WWF, and UK retailers to carry out Leadership Actions agreed in 2023 to strengthen and align agricultural standards, advocate for better water governance, and harmonise our mapping, measurement and reporting. We also provided input into the integration of WASH and increasing supplier engagement in the Roadmap's collective action projects.

We've continued to provide core funding towards 7 Water Roadmap collective action projects in key sourcing areas across the UK, Kenya, South Africa, Spain and Peru. These projects enable us to play our part in helping to achieve better water management on the ground, working with networks of farmers,

<sup>10</sup> 72% of all freshwater withdrawals are for agriculture, [UN Water](#)

<sup>11</sup> 70% of the UK's water footprint is external, with 40% classed as unsustainable, [Water Witness data](#)

<sup>12</sup> [Rivers Trust data](#)



## CASE STUDY

### Collective action in southern Spain

Alongside other food businesses, we are funding a collective action project on water stewardship in Southern Spain, aiming to reduce water scarcity and pollution, increase supply chain resilience and improve the state of groundwater bodies and ecosystems. The work focuses on key at-risk fruit & vegetable growing regions and is convened by WRAP in partnership with IDH SIFAV. It is delivered by Good Stuff International's Spanish team.

Since launching in 2022, activity has centred on the berry-growing area of Doñana in Huelva. In 2024, a repository of key data on the local water situation was launched, and work continues to strengthen certification standards,

increase uptake of water stewardship practice and improve legality of water use. Work has now begun in the Mar Menor catchment in Murcia and parts of the surrounding Segura basin – an important growing area for salad leaves, citrus and vegetables. Foundational work has allowed for the mapping of key hotspots and the creation of a second repository of key data.

Ongoing work will centre around building capacity, and securing engagement from local growers and stakeholders around an agreed set of actions, which will increase sustainable water use, promote regenerative agriculture and ensure legality.

local stakeholders and technical experts to deliver action plans and secure additional funding for nature-based solutions.

We've also contributed funding towards scoping and preparatory work carried out by West Cumbria Rivers Trust to set up a new collective action project in the Cumbrian Waver-Wampool catchments, to help address water risks linked to agriculture in the area.

In 2025, we plan to launch our new integrated water security strategy, setting a clear path towards improving water security in our high-risk supply chains. Read more [here](#).

#### Crop protection

Whilst crop protection plays a role in food production, it must be implemented responsibly. Currently, pesticide application is the most common method of protecting crops from diseases, but we acknowledge the consequences pesticide use can have on the environment and the health of workers in our supply chains.

Our Crop Protection Policy is built on transparency and collaboration – you can read the full policy and transparency report [here](#).

Implementation is supported by the Co-op Crop Protection Board which includes supplier representation. Our [pesticide phase-out list](#) was published online in 2023 and was updated in 2024. Our suppliers are working towards phasing out the actives on this list and will be reporting annually on progress.

In 2025, our focus will remain on phasing out Highly Hazardous Pesticides and supporting the wider uptake and use of Integrated Pest Management (IPM) techniques across our supply base, using Co-op Crop Protection Groups to help share best practice with suppliers.

## 3rd Place

Co-op came 3rd in [Pesticide Action Network's Supermarket Ranking 2024](#), and was scored as "making good progress" or leading the way on all criteria



## Livestock

Respecting animal welfare is an important part of our work in agriculture. For all our Co-op branded fresh, frozen and prepared meat and poultry products, our main welfare standard and focus is Red Tractor. For higher welfare, we use RSPCA Assured certification or equivalent. Since 2008, all shell eggs sold (Co-op own-brand and branded) have been free-range as a minimum and, since 2010 we only use free-range eggs as ingredients in our own-brand products. In 2018 we also moved to 100% outdoor-bred pork (see [here](#) for more detail).

## Business benchmark on farm animal welfare

The Co-op had held a Tier 2 position for the past 10 years in the Business Benchmark on Farm Animal Welfare (BBFAW). However, the scoring methodology changed in 2022, which led to the results not being made public at that time. The results published in 2024 show that the Co-op has moved from Tier 2 to Tier 3, which is still a positive outcome. In previous years, 47 companies were in Tiers 1 to 3, but this year only nine companies are in Tiers 2 to 3, with no companies in Tier 1.



## Monitoring animal welfare

More than 8,000 farmers and growers feed into our own-brand fresh supply chain, supplying us with meat, dairy, poultry, fresh produce, and prepared products for our Co-op brand products. All farms, whether they're part of our farming groups or not, may be subject to announced and unannounced visits or audits by us, or an appointed independent audit body, to check compliance with our animal welfare requirements. Read more about our animal welfare policies and our separate animal welfare report [here](#) and our motion from Co-op member-owners for Co-op on animal welfare in our membership and co-operation section.

## Chicken welfare

Co-op is a proud supporter of British Farming, and all our fresh chicken exceeds Red Tractor Assurance Standards. We also have RSPCA Assured free-range chicken in store.

We made the commitment to move to lower stocking density across all fresh chicken last year. Working closely with a cross-functional team, and in collaboration with our supplier, we delivered on our commitment 10 months ahead of schedule. All fresh chicken varieties under 'Space to Thrive' are sourced from farms that give the chickens 20% more space.

Following the successful delivery of phase 1 to reduce stocking density across fresh chicken, phase 2 saw our commitment expand to cover 'added value' poultry products, such as breaded, in November 2024. At the AGM in 2023, we also committed to explore the implementation of slower growing breeds and, during the 2024 AGM, we reported back to the business that moving to slower growing breeds was not the right move at that time.

## Antibiotics

Antimicrobial resistance is an increasing global challenge and threat, and food retailers have a responsibility to act. We're a member of the Food Industry Initiative on Antimicrobials (FIIA) and have signed a code of conduct to work pre-competitively as an industry to reduce antibiotic use. We're also supporting research, through membership of Responsible Use of Medicines in Agriculture (RUMA), that helps identify alternatives to antibiotics. Our antibiotics strategy, in line with the industry approach, is based on the '3Rs' framework to Reduce, Replace and Refine the use of medicines.



## OWNED BY YOU

Responding to calls from our member-owners, we launched our 'Space to Thrive' commitment moving to lower stocking density across all fresh, breaded and ready to eat chicken, giving chickens 20% more space in barns.

## SUSTAINABLE SOURCING DATA

Key Performance data icons

Target Achieved

On Track

Close to Target

Behind Schedule

Target not Achieved

Restatement

In-depth assurance

Issue	2024 Target	Performance against Target	KPIs	2021	2022	2023	2024	2025 Target	SDGs		
Aquaculture and fisheries			% fish used in Co-op branded food products from farmed sources	51	32	51	57				
			% fish used in Co-op branded food products wild caught	49	68	49	43				
			Number of Marine Stewardship Council (MSC)-certified Co-op branded food products	55	62	45	39				
			% wild captured seafood sourced from MSC fisheries (by volume)	63	65	77	67				
			% of wild captured seafood sourced from FIP (Fisheries Improvement Project) Fisheries (by volume)	37	35	23	33				
Livestock			Higher welfare sales (£m)	164	173	183	263				
			This includes £69m Space to Thrive sales.								
			% Co-op branded fresh, frozen and prepared meat and poultry products produced to Red Tractor Farm Assurance Scheme standards or higher	100	100	100	100				
			% Co-op branded shell egg sales RSPCA Assured	94	96	97	96				
			The remainder are classified as organic.								
			% Co-op milk Red Tractor Dairy Scheme assured	93	93	93	93				
			The remainder are classified as organic.								
			2021 % fresh protein sales, by welfare standard	See <a href="#">Table</a>							

## SUSTAINABLE SOURCING DATA

Key Performance data icons

Target Achieved

On Track

Close to Target

Behind Schedule

Target not Achieved

Restatement

In-depth assurance

Issue	2024 Target	Performance against Target	KPIs	2021	2022	2023	2024	2025 Target	SDGs
Palm Oil			% Palm oil in food and non-food products certified by the Roundtable on Sustainable Palm Oil	100	100	100	100		
			Palm oil used in Co-op branded food and non-food products (tonnes)	5,487 (in 610 products)	5,632	6,148	4,699		
			% Segregated and Identity Preserved	93	93	92	94		
			% Mass Balance	7	7	8	6		
			% GreenPalm/ RSPO credits	0	0	0	0		
			Palm Oil Importer	See <a href="#">Table</a>					
Soy	100% of soy in our Co-op products, including that embedded in animal feed, will be deforestation-free and responsibly sourced by 2025	<span style="color: red;">🕒</span> This year, we've seen similar vDCF volumes, largely sourced from low-risk origins. We recognise there's still significant progress required and we are facing industry-wide challenges in meeting our goal by the end of 2025. We remain committed to our ambition, both working with supply chains to progress urgently during 2025 and develop clear plans to reaching 100% vDCF.	Soy used in our food products (directly and indirectly through animal feed) (tonnes)	56,100	51,862	60,126	52,119		
			% soy linked to an origin	61.9*	51	55	64		
			% soy linked to an importer	36.5*	50	51	63		
			*These numbers include when multiple origins and importers have been named, even if these are not separated out to specific volumes of supply. As such the importer number does not match up exactly with the 'Multiple/Not yet attributable' figure.						
			% soy footprint verified deforestation-free and conversion-free (Segregated Certified or vDCF sourcing - excludes mass balance)	-	0.4	16	10		
			Certified soy (under schemes benchmarked to FEFAC Soy Sourcing guidelines)		RTRS Credits 72.7% Area Mass Balance 10.4% Mass Balance 16.8% Segregated 0.1%	RTRS Credits 7% Regional RTRS credits/ Area Mass Balance 50% Mass balance 27% Segregated 1.1%	RTRS Credits 2% Regional RTRS credits/ Area Mass Balance 57% Mass balance 26% Segregated 2%	100% of soy in our Co-op products, including that embedded in animal feed, will be deforestation-free and responsibly sourced by 2025	 
			% soy footprint covered by UK Soy Manifesto signatories	-	83 volume of soy footprint 42 of suppliers using soy	77	90		
			Soy footprint breakdown	See <a href="#">Table</a>					

## OWN-BRAND SOURCING STANDARDS

Ingredient	Sourcing standard
<b>Oceans and aquaculture</b>	
Wild fish	Preferred standard - MSC.
Farmed fish	Preferred standards - Global Aquaculture Alliance Best Aquaculture Practice (GAA/BAP) 4*, GLOBALG.A.P. Aquaculture Standard, Aquaculture Stewardship Council Standards, Marine Stewardship Council certification.
Salmon	All Co-op 'Irresistible' own brand farmed, fresh and smoked Atlantic Salmon sourced from Scottish farms accredited to RSPCA Assured higher welfare standards. This does not include salmon used as an ingredient. Co-op own brand standard tier farmed Atlantic Salmon fresh, smoked and used as an ingredient in Co-op food products may be sourced from either Scottish farms or Norwegian farms (excluding Rogaland and Hordaland).
Prawns	Cold Water prawns - MSC. Warm Water prawns - either ASC certified or GAA BAP4*
Tuna	Skipjack tuna, including as an ingredient, sourced from fisheries employing pole and line or hand fishing method which are either MSC certified or in a credible or comprehensive Fishery Improvement Project which is demonstrating measurable progress towards MSC certification.
<b>Livestock</b>	
Chicken & poultry	Red Tractor or equivalent (Irresistible range RSPCA Assured) British (Fresh, frozen and ready meals).
Beef	Red Tractor or equivalent, British. Only European corned beef.
Milk & dairy	Red Tractor, British.
Lamb	Red Tractor, British.
Pork	RSPCA Assured, Outdoor bred, British. Red Tractor for Bacon, Gammon and Ham in Co-op Honest Value products. As an ingredient - Red Tractor.
Eggs	100% free range, British, Shell eggs RSPCA Assured.

Ingredient	Sourcing standard
<b>Forest and peatlands</b>	
Cocoa	100% Fairtrade, including where used as an ingredient within our Fairtrade Sourcing Ingredient (FSI) programme.
Coffee	100% Fairtrade. Where used as an ingredient Fairtrade producers benefit.
Sugar	100% Fairtrade in bagged sugar.
Wood, paper & pulp	FSC or recycled content (by exception PEFC accepted).
Palm oil	Certified as sustainable under one of the Roundtable for Sustainable Palm Oil certification schemes.
Soy	The majority of our footprint (direct and indirect) is covered by RTRS Credits.
Peat	All bagged growing medium sold in our stores is peat free.
<b>Fields and orchards</b>	
Tea	100% Fairtrade. Where used as an ingredient Fairtrade producers benefit.
Bananas	100% Fairtrade. Where used as an ingredient Fairtrade producers benefit. GLOBALG.A.P.
Grapes & wine	Entry level South African wines are Fairtrade. Grapes - GLOBALG.A.P.
Flowers	100% Fairtrade African rose bouquets and African single stem roses.
Lettuce	UK - Red Tractor
Carrots	Other - GLOBALG.A.P
Tomatoes	Red Tractor.
Citrus	UK - Red Tractor.
Potatoes	Other - GLOBALG.A.P.
Berries	GLOBALG.A.P.
	Red Tractor.
	UK - Red Tractor.
	Other - GLOBALG.A.P.

## % OF FRESH PROTEIN SALES BY WELFARE STANDARD

Own label	Red Tractor	RSPCA Assured / Higher Welfare	Commentary
Turkey	100%	0%	
Chicken	25%	73% and 2%	73% is space to thrive, 2% is RSPCA Assured
Beef	100%	0%	
Lamb	100%	0%	
Bacon	0%	100%	
Pork	0%	100%	
Ham	0%	100%	
Sausage	0.1%	99.9%	Co-op Frozen Sausages are Red Tractor not RSPCA
Eggs	0%	96%	4% is Organic so still higher welfare, so could be changed to 100%
Milk	93%	7%	7% is Organic
Salmon	0%	9%	The other 91% is not comparable to Red Tractor as it's not certified under a land-based certification
Fish	N/A	N/A	Probably can remove this?
Cooked meats	100%	0%	
Continental meats	100%	0%	All EU lines certified to equivalent Red Tractor standard
Cheese	100%	0%	All EU lines certified to equivalent Red Tractor standard
Cream	100%	0%	All EU lines certified to equivalent Red Tractor standard
Butters and fats	100%	0%	All EU lines certified to equivalent Red Tractor standard
Ready to cook	69%	31%	

## PALM OIL

Palm oil importer	% of 2024 supply	Link importer mill lists	2024 Co-op engagement
Sime Darby	26	<a href="#">Crosscheck</a>	POTC Engagement
AAK	10	<a href="http://www.aak.com/sustainability/better-sourcing/palm/mill-list/">www.aak.com/sustainability/better-sourcing/palm/mill-list/</a>	POTC Engagement
Multiple Top 10	12		POTC Engagement
Olenex	6	<a href="#">Traceability - Olenex</a>	POTC Engagement
Other	20		POTC Engagement
Not attributable	26		Supplier Engagement

## SOY FOOTPRINT

Soy footprint by protein type	%
Beef	4
Dairy	19
Eggs	11
Lamb	0
Pork	23
Poultry	37
Seafood	6
Direct Soy	0
Other	0

## % OF SALES (VALUE)

Proportion of fresh protein sales, by protein type	
Turkey	0.11%
Chicken	10.13%
Beef	7.67%
Lamb	0.49%
Bacon	4.26%
Pork	1.36%
Ham	5.10%
Sausage	4.21%
Eggs	6.29%
Milk	19.78%
Salmon	5.58%
Fish	3.95%
Cooked meats	8.41%
Continental meats	2.14%
Cheese	13.02%
Cream	2.02%
Butters and fats	5.49%
Ready to cook	0.42%
<b>TOTAL</b>	<b>100%</b>

Soy importer	% footprint	Soy sourcing region	% footprint
Cargill	21	Asia	0.3
Cefetra	15	Europe	0.4
ADM	5	North America	11.5
Others	22	South America	49.3
Not yet attributable	37	Multi-region	2.1
		Not yet attributable	36.5

## SUSTAINABLE SOURCING DATA

Key Performance data icons

Target Achieved

On Track

Close to Target

Behind Schedule

Target not Achieved

Restatement

In-depth assurance

Issue	2024 Target	Performance against Target	KPIs	2021	2022	2023	2024	2025 Target	SDGs
Wood & Paper			Wood and paper products purchased by Co-op Food (m <sup>3</sup> )	47,399	41,762	31,514	31,415		
			<b>Co-op Food: sourcing of wood and paper, by origin</b>						
			% Post and pre-consumer recycled waste	0	1.5	0.5	0		
			% Known legal source virgin material such as PEFC	5	0.5	2	0.9		
			% Wood and paper purchased for Co-op Food that was (FSC certified) or recycled	95	98	98	99		
			% Wood and paper used in products for Co-op Food is of known origin	100	100	100	100		
			% Coffins manufactured by our funeral business made from FSC® certified <sup>1</sup> wood	95	97	98	97		
Data follows financial year, rather than calendar year									
Crop Protection			Number of product samples tested	373	363	372	360		
			Sample with zero residues	155 (42%)	152 (42%)	153 (41%)	143 (40%)		
			Samples with 1 residue below Maximum Residue Limit - European Food Safety Authority (MRL)	70 (19%)	70 (19%)	66 (18%)	67 (19%)		
			Samples with multiple residues all below MRL	138 (37%)	132	143 (38%)	135 (38%)		
			Samples with at least 1 MRL exceedance	10 (3%)	9 (3%)	10 (3%)	15 (4%)		
			Number of pesticide actives detected	668	640	665	624		
			Average detections per sample	1.79	1.8	1.79	1.73		
			Number of these classified by the World Health Organization Recommended Classification of Pesticides by Hazard (Categories 1A and 1B)	0 (1A); 2 (1B)	0 (1A); 0 (1B)	1 (1A); 0 (1B)	0 (1A); 0 (1B)		
			International List of Highly Hazardous Pesticides (Number of different actives)	141	138	211	176 (35)		



# SUPPORTING BRITISH FARMERS

Our long-standing commitment to delivering 100% British fresh and frozen protein has helped maintain our strong farmer relationships, ensuring access to high animal welfare standards for everyone, regardless of their budget.

## CO-OP FARMING GROUPS

Co-op farming groups and our wider sourcing policies have helped us engage directly with our hundreds of British producers and/or suppliers. As the industry changes, we've evolved our approach to encompass all our fresh meat and dairy supply chain. This expanded partnership improves our supply chain data, offering more detailed insights into animal welfare and the environmental impact of the products we sell.

## CLIMATE CHANGE

Our largest category of product emissions is meat and dairy production. Animal products are generally (though not always) higher in carbon compared to plant-based products. We sell a considerable amount of these products, especially fresh milk, in our convenience stores.

Our approach is to source 100% of our meat, fresh milk, fresh cream, eggs and Cheddar cheese from British farmers. We work closely with our farmers and suppliers to reduce the carbon intensity of the animal product. You can read more about our commitment to support British farmers, what that means in practice, and how we work together [here](#).

To reduce the carbon intensity of meat and dairy, we established important new partnerships with two of our key suppliers during 2023.



## Beef sustainability pilot

Compared to other food products, beef has a high carbon footprint per serving, especially when sourced from regions with high deforestation. Since 2005, we have committed to only source 100% fresh British beef and, in 2019, we extended our commitment to frozen products. During this time, we have been working with farmers across the UK to assess progress on measures, including welfare and environmental impact.

In late 2023, we launched a new partnership with our red meat supplier Dunbia. We will now work closely with beef farmers who carry out environmental assessments, such

as carbon footprint of their farms. Farmers will receive additional bonus payments for reducing their environmental impact through taking actions that lower their carbon intensity<sup>1</sup>. Between 2023 and 2024, we ran a pilot covering 10% of our supply volume. In the first year of our pilot, farms achieved a 15-30% reduction in carbon emissions - well below the average carbon intensity for UK beef. As we move into year two, we'll continue working closely with these farms to better understand the full potential for carbon savings this initiative can deliver, and scale up the scheme to cover 25% of our supply.



## CASE STUDY

### Dairy sustainability plans

As a convenience retailer, we sell a large amount of fresh milk. Whilst on a per-serving basis, milk is not the most significant source of carbon emissions, the sheer volume that we sell makes this the single biggest contribution to our Scope 3 footprint.

We have long-standing relationships with UK farmers through our Co-op Dairy Group (CDG), which accounted for more than 90% of our milk supply in 2023. The CDG allows us to work closely with specific farms on key issues whilst guaranteeing a fair milk price for farmers.

Since the group's establishment, we have worked together on key issues such as animal welfare, milk quality and environmental impact.

To achieve our climate change commitments, we know we must move faster to reduce the carbon intensity of milk. In 2023 and 2024, alongside independent dairy consultants Kite and supply partner Müller, we have increased the focus on sustainability. Each of our 140+ farms will receive a detailed sustainability plan for their farm. These sustainability plans will help our farmers focus on the key areas to improve not only their carbon intensity, but also overall efficiency and financial performance.

Working together with the CDG, we have set a target to reduce the average carbon intensity of our dairy supply by 30% per serving by 2030. We achieved a 2.5% reduction this year. While modest, we expect to see the benefits increase over the coming years.

### ENGAGING OUR FARMERS AND PRODUCERS

We have continued with farmer engagement through on-farm meetings and webinars. Our Farming & Fisheries 'X<sup>2</sup>' account, with nearly 5,000 followers, comprises of producers, suppliers, industry stakeholders and NGOs. It facilitates supplier interaction and promotes industry events, such as Sustainable Seafood September and Back British Farming Day. As a key sponsor, we champion Open Farm Sunday, an annual event that enables our farmers to open their doors to the public, showcasing their remarkable contributions.

### A FOCUS ON BRITISH GROWERS

We're deepening our commitment to British growers with a renewed focus on strengthening ties within the sector. We're working with growers to address some of the critical challenges facing British horticulture, including climate change, labour availability and the removal of certain pesticides. Demonstrating our support, we recently hosted a Supplier Engagement Day, bringing together farmers and growers to share best practice and collaborate on sustainable solutions. This initiative underscores our commitment to fostering a resilient, innovative and thriving future for British fresh produce. ([Read more](#))

## 100% BRITISH

for our meat, fresh milk, fresh cream, eggs and Cheddar cheese.

## SUPPORTING BRITISH FARMERS DATA

 Target Achieved

 On Track

 Close to Target

 Behind Schedule

 Target not Achieved

 Restatement

 In-depth assurance

Issue	2024 Target	Performance against Target	KPIs	2021	2022	2023	2024	2025 Target	SDGs		
Supporting British Farmers			% Co-op branded fresh and frozen meat is British	100	100	100	100				
			% Co-op branded eggs, milk, farmed salmon and cream is British	100	100	100	100				
			Number of British farmers and growers in our Farming Groups	310	N/A	152	191				
			We have increased our numbers through the launch of a Sustainability program which rewards farmers for their efforts in reducing carbon emissions and promoting nature on their farms across beef, lamb and dairy sectors as part of two new sustainability projects.								
			Number of British primary protein farmers in our supply	-	-	7,945	8,687				
			Beef, Lamb, Dairy, Chicken, Egg, Pig and Salmon Farms								
			Independent audits across Farming Groups	285	N/A	145	185				

# RESPONSIBLE PROCUREMENT

We focus on generating and protecting value for our member-owners at every stage of the Goods not for Resale (GNFR) Procurement lifecycle; across Category Planning, Strategic Sourcing, and Supplier Management. This means we're embedding responsible procurement in all of our day-to-day activities.

## Effective due diligence and risk management

Before working with new suppliers, we ask a wide range of due-diligence questions, covering issues from sustainability and human rights to diversity and inclusion. This ensures we are partnering with like-minded organisations who share our values.

To support this, we've implemented [Ecovadis](#); a collaborative platform that allows organisations to evaluate how well they've integrated sustainability into their management systems. We also continue to use [SEDEX](#) Self-Assessment Questionnaires (SAQs) for Tier 2 suppliers considered to be high ethical risk from a human rights perspective.

## Developing collaborative supplier relationships

We consider our suppliers to be an extension of our business, and our Supplier Management Framework provides category and contract managers with the tools they need to ensure that engagement not only focuses on operational and commercial performance but also drives collaborative behaviours across sustainability, diversity and inclusion, and social value.

This year, we refreshed several supplier-facing policies including:

- Supplier Anti-Bullying, Harassment and Discrimination Policy: This makes clear that bullying, harassment or discrimination of any kind is not tolerated, and how it should be reported. This has been refreshed to reflect the new Worker Protection Act.
- GNFR Supplier Guide to Ethical Trade: We expect our Goods Not for Resale (GNFR) suppliers to align with our principles on [ethics and sustainability](#).
- GNFR Sustainability Guidance for Suppliers: Refreshed guidance incorporates our new Co-op Vision and our Ecovadis requirements.



## Working together to create social value

We also encourage our suppliers to align with our Vision to create social value for our member-owners in a variety of ways.

Our Social Value Charter encourages collaboration from our suppliers on activity to support our Vision, focusing on the issues that our member-owners care about.

In our Academies, for example, our suppliers have contributed over 1,000 hours to activities such as mock interviews, career fairs, volunteering, delivering workshops and distributing laptops.

You can see how we worked with Bunzl on a social value action plan below.

## Over 1,000 hours

Our suppliers have contributed over 1,000 hours in support of our Co-op Academies

## Diversity and inclusion

This year, we launched the Co-op Endless Inclusion Hub to our GNFR suppliers. You can read more on that [here](#).

We continue to push for increased diversity in our supply chain and are members of the Social Enterprise UK's 'Buy Social Corporate Challenge', spending £11.1m in 2024 with Social Enterprises (2023: £4.9m). We also work with Minority Supplier Development UK (MSDUK) and spent £170,000 in 2024 with Ethnic Minority Businesses.

We were also proud to be awarded the 'Buy Social' Market Builder award at the 2024 Social Enterprise UK Awards.

In 2024, our GNFR suppliers pledged over £2.2m (2023: £1.3m) to support our [Co-op Levy Share](#) scheme, changing the lives of young people from diverse backgrounds in the UK, supporting over 200 apprenticeships. You can hear more from one of our suppliers, Wincanton, and how they are supporting apprentices at William Hare Group.

<sup>2</sup> Image of Emily from Unseen presenting at the supplier conference in June

## Ethical trade and human rights

For 2024, we identified 100 suppliers from categories considered to be high risk, for our Ethical Trade programme. We monitor their approach to managing these risks via Ecovadis and SEDEX.

To continue to raise awareness, we partnered with [Unseen](#) and [Stronger Together](#) to deliver modern slavery awareness training, enhancing our team's understanding and helping category managers identify and address human rights risks across our supply chain.

At our [annual GNFR Supplier Conference](#), we invited both Unseen and Ecovadis to present to our suppliers about sustainability and modern slavery awareness, and our quarterly Ethical Trade Newsletter helps keep colleagues informed of risks highlighted in the media.

We also developed modern slavery awareness posters to mitigate risks in our depots and re-designed our Modern Slavery Awareness eLearning for business areas identified as potentially high risk for modern slavery.

## Sustainability

This year, we also completed our own Ecovadis assessment, ranking in the top 15% of rated organisations and earning a silver medal.

This milestone demonstrates our commitment to leading by example, inspiring suppliers and partners to adopt similar sustainable and responsible practices.



**Are you forced to live in accommodation against your will?**

If you suspect someone is a victim of Modern Slavery you can:

1. Call the 24/7 Modern Slavery helpline on **08000 121 700**
2. Report online on the Modern Slavery helpline website: [www.modernslaveryhelpline.org/report](http://www.modernslaveryhelpline.org/report)
3. Call the Gangmasters and Labour Abuse Authority on **0800 432 0804**

You can also use the **Co-op whistleblowing process** and escalate to our free and confidential whistleblowing line, "Speak up" operated by Safecall by calling **0800 915 1571**, or online via [www.safecall.co.uk/coop](http://www.safecall.co.uk/coop). All reports are treated confidentially.

Please speak up. You can find out more about Co-op's Modern Slavery statement [here](#) or by scanning the QR code.

**Is someone controlling your identity documents or bank account?**

If you suspect someone is a victim of Modern Slavery you can:

1. Call the 24/7 Modern Slavery helpline on **08000 121 700**
2. Report online on the Modern Slavery helpline website: [www.modernslaveryhelpline.org/report](http://www.modernslaveryhelpline.org/report)
3. Call the Gangmasters and Labour Abuse Authority on **0800 432 0804**

You can also use the **Co-op whistleblowing process** and escalate to our free and confidential whistleblowing line, "Speak up" operated by Safecall by calling **0800 915 1571**, or online via [www.safecall.co.uk/coop](http://www.safecall.co.uk/coop). All reports are treated confidentially.

Please speak up. You can find out more about Co-op's Modern Slavery statement [here](#) or by scanning the QR code.



## ENDLESS INCLUSION HUB

Along with our commitment to building inclusive partnerships, we're working to enable our supply chain to be truly inclusive. The Endless Inclusion Hub is an online platform providing our suppliers with access to resources, tools, case studies and events to progress inclusion, diversity, equity and belonging.

In February, we launched our Endless Inclusion Hub to our Goods Not for Resale (GNFR) suppliers, many of whom took part in 'A Gift to Give', which allows our Endless Inclusion members to support our [Co-op Apiary scheme](#), giving under-represented suppliers access to tools, resources, and time to support the development of their businesses. Since the launch, we've received over £425,000 and over 1,500 hours' worth of gifts donated. You can watch how one of our suppliers, Red Bull, took part in A Gift to Give below.



In 2024, we also delivered a Building a Diverse and Inclusive Supply Chain event with our partners, [SEUK](#) and [MSDUK](#). The event focused on encouraging diversity in the supply chain and within Co-op partnerships, and delivering products and services that are inclusive of the communities we serve.

Co-op was announced as the winner of the 'Best Initiative to Build a Diverse Supply Base' award at the [CIPS Excellence in Procurement & Supply Awards 2024](#), recognising our collaborative approach to inclusive buying and supplier diversity.



We held our online Age Fest event which allowed attendees to hear from industry leaders about the latest trends in age diversity and empowerment.

We also hosted National Inclusion Week, with over 300 attendees joining us for collaborative learning on issues from inclusive marketing and diversity in the supply chain, to neuro-inclusion and social value delivery in branded products.

We continue to push for more diversity across our supply chain and are members of the Social Enterprise UK's (SEUK) 'Buy Social Corporate Challenge'.



# £11.1m

spent with Social Enterprises in 2024  
(2023: £4.9m)

We're also continuing to work in partnership with Minority Supplier Development UK (MSDUK) to achieve our supplier diversity strategy, and this year we have spent £170,000 with Ethnic Minority Businesses.

Looking to 2025, we'll formalise data on our supplier diversity to enhance support offerings and continue to embed inclusive buying into our everyday ways of working.

## COMMUNITY BUYING

Our customers tell us that having access to products that are relevant to them is essential. Through our community buying approach, we strive to create ranges that reflect the diversity of the communities we serve – ensuring relevance with a conscience.

### Local Sourcing

Our insights show that local products are important to communities. Customers associate local goods with exceptional quality, environmental benefits, and support for the local economy. Our Local strategy places communities at the heart of our ranging decisions, fostering collaboration with local suppliers to showcase the products our customers expect and value.



## World Foods

Our World Foods range is designed to meet the cultural needs of our diverse communities, from products that celebrate cultural and religious traditions – such as Ramadan or Diwali – to everyday staples. For example, we're working to expand our Halal offering and, in 2025, we'll launch a trial across a number of stores, introducing a cross-category, culturally appropriate Halal range. We're committed to expanding and delivering this range in a way that's more convenient and accessible for the communities we serve.

## The Apiary

Co-op's purpose-driven incubator and accelerator programme champions small businesses that align with our vision and values. Now in its fourth year, The Apiary has supported over 30 businesses as they navigate the world of retail. At its core is a vibrant community of founders, complemented by a network of mentors and ambassadors who provide collaborative skill-sharing, masterclasses, insights, and hands-on support. This year, the programme has grown to include an accelerator and has been enhanced by the innovative 'Gift to Give' Endless Inclusion scheme, where larger suppliers lend their support to purpose-led businesses and under-represented founders. See one of our suppliers in action below.

## RESPONSIBLE PROCUREMENT DATA

✓ Target Achieved
≡ On Track
✔ Close to Target
⌚ Behind Schedule
✗ Target not Achieved
R Restatement
A In-depth assurance

Issue	2024 Target	Performance against Target	KPIs	2021	2022	2023	2024	2025 Target	SDGs
Responsible Procurement	<p>In 2024, we will seek to understand the carbon reduction plans of our strategic and critical suppliers. We want to understand how many of these suppliers have:</p> <ul style="list-style-type: none"> <li>a) 1.5°C aligned science-based net zero targets</li> <li>b) a published inventory of scope 1, 2 and 3 GHG emissions</li> <li>c) a plan to reduce the carbon consumed in providing services to our Co-op</li> </ul>	<p>Our Carbon Survey, completed by strategic and critical suppliers revealed that:</p> <ul style="list-style-type: none"> <li>• 56% had set 1.5°C degree aligned science-based net zero targets.</li> <li>• 73% would publish their scope 1, 2 and 3 GHG emissions inventory by the end of 2024.</li> <li>• 82% had a plan to reduce the carbon consumed in providing goods/services to Co-op.</li> </ul>	<p>Number of suppliers with valid Ecovadis Scorecards</p> <p>Spend with Social Enterprises across GFR and GNFR (£m)</p> <p>Spend with Ethnic Minority Businesses (MSDUK suppliers) (£)</p> <p>£ pledged to Levyshare by Co-op Suppliers for Levyshare (£m)</p> <p>Number of apprenticeships supported by suppliers through Levyshare</p> <p>Number of hours committed by suppliers supporting Social Value initiatives<sup>1</sup></p>	N/A	N/A	N/A	146	<p>In 2025, we will:</p> <p>Support suppliers to contribute 500+ hours of social value activity to Co-op Academies</p> <p>Obtain product carbon data where available &amp; agree a plan to support our Co-op net zero goal (for the top 80% of GHG emissions impacting suppliers)</p>	

<sup>1</sup> See p.99 for more detail

## FAIRER BUSINESS

- FAIRER BUSINESS
- ABOUT OUR CO-OP
- PUBLIC POLICY ENGAGEMENT
- INDEPENDENT ASSURANCE STATEMENT



# FAIRER BUSINESS

When we carry out our business operations, it's not just what we do that matters, but how we do it. From addressing the challenges we face through the use of technology and personal data, to the impacts of our investment and financing decisions, we aim to thread the concept of "fairer business" through everything we do.

## RESPONSIBLE FINANCE AND INVESTMENTS

We look for opportunities to align our investment and financing decisions with our values and ethics. One way of doing this is through sustainability-linked financial products, where we link the achievement of our sustainability targets to a financial incentive or penalty - reinforcing our commitment to future sustainability outcomes.

### SUSTAINABILITY-LINKED LOAN

Since 2019, we've had a sustainability-linked Revolving Credit Facility (RCF) which allows us to draw down amounts as needed to bridge timing differences between cash receipts from our sales and spending with our suppliers, with the interest charged by our bank linked to ESG<sup>1</sup>-related KPIs. In November 2024, we extended our sustainability-linked facility by a further 5 years, and took the opportunity to refresh the ESG metrics within it so that they were both relevant to this new period and extended out to 2029. These metrics are linked to our Scope 3 GHG emissions, our food waste reduction targets and targets focused on gender & ethnicity within management roles. Failure to meet the ESG metrics increases the cost of the facility.

### SUSTAINABLE FOREIGN EXCHANGE AGREEMENT

Co-op buys some of the goods it sells from overseas suppliers and pays for them in foreign currency. We manage the risk of currency volatility through a hedging programme with a number of our banks. Since 2021, we've held a sustainability-linked foreign exchange agreement with one of our banks whereby any trades undertaken with them offers a sustainability-linked rebate if Co-op meets Scope 1 & 2 GHG emissions targets.

### PENSION FUNDS

At the end of 2023, the trustees of our largest pension scheme, Pace, purchased an insurance 'buy-in policy' with Rotheray Life. This means we now have buy-in policies in place with three insurers, which reduces risk and improves security for pension scheme members and our Co-op. As part of the selection of Rotheray Life, the Trustees considered their approach to sustainability, including commitments to transition to a Net-Zero-emissions investment portfolio.

Pace formally reported in line with the recommendations of the Taskforce on Climate-Related Financial Disclosures (TCFD) for the third consecutive year in October 2024. The scheme remains on target to achieve Net-Zero greenhouse gas emissions by 2050 or sooner, with a 50% reduction by 2030<sup>2</sup>.

In addition, Pace continues to be a signatory of the UK Stewardship Code, meeting the reporting standards required by the Code and the Financial Reporting Council (FRC) in relation to stewardship policies for its investments, processes, activities and outcomes for the 12 months to 5 April 2023. Further details on Pace's work to reduce its carbon footprint, and a summary of the Trustees' work on responsible investment over the year, is available [here](#).

Our two smaller defined benefit schemes, the Somerfield Pension Scheme and the United Norwest Employees' Superannuation Fund, continue to regularly benchmark their approach to responsible investment against similar schemes. In 2024, both schemes scored an 'A+' rating and are in the top 10% of comparable UK pension schemes (2023: A+).

### OUR BROADER ECONOMIC IMPACT

We're open and transparent in our tax affairs and were awarded the Fair Tax Mark for the 10th consecutive year in 2024. The Fair Tax Mark sets a standard for responsible tax practice and reporting, and validates our openness and transparency about our tax affairs. We measure our 'economic value added' (the financial benefits that commercial organisations deliver to stakeholders) as set out [here](#).

## RESPONSIBLE TECHNOLOGY

Responsible technology is about making sure we do right by you when it comes to the choices we make around technology and data, both for current and future generations.

## INSPIRING THE NEXT GENERATION OF WOMEN IN DIGITAL TECHNOLOGY AND DATA

In 2024, only 21% of IT specialists in the UK were women (BSC, 2024). To help address this, we've partnered with InnovateHer to create a bespoke programme supporting and inspiring students in our Co-op Academies towards careers in Digital Technology and Data.

This programme, supported by Co-op Ambassadors, takes Year 8 and 9 students on a 12-week journey exploring careers in data and technology. We're piloting the programme at Co-op Academies in Belle Vue and Stoke-on-Trent and hope to expand this in the future.



## STRENGTHENING OUR INFORMATION SECURITY POSTURE FROM WITHIN

This autumn, to celebrate Cyber Security Awareness Month, we ran an extended season of activities for colleagues. With Artificial Intelligence increasingly being used to create malicious emails, we focused on empowering colleagues to spot and report phishing emails. This included running in-house cyber escape rooms focused on real-world security challenges, and a phishing competition which gave colleagues the chance to practise spotting and reporting emails based on genuine scams.

## DATA & AI ETHICS

Ongoing awareness and knowledge of Data & AI Ethics is crucial to ensure that the impact of the data we collect, analyse, and share remains central to the decisions we make about data.

In 2024, we continued to promote and integrate the importance of Data and AI Ethics by:

- Encouraging the use of the Data Ethics Canvas tool, via our Data Governance Project Process.
- Establishing a following for the AI Community of Interest.
- Delivering an eLearning module.
- Uplifting the Data Ethics Advisory group into a decision-making forum, where we will raise and monitor data and AI ethical risks.

We also engaged 13,347 Co-op Academy students in 'Careers Uncovered', to learn about Data Ethics.

We continued our collaboration with Nottingham University who have made great progress analysing our data to benefit society, [impacting research into multiple deprivation and iodine deficiency in vegans](#).

In 2025, we will deepen our knowledge of Data & AI Ethics, enhancing our learning resources to include the importance of AI.



## BUSINESS INTEGRITY AND RESPONSIBLE GOVERNANCE

### EMBEDDING ETHICS IN OUR DECISION-MAKING

Embedding ethics in our decision-making ensures that we're living up to our Co-op Purpose and Values. Our Ethical Decision-Making Tool (EDMT) is used to support all material decisions requiring Board and Executive approval and helps us to balance social, environmental, and commercial issues and consider decisions from a member-owner perspective. In 2024, all Board papers requiring a material decision were accompanied by a paper summarising the EDMT considerations.

### PUBLIC POLICY ENGAGEMENT

As a responsible business, we continue to use our influence to campaign for a fairer and more sustainable world and are open about our lobbying and its outcomes. We detail our engagement with Government on sustainability and responsible business issues [here](#).

### ANTI-CORRUPTION

Our commitment to comply with all relevant anti-corruption laws is outlined in our Financial Crime Policy and Anti-Bribery Policy. Our Code of Business Conduct details our Board and Management's commitment to the elimination of any fraud within the organisation and rigorous investigation of any such cases. We have an Anti-Fraud Policy and guidelines to support this commitment. Our Gifts and Hospitality Policy sets out our zero tolerance approach to bribery.

## COMPLIANCE IN OUR FOOD BUSINESS

### FOOD SAFETY AND QUALITY CONTROL

We work with our suppliers to simplify our supply chains and strengthen our risk management, traceability and quality assurance processes. Our Co-op own-label suppliers are audited against British Retail Consortium (BRC) Global Standards<sup>2</sup>. Food safety, legality and product quality requirements are delivered by working with our suppliers to ensure all products are compliant with relevant legislation and our own Co-op standards. Working with our suppliers and an independent testing laboratory, we've established a comprehensive testing programme which covers origin, production system, species, variety, composition and adulteration. This ensures our own-branded products deliver against all aspects of authenticity and protect our customers and the Co-op brand.

### GROCERIES SUPPLY CODE OF PRACTICE

We want our suppliers to feel that they have effective, collaborative and fair relationships with us. Our food business' trading relationships with groceries suppliers are regulated by the Groceries Supply Code of Practice. Our Co-op is one of 14 designated retailers in the UK that the Code applies to.

During 2024, we demonstrated strong compliance with the Code. In the GCA Annual Survey 2024, we ranked 1st among all 14 designated retailers. It was our best ever result, up from 5th in 2023 with 98.2% of suppliers rating us as consistently code-compliant (2023: 96.2%). We were ranked 4th when suppliers were asked if the Retailers conducted trading relationships fairly, in good faith and without duress (up from 6th in 2023).



# ABOUT OUR CO-OP

Our Co-op is the UK's largest consumer co-operative, with over six million active members and a presence in every area in the country. We're a major food retailer and our wholesale business serves nearly 4,000 partners, including many with the Nisa brand. We also run a franchise operation and supply independent co-ops. We're the largest funeral services provider in the UK; a major provider of regulated consumer legal services, particularly probate and wills, and a major provider of life planning and insurance products which support our customers when things go wrong. Our businesses are all UK-based and our main support centre is in Manchester.



# OVERSIGHT OF OUR VISION

## OUR BOARD

Our Board determines the strategy for our Co-op, consistent with our Purpose, Values and Principles. Our Board is responsible for final approval of this Report. Our ethical decision-making tool is used to support decisions requiring Board and Executive approval. The tool prompts users to consider the following when making a decision: what our members would think of the decision; whether it creates commercial and social value for members; the potential impact on our communities; and whether members could understand what we have done and why.

Our Risk and Audit Committee (RAC) is a committee that reports directly to the Board. Ethics, sustainability, colleagues and community are embedded in our risk framework, oversight of which sits with RAC. In addition, members of RAC review this Report; RAC considers our external sustainability report assurance feedback, as well as reviewing Internal Audit reports on aspects of our responsible business behaviour. Our National Members' Council is made up of 100 Co-op member-owners from around the UK. A key role for our Council is holding the Board to account on the strategic and operational decisions it makes. As part of its 'holding to account' role, it's responsible for reviewing and commenting on drafts of this Report. Our Council committees: Membership, People and Communities, Sustainable Ethical Leadership and Modern Co-operative Leadership, as well as Business Performance, work with our Board and senior leaders to hold to account and influence the decisions made on behalf of our member-owners.

The Council supports the Board in ensuring that the value we create for member-owners – social, economic or as owners – is front and centre.

## EMBEDDING OUR VISION

During the course of 2024, we have refreshed and updated our social value strategy to reflect our new Group strategy and ensure it aligns with our commitment to member-owners, colleagues and our Co-op Difference, which are at the heart of our organisation, and with the social value issues our member-owners tell us are important to them.

As part of that, we integrated our social value

governance previously overseen by Vision Activation Leadership Forum with the Social Value Strategy Steering Committee, which is comprised of Operating Board members with responsibility for all aspects of social value creation. This group of senior leaders and decision-makers continues to work collaboratively on the decisions and actions needed to deliver social value outcomes as part of the effective running of our business.

Development of the detail of our social value policies and programmes, and oversight and delivery of each area of activity, remains embedded within our business – for example, Sustainability Steerco, which oversaw issues such as Climate

Change, Fairtrade and healthy & sustainable diets; the People Leadership team, which oversaw issues such as our diversity & inclusion and colleague wellbeing strategies.

We use a Balanced Scorecard as the basis for the Bonus Plan for Co-op colleagues. The elements of our Bonus Plan scorecard are linked to doing what matters most for our Co-op. As well as financial metrics, these include Membership (membership is core to who we are and the vehicle through which we both create and share value), Community (supporting local communities creates much of the social value that makes our Co-op a better way of doing business) and Colleagues (colleagues play a significant role in ensuring we continue to deliver to our members, customers and communities).

## DISTRIBUTION OF ECONOMIC VALUE ADDED (£M)

'Economic value added' measures the financial benefits that commercial organisations deliver to stakeholders. Our reporting is based on the Global Reporting Initiative's indicator on 'direct economic value generated and distributed'.

(£m)	2021	2022*	2023	2024
Colleague wages and pension benefits	1,398	1,354	1,369	1,421
Payments to Government (mainly business rates, employers' National Insurance and irrecoverable VAT)	166	206	192	210
Distribution to members <sup>1</sup>	21	20	25	92
Community investment	41	45	46	38
Payments to providers of capital (interest paid to bankers or bondholders for loans)	56	₹ 58	56	47
Payments to providers of capital (interest paid on leases)	76	₹ 78	70	66
Set aside for capital maintenance and future growth (i.e. after accounting for other payments, including payments to Government, members and community investment)	261	₹ 261	197	143
<b>Total</b>	<b>2,019</b>	<b>2,022</b>	<b>1,956</b>	<b>2,017</b>

\* Figures with a restatement symbol have been restated following the adoption of IFRS 17 (Insurance Contracts). Refer to the Co-operative Group Annual Report & Accounts (2023) Note 33 for further details.

<sup>1</sup>Distributions to members in 2023 related to Member rewards earned at 2% of member spend on selected Co-op products and services under our old Member reward scheme. Following a change to our membership proposition (including the introduction of exclusive member pricing deals) these rewards were no longer earned from 24 January 2024. The distribution figure noted in 2024 reflects the amount invested in member pricing during 2024 as disclosed in our Annual Report & Accounts (2024).

## MEMBERSHIP DATA

Key Performance data icons

Target Achieved

On Track

Close to Target

Behind Schedule

Target not Achieved

Restatement

In-depth assurance

Issue	2024 Target	Performance against target	KPI	2021	2022	2023	2024	2025 Target
Membership numbers	We aim to end 2024 with 5.5m active members	We recruited over 1.6m new members in 2024, ending the year with over 6m active members.	Number of active members (million) (those who have traded with us in the last year in Co-op Food, Funeral and Life Planning, Insurance and Legal Services)	4.23	4.31	5.02	6.19	We aim to end 2025 with 7m active members
			Number of new members (m)	0.5	0.5	1.2	1.6	
			Member Spend (£bn)		2.5	2.7	3.2	
			Number of active young members (age 25 and under)	181,978	211,176	362,333	591,117	
Member engagement			Number of members voting at our AGM and elections	53,863	33,188	31,128	43,061	
			AGM and election voter turnout among eligible members (%)	2.4	1.6	1.5	1.9	
			Members participating in member events (previously Join In live) in communities across the UK	291	347	546	4,821	
			We overhauled our autumn member event programme in 2024, hosting two new online events focusing exclusively on our 2024 Interim Results and providing member-owners with the chance to meet their leaders and ask questions on their Co-op. We then held three pop-up cafes in city locations for the first time, bringing all the ways you can own Co-op to life for members and non-members. These were supported by local events with our new Member Activators and through online participation opportunities.					
			Members participating in our Join In programme online (number of opportunities to join in brackets)	266,738 (83)	309,277 (78)	377,238 (80)	477,452 (96)	
			Number of actions taken through Join In by our members	581,836	774,074	1,014,754	1,071,887	
Financial support for Co-operatives			Financial support for representative and affiliated bodies of the Co-operative movement (£m)	1.6	1.6	1.6	1.6	

## BREAKDOWN OF FINANCIAL SUPPORT FOR THE CO-OPERATIVE MOVEMENT (£)

Organisation	£
Co-operatives UK	755,497
Co-operative Party	598,600
Co-operative Press	106,000
International Co-operative Alliance	75,016
Social Enterprise UK	22,350
Woodcraft Folk	25,000
Co-operative Heritage Trust	17,000

Organisation	£
Co-operative College	1,000
People's History Museum	8,000
Scottish Fair Trade Forum	250
International Co-operative and Mutual Insurance Federation.	500
Plunkett Foundation	12,700
Society for Co-op Studies	4,000
Total	1,625,913

# PUBLIC POLICY ENGAGEMENT

For reporting purposes, 'engagement' is restricted to instances where we've raised or supported a significant initiative, for instance responding to a Government or Parliamentary consultation, or a significant campaigning activation.

In addition to the public policy engagement noted below, we have also engaged directly with elected representatives in order to support them in representing their constituents' interests, and to use our insight and perspective to develop effective public policy. Over the course of 2024, we responded to 137 pieces of correspondence with elected representatives.

As a politically neutral business we engage with elected representatives and mainstream political parties across the political spectrum, to advance our public policy priorities and our advocacy campaigning agenda. Every year, that includes meeting with elected representatives, and hosting visits and events. In addition, we hosted in 2024 the launch of the Labour Party's manifesto in July during the General Election campaign and the Co-op Party's Showcase event.

Issue	Audience	Engagement	Policy Position
<strong>Corporate</strong>			
<strong>People</strong>	UK Government (Department for Work and Pensions)	Response to consultation on reforms to Defined Benefit pension schemes	We welcome the opportunity to engage with the UK Government with regard to its proposed reforms to Defined Benefit pension schemes
<strong>People</strong>	UK Parliament	Appearance at the Employment Rights Bill Committee	We welcome the Government's plans to strengthen employment rights, especially where the Bill will level the playing field with our existing practices.
<strong>Business Rates</strong>	UK Parliament	Appearance at the Non-Domestic Rating (Multipliers and Private Schools) Bill Committee	We welcome the Government's proposed reforms to the Business Rates system to support the health of high streets and therefore community wellbeing
<strong>Industrial Strategy</strong>	UK Government (Department for Business & Trade)	Response to the Industrial Strategy Green Paper	We call on Government to work in partnership with businesses who can contribute to growth right across the economy, in addition to those identified for particular focus within the Industrial Strategy
<strong>Co-operative Economy</strong>	UK Government (HM Treasury and Department for Business & Trade)	Participation in the Co-operative and Mutual Sector Council	We are keen to work with UK Government to deliver their manifesto commitment to double the size of the co-operative economy
<strong>Food</strong>			
<strong>Trade Policy</strong>	UK Government (Department for Environment, Food and Rural Affairs)	Response to the Marking of Retail Goods Consultation	We call on the UK Government to continue work to address the challenges which the Windsor Framework was designed to resolve in relation to the movement of food and other essential supplies from GB-NI
<strong>Public Health</strong>	Scottish Government	Response to consultation on Draft Environmental Protection (Single-use Vapes) (Scotland) Regulations 2024	Welcoming of definition and asking for clarity around existing legislation and consistency between nations.
<strong>Public Health</strong>	Scottish Government	Response to consultation on the restricting promotions of food and drink high in fat, sugar or salt - proposed regulations	We are supportive of the Scottish Government's proposed approach which would provide consistency in categories between Scotland and England, but raised concerns about the inclusion of meal deals and removal of temporary price reductions.

Issue	Audience	Engagement	Policy Position
Public Health	UK Government	Response to consultation on The Environmental Protection (Single-use Vapes) (England) Regulations 2024 draft SI	Welcoming of definition and asking for clarity around existing legislation and consistency between nations.
Public Health	UK Government	Response to consultation on Alcohol licensing: Age verification	Welcoming the proposals to amend both the Licensing Act and Section 182 Guidance, and thereby make it legally permissible for retailers to use digital assurance technologies and digital proof of age for the purchase of alcohol.
Public Health	Welsh Government	Response to consultation on proposals to make the food environment in Wales healthier	Welcoming the consistency with the Food (Promotion and Placement) (England) Regulations 2021. As a business that trades in England and Wales, we have already implemented the restrictions in England and therefore will be able to effectively implement them in Wales.
Responsible Retailing	UK Government	Response to consultation on fairer food labelling	We have championed greater transparency for consumers including through on-pack labelling, and are champions of British producers through our market leading sourcing commitments.
Waste and Resources	UK Government (Department for Environment, Food and Rural Affairs)	Response to consultation on reforming the producer responsibility system for waste electrical and electronic equipment	We support the 'polluter pays' principle and the policy intent set out in the proposals.
Waste and Resources	UK Government, Scottish Government, Welsh Government and the Northern Ireland Executive	Involvement in UK Deposit Return Scheme(s) industry Deposit Management Organisation Bid	We are committed to supporting the introduction of Deposit Return Schemes across the UK and playing our part in the creation of an industry bid to establish the DMO.
Waste and Resources	UK Government (Department for Environment, Food and Rural Affairs)	Response to the consultation on the Waste Prevention Programme	We are supportive of measures to enable the transition to a circular economy, and are clear that regulation will be an important driver of progress including - for example - mandatory food waste reporting.
<b>Funeralcare</b>			
Sustainability	Ministry of Justice and Law Commission	Engagement concerning new and, potentially more sustainable committal methods	We are supportive of the introduction of more sustainable practices in the funeral sector
Standards	Fuller Inquiry	Engagement to share views on standards of care of the deceased - oral and written evidence	We are supportive of statutory regulation of the funeral sector
Standards	Scottish Government	Engagement to share views on the implementation of and inspection and licencing regime for Funeral Director businesses in Scotland	We are supportive of the measures being proposed by the Scottish Government
Standards	Ministry of Justice	Engagement to share views on standards of care of the deceased and future regulation of the sector	We are supportive of statutory regulation of the funeral sector
<b>Safer Colleagues, Safer Communities Campaign</b>			
Retail Crime	Members of Parliament	Support for USDAW's Respect for Shopworkers Week, raising awareness of the importance of taking action against violence and abuse against shopworkers	With legislation on the statute book, we need effective enforcement of the new offences by police and the courts.
Retail Crime	Lords Justice Committee	Lords committee hearing chaired by Lord Foster of Bath oral evidence on combatting shoplifting from Paul Gerrard and other field experts	The Government should recognise that retailers cannot solve the challenge of retail crime without policing support legislation change and, partnership working
Retail Crime	Members of Parliament, Mayors, Police and Crime Commissioners, and Industry Experts	Distribution of Professor Emmeline Taylor's Stealing with Impunity Research Paper - Commissioned by the Co-op and released on February 7th 2024	Recognising that retail crime has reached epidemic levels, though the solution must be multifaceted and cannot be solved by the retail industry alone

Issue	Audience	Engagement	Policy Position
<b>Retail Crime</b>	Justice and Home Affairs Select Committee	Evidence to the Justice and Home Affairs Select Committee, chaired by Dame Diana Johnson MP, as a follow up to their previous enquiry on shopworker violence with Paul Gerrard giving evidence	The Government should recognise that retailers cannot solve the challenge of retail crime without policing support legislation change and, partnership working
<b>Social Mobility Campaign</b>			
<b>Social Mobility</b>	UK Government (Social Mobility Commission)	Participation in the Social Mobility Commission Employers' Advisory Group	We are keen to work with UK Government and other employers to share best practice on social mobility.
<b>Social Mobility</b>	UK Parliament	Dissemination of 'The Opportunity Effect' - report by Demos	We believe there is the potential to promote economic growth if employers take action on social mobility
<b>Social Mobility</b>	UK Parliament	Dissemination of 'A different future - how business can reduce inequality'.	We believe business has a role to play in reducing inequality.
<b>Financial Resilience</b>	UK Government (HM Treasury, Cabinet Office)	Engagement on autosave workplace savings schemes	We believe that financial resilience is an important condition for social mobility
<b>Financial Resilience</b>	UK Parliament - Employment Rights Bill Committee	Written evidence calling for regulatory clarity on deductions	We believe that financial resilience is an important condition for social mobility
<b>Apprenticeships</b>	UK Parliament (House of Lords - Industry and Regulators Committee)	Participation in the Skills for the Future - Apprenticeships and Training Inquiry - oral and written evidence	We see apprenticeships as a means to promote social mobility
<b>Apprenticeships</b>	UK Parliament	Sponsorship of the All Party Group on Apprenticeships	We see apprenticeships as a means to promote social mobility
<b>Climate Justice Campaign</b>			
<b>Climate Justice</b>	Industry, Finance and Government Leaders	Net Zero Council	We have been pleased to act as industry co-chair of the Government's Net Zero Council as we believe collaboration and co-operation is essential if we're to seize the opportunities presented by the transition to Net Zero
<b>Climate Justice</b>	Members of Parliament	Great Big Green Week	We supported the UK's largest grass roots climate activation, with events in communities up and down the country
<b>Climate Justice</b>	Members of Parliament	Fairtrade Fortnight	We called on elected representatives to support the Fairtrade Foundation's pledge to bring the voices of farmers and workers to the table

# Independent Limited Assurance Report

The Co-operative Group Limited ("Co-op") commissioned DNV Business Assurance Services UK Limited ("DNV", "we", or "us") to undertake independent assurance of the Co-op Social Value and Sustainability Report 2024 (the "Report") for the year ended 31<sup>st</sup> December 2024.



## Our Opinion:

- On the basis of the work undertaken, nothing came to our attention to suggest that the Report does not properly describe the Co-op's adherence to the Principles described below.
- In terms of the quality of the Selected Information, nothing came to our attention to suggest that the data were not properly collated from information reported at operational level, nor that the assumptions used were inappropriate.

Our observations and areas for improvement will be raised in a separate report to the Co-op's Management. Selected observations are provided below. These observations do not affect our conclusion set out above.

## Materiality

Co-op has engaged with its stakeholders to develop its new Social Value strategy in 2024, focusing on material social and environmental topics informed by inputs from its member-owners. We noted that the topics covered by Co-op's Social Value strategy are comprehensive given the industry they operate in, while Co-op also reports on specific topics which are seen as material to its business and stakeholders. One such topic is 'Safer Colleagues, Safer Communities', which covers both health and safety issues as well as retail crime. Co-op's campaigning efforts to lobby the Government to strengthen the law against retail crime are notable and there are some Co-op-specific statistics on retail crime provided in the Report. We also understand that Co-op internally monitors retail crime metrics linked to its stores. However, with this issue being highlighted as a material one by Co-op colleagues and senior management, we recommend that Co-op reports on such metrics externally going forward, where feasible.

## Stakeholder Inclusiveness

The Report demonstrates a clear commitment to stakeholder engagement, outlining the different channels used to engage with the different stakeholder groups. The Report also discloses most material topics discussed by the Co-op with each stakeholder group and the outcomes of the engagement, including which actions have been taken by the Co-op to respond to stakeholders' expectations.

## Completeness

The Report continues to be comprehensive and delivers a detailed overview of the topics relevant to Co-op's stakeholders and the impacts the business has on sustainability issues. While the concept of Impact Materiality is well addressed, there is an opportunity to follow best practice around the concept of Financial Materiality. We note that Co-op already reports on climate-related financial disclosures in line with the TCFD recommendations. For future reporting cycles, we recommend that Co-op considers reporting on how broader sustainability factors and risks can impact on Co-op's economic value and business performance, thus providing stakeholders with an informed opinion on Co-op's sustainability-related risks.

## Quality

The data for much of the Selected Information in scope employs automated processes as much as possible, but manual operations are still required for final consolidation. Where it is not practical to automate such operations, we recommend that the process and controls are thoroughly documented to ensure quality and repeatability. We also noted that data collection procedures which were missing or were out of date for some of the Selected Information in scope have now been documented or updated as appropriate. We recommend that Co-op periodically reviews its data collection and reporting methodologies for all the reported data sets to ensure data accuracy, completeness and comparability year-on-year.

For the Co-op Levy Share metric for apprenticeships, one evidence gap led to a 5% decrease in the assured figure while other evidence gaps identified were closed satisfactorily. We recommend improving evidence recording procedures to close any evidence gap going forward. While the assured Co-op Levy Share metric reports on pledges made by other companies and partners, we understand that Co-op also internally monitors the conversion of pledges into actual funding for apprenticeships. To provide readers with an indication of the actual funding made available through the Co-op Levy Share, we recommend that Co-op builds on its current reporting through a metric such as total funding matched to apprenticeships in a given reporting period.

## Sustainability Context

Co-op's new Social Value strategy builds on its Vision to create Economic Value, Social Value and Ownership Value for its member-owners and their communities. The Report presents a fair overview of Co-op's performance in its own sustainability and business context, touching on the impacts the business has on sustainability issues both within the UK and internationally through its supply chains, for instance. In 2024, despite a decrease from 2023, Co-op continued investing heavily in communities across the UK and internationally. As part of its new Social Value strategy, Co-op also launched its Social Mobility Inclusion and Belonging strategy which aims to improve inclusion and diversity in the workplace while enhancing social value for Co-op colleagues, member-owners and their communities.

## Selected Information

The scope of our work covers the Key Performance Indicators (KPIs) (the "Selected Information") included within the Report for the reporting year ended 31<sup>st</sup> December 2024, listed below and further detailed in the Appendix.

- **Community:** Total investment in UK and international communities (£m); Total UK community investment: Cash (£m), Colleague time (£m), Gifts in kind (£m); Total UK Leverage (donations by members, customers, partners and suppliers) (£m); Total investment in UK communities: Cash + Colleague Time + Gifts in Kind + Leverage (£m).
- **Apprentice Levy Target:** KPI: Total funding pledged in 2024 (£m), calculated in line with the methodology referred to in the Sustainability Report; Target: By end of 2024, £9m will have been pledged by our suppliers and partners through Co-op Levy share to support people from diverse backgrounds into apprenticeships.
- **Climate Change:** Total energy use (GWh); Scope 1 GHG emissions: Refrigeration (ktCO<sub>2</sub>e), Transport (ktCO<sub>2</sub>e), Energy: Fuel (ktCO<sub>2</sub>e); Scope 2 GHG emissions: Energy: Electricity, Location-based (ktCO<sub>2</sub>e); Scope 2 GHG emissions accounting for renewables: Energy: Electricity, Market-based (ktCO<sub>2</sub>e); Total direct emissions from running business, Location-based: Scope 1 and 2 GHG emissions (ktCO<sub>2</sub>e); Building energy use (GWh); Electricity from renewable sources (%); Reduction in GHG emissions since 2016 (%); Percentage of Category 1 Scope 3 emissions covered by suppliers with validated science-based targets (%).
- **Fairtrade:** Number of core commodities and categories with a Fairtrade Commitment; Amount of Fairtrade ingredients we purchase via our Fairtrade products (volume measured in tonnes/litres/stems); Number of Fairtrade lines in our range (Own Label and Branded); Minimum number of Fairtrade lines in any Co-op store (Own Label and Branded).
- **Food Waste:** Food waste – store and depot, (tonnes); Food surplus redistributed total (tonnes); Food surplus redistributed through FareShare, TBBT, City Harvest and Company Shop (tonnes); Food surplus redistributed through Co-op Food Share (prior to 2022); and through Co-op Caboodle from 2022 (tonnes); Store and depot food waste intensity (% products from store and depot that become food waste).

We evaluated the Selected Information using the Verisustain™ Reporting Principles for defining report quality, together with [the Co-op's basis of reporting](#) that describes how the data are measured, recorded and reported (together forming the "Criteria"). This year we continued to rotate some data in scope and to review key claims throughout the Report, including the outputs of data systems outside the Selected Information but did not test these data systems in depth. The review of any data from prior years is not within the scope of our work (this includes any data in scope in previous years that has been re-stated).

## Standard and level of assurance

We performed a **limited** assurance engagement based on applicable principles, plus specified data and information using the 'Greenhouse Protocol – A Corporate Accounting and Reporting Standard' (revised 2015) and DNV's assurance methodology Verisustain™, which is based on our professional experience and international assurance best practices including the International Standard on Assurance Engagements (ISAE) 3000 – 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised) issued by the International Auditing and Assurance Standards Board. This methodology ensures compliance with ethical requirements and mandates planning and execution of the assurance engagement to obtain the desired level of assurance.

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO IEC 17029:2019 - Conformity Assessment - General principles and requirements for validation and verification bodies, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

The procedures performed in a limited assurance engagement vary in nature and are shorter in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained if a reasonable assurance engagement had been performed.

## Disclaimers

The assurance provided by DNV is limited to the selected indicators and information specified in the scope of the engagement. The assurance provided by DNV is based on the selected indicators and information made available to us at the time of the engagement. DNV assumes no responsibility for any changes or updates made to the indicators or information after the completion of the assurance engagement.

WHEN TRUST MATTERS

### Our competence, independence and quality control

DNV established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals DNV did not provide any services to the Co-Op in the reporting period that could compromise the independence or impartiality of our work. Our multi-disciplinary team consisted of professionals with a combination of environmental and sustainability assurance experience.

### Responsibilities of the Directors of the Co-op and DNV

The Directors of the Co-op have sole responsibility for:

- Preparing and presenting the Selected Information in accordance with the Criteria;
- Designing, implementing and maintaining effective internal controls over the information and data, resulting in the preparation of the Selected Information that is free from material misstatements;
- Measuring and reporting the Selected Information based on their established Criteria; and
- Contents and statements contained within the Report and the Criteria.

Our responsibility is to plan and perform our work to obtain limited assurance about whether the Selected Information has been prepared in accordance with the Criteria and to report to the Co-op in the form of an independent limited assurance conclusion, based on the work performed and the evidence obtained. Our Independent Limited Assurance Report represents our independent opinion and is intended to inform all stakeholders. DNV was not involved in the preparation of any statements or data included in the Report except for this Independent Limited Assurance Report.



WHEN TRUST MATTERS

### Basis of our opinion

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work at head office level. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Co-op and its key stakeholders. Our limited assurance procedures included, but were not limited to, the following activities:

- Conducting interviews with the Co-op's management to obtain an understanding of the key processes, systems and controls in place to generate, aggregate and report the Selected Information;
- Review of the current responsible business issues that could affect the Co-op and that are of interest to stakeholders;
- Review of the Co-op's approach to stakeholder engagement and recent outputs;
- Interviews with selected Board member, Directors and senior managers responsible for management of responsible business issues and review of selected evidence to support issues discussed. We were free to choose interviewees and functions;
- Review of supporting evidence for selected claims in the Report. Selected claims were chosen based on their perceived importance and the materiality of issues at a consolidated group level;
- Review of the processes for gathering and consolidating the specified performance data and, for a sample, checking the data consolidation. Given most reported data are calculated at group level, we undertook our testing remotely at the head office level;
- Performing limited substantive testing on a selective basis of the Selected Information to check that data had been appropriately measured, recorded, collated, and reported;
- Reviewing that the evidence, measurements, and their scope provided to us by the Co-op for the Selected Information is prepared in line with the Criteria;
- Assessing the appropriateness of the Criteria for the Selected Information; and
- Reading the Report and narrative accompanying the Selected Information within it with regard to the Criteria.

In performing these activities, we did not come across limitations to the scope of the agreed assurance engagement.

We found a limited number of non-material errors in the data set submitted for assurance that were corrected before the publication of the Report.

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### For and on behalf of DNV Business Assurance Services UK Limited

London, UK  
3<sup>rd</sup> April 2025

Digitally signed by  
Shuhai Maudarboccus

Shuhai Maudarboccus  
Lead Verifier  
DNV Business Assurance Services UK Limited

Digitally signed by  
Paul O'Hanlon

Paul O'Hanlon  
Technical Reviewer  
DNV Business Assurance Services UK Limited

### Inherent limitations

DNV's assurance engagements are based on the assumption that the data and information provided by the Co-op to us as part of our review have been provided in good faith, are true, and are free from material misstatements. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected. The engagement excludes the sustainability management, performance, and reporting practices of the Co-op's suppliers, contractors, and any third parties mentioned in the Report. We did not interview external stakeholders as part of this assurance engagement. We understand that the reported financial data, governance and related information are based on statutory disclosures and Audited Financial Statements, which are subject to a separate independent statutory audit process. We did not review financial disclosures and data as they are not within the scope of our assurance engagement. The assessment is limited to data and information in scope within the defined reporting period. Any data outside this period is not considered within the scope of assurance. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Limited Assurance Report.

### DNV Supply Chain and Product Assurance

DNV Business Assurance Services UK Limited is part of DNV – Supply Chain and Product Assurance, a global provider of certification, verification, assessment and training services, enabling customers and stakeholders to make critical decisions with confidence.

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OWNED BY YOU.  
RIGHT BY YOU.