Co-operate: It's what we do
Our Sustainability Report 2021
Basis of reporting

co
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It's what we do

About this document

This document explains the methodology we use to collect and calculate data reported in our annual Co-operate Report (available at www.coop.co.uk/cooperate-report).

It covers our most material datasets, including the majority of data in scope of our external assurance process.

It also sets out how we measure progress against the targets we have set ourselves.

We aim to update this document on an annual basis alongside our Co-operate Report to reflect any changes in methodology. This document was last updated April 2022.

Contents

Scope of reporting

Performance relates to the 52-week year ending 3 January 2022 (unless otherwise stated) and to our operations and stakeholders. It covers those businesses wholly owned by the Co-operative Group Limited as at 3 January 2022.

This Report relates to the performance of the business as a whole unless otherwise stated (in some instances we refer to a particular business unit, and this is stated clearly). Reporting on sourcing impacts of products sold by Co-op Food focuses on Co-op branded products, unless otherwise stated, with the exception of indirect GHG emission reporting which (following best practice around Scope 3 accounting) covers all products sold. Co-op branded product sales accounted for 44.4% of total Co-op Food turnover in 2021 (2020: 44.7%). Like other retailers, we have greater influence over own-brand products than we do over other branded products, and our priority continues to be to improve the sustainability of these products.

Through our Nisa wholesale business, we are the exclusive wholesale supplier to Costcutter Supermarkets Group (CSG) and the Costcutter, Mace, Simply Fresh, Supershop and Kwik Save convenience stores across its network. 90% of Nisa partners stock our Co-op own-brand products; and in 2021, Nisa served 546 new independent stores.

These stores are not under Co-op's operational control and are out of scope of our reporting, with the only exception being a small number of stores covered by direct logistics and distribution, the impact of which is included in our 'Scope 1' greenhouse gas data.

Targets

The table below outlines the targets that have been developed as part of our responsible business strategies and were agreed in early 2022. To be transparent we've outlined how we'll measure progress against each target.

Pillar	Report section	2022 Targets	Measure
Fairer for our people	**Colleagues**	We will increase our Minority Ethnic leadership representation from 3% to 6% by 2022 and 10% by 2025	KPI: % of our leaders from an ethnic minority background
		By the end of 2022, we aim to double the number of managers who have received mental health training from 1,500 to 3,000	KPI: Number of managers receiving mental health training
		We will commit to hosting a minimum of 750 apprentices on our programmes at any one time, and make sure these programmes enable personal development and align to our business priorities. In addition, we have made a commitment to support a minimum of 500 apprentices through Co-op Levy Share.	KPI: Number of apprentices on programme Number of apprentices supported through Levy Share
		We will achieve a colleague engagement index score of 74%, as measured through our colleague survey	KPI: overall engagement score (%)
	Ethical Trade and Human Rights	We will improve the lives of workers by carrying out independent human rights impact assessments in three high-risk supply chains by mid-2022, using our findings to drive change	Deliverable: Three Independent Human Rights Impact assessments will be published on our website during 2022.
		We will champion the role of women and vulnerable people in our supply chains and will develop and launch a gender strategy in 2022	Deliverable: Gender strategy launched
		We will eliminate illegal and unfair recruitment fees in our global supply chains by 2025	Deliverable: In 2022 we will continue to work with key suppliers to map the use of recruitment fees and identify hotspots, develop action plans, key actions and next steps. Deliverable: Responsible Recruitment Policy launched
		We will share details of suppliers at all tiers of three of our highest-risk food categories by the end of 2022	Deliverable: supplier details published
	Fairtrade	In 2022, we will set targets to achieve our ambition to be the UK's biggest supporter of Fairtrade, based on the metrics we developed in 2020	Deliverable: targets set
	Responsible Procurement	We will continue to explore opportunities to promote and encourage the use of diverse suppliers within our own and our wider supply chains as we enter a phase of discovery to target the barriers to entry	Deliverable: Narrative account of the progress made against supplier diversity programme
	Healthy living	Our Co-op GRO products will continue to be no more expensive than their meat and dairy-based equivalent	KPI: Number of Co-op GRO products which are more expensive than their meat and dairy equivalent
		Co-op brand products which are 'reduced' or 'light' alternatives to a standard line will continue to be no more expensive (based on price per kg)	KPI: Number of Co-op brand products which are 'reduced' or 'light' alternatives to a standard line that are more expensive (based on price/kg)

Pillar	Report section	2022 Targets	Measure
Fairer for our members and communities	Community	By the end of 2022, we will signpost over a million people to mental wellbeing support including information, services and community activity	KPI: Number of people signposted to sources of mental wellbeing support, including information, services and community activity Definition Signposting activity includes - Member join-ins, Member Pioneers, Co-operate platform, Funeralcare bereavement activity and activity to signpost to Mind, SAMH, inspire, Employee assistance programme
		By the end of 2022, we will support 15,000 people to improve their resilience and mental wellbeing through our charity partnership services	KPI: Number of people supported
		By end of 2022, we will have identified 350 Community Fridge locations and piloted a Community Food Hub, with a total of 25 more Community Food hubs identified	KPI: Number of community fridge locations identified Number of food hubs identified
		By the end of 2022 the Co-op Academies Trust will have developed a pipeline to increase the number of academies to 40	KPI: Number of Academies in the Co-op Academies Trust
		By the end of 2022, we will have enabled 6,400 young people to develop skills which improve their own futures and make a difference to their communities, as well as having enabled 3,500 diverse young people to access work experience or employment opportunities at the Co-op, Co-op Academies and through our partners	KPI: Number of young people participating in peer research and social action initiative Number of young people (16-25) accessing work experience or employment opportunities at Co-op/partners
		By the end of 2022, through Co-operate, we will have encouraged 10,000 people to connect to local opportunities to support their local community	KPI: Number of connections in local communities as a result of Co-operate
		In 2022 more than £20m will be raised to support local communities through members choosing Co-op	KPI: £ Given to communities through Local Community Fund and Community partnerships fund
		In 2022 we will invest 113,000 hours for Member Pioneers to engage with people to support the delivery of our Co-op missions and increase co-operation in our communities	KPI: Number of Member Pioneer Engagement Hours
	Membership and Co-operation	We aim to recruit 550,000 new members by the end of 2022 with 4.28m active members	KPI: Number of new Members recruited.
		The National Members' Council will take action to increase the number of ethnic minority candidates standing for election to the Council, in order to be reflective of our Co-op Communities	KPI: % Candidates standing for Election to the National Members Council form ethinic minorities. Our Co-op communities are defined as areas in which the Co-op Group trades.
Fairer for our planet	Climate Change	We have reached our 2025 target for direct emissions three years early and will refresh our science-based target pathway in 2022	Deliverable: new target submitted for SBTi approval
		Approved science-based target: We will reduce product-related absolute GHG emissions by 11% by 2025, compared to 2016, in line with ambitious best practice as defined by the SBTI coalition	KPI: % reduction in indirect GHG emissions vs 2016 baseline
		Long term goal: We will reach net zero GHG emissions from both operations and products by 2040 at the latest	(progress against this long-term goal is measured via the targets above)
		We will support other co-operatives, NGOs and communities to address their climate change impacts through the purchase of green energy and advice services via Co-op Power	Deliverable: Narrative account of the provision of green energy to co-operatives, Co-op suppliers and other organisations
	Resource Use	We will reduce food waste generated in our stores and depots by 50% by 2030, compared to 2015	KPI: % reduction in food waste vs 2015 baseline
		We will reduce our plastic packaging by 15% by the end of 2022, compared to 2018	KPI: % reduction in plastic packaging since 2018 per 1% market share
		We will reduce water consumption across our properties by 10% by 2025 compared to 2020	KPI: % water reduction

Pillar	Report section	2022 Targets	Measure
	Sustainable Sourcing	100% of soy in our Co-op products, including that embedded in animal feed, will be deforestation-free and sustainable by 2025	KPI: % soy used in Co-op products (indirect and direct) that is physically sustainable
		We will develop risk-based strategies to reduce the impacts of sourcing our 30 key ingredients by the end of 2022	KPI: number of key ingredients with a strategy on sourcing risk
		We will develop action plans for our restorative approach to nature by the end of 2022	Deliverable: Position on biodiversity published, along with project-specific plans
	Fairer business	We will retain Fair Tax Mark accreditation in 2022	KPI: Fair Tax Mark accreditation
		We will publish carbon reduction targets for Pace, the Co-ops' largest pension scheme for 2030 aligned with achieving net zero by 2050 or sooner	Deliverable: publication of target(s)
		Our pension arrangements will operate leading Responsible Investment Policies and Reporting, and be recognised as a signatory of the revised UK Stewardship Code.	KPI: Rating as measured by UNPRI[1] or AODP[2] scores, relative to other UK occupational pension schemes
		In line with our Co-op Values of openness and honesty, we will deliver world class, open and honest reporting on our ethics and sustainability performance in our Co-operate Report annually	Deliverable: Sustainability Report published, externally audited, and aligned with leading standards (GRI, UNGC 'advanced')

[1] UN Principles for Responsible Investment
[2] Asset Owners Disclosure Project

Indicators

Membership and democracy

Indicators
- Members participating in Join In Live events in communities across the UK
- Members participating in our Join In programme online (and number of opportunities to Join In)
- Young members participating in our Join In programme online

Definitions
Join In is the activity that facilitates members' everyday participation in their Co-op. The Co-op provides authentic opportunities for members to get involved in live business issues, events or activities that sit outside more formal routes to membership participation, such as the AGM and voting. Opportunities are varied and could include anything from informing a new product development process, shaping a policy or working with a business team to develop a strategy, to attending an event.

Members participating in Join In Live events in communities across the UK:
Defined as members of the Co-op Group attending such events in person/online and using their membership details to register and get involved/attend. Colleague members are also included within the indicator when attending in a personal capacity.

Members participating in our Join In programme online:
Defined as members of the Co-op Group participating in an online activity or event and using their membership details to register and get involved/attend. Colleague members are also included within the indicator when attending in a personal capacity.

Young members participating in the Join In programme online:
Defined as those members aged 35 and under at the time of the online activity. Colleague members aged 35 or under are also included within the indicator.

Scope
The data presented covers the calendar year. A member is counted as participating in Join In when they have clicked on the link to start participating in an activity. A member participating in more than one Join In activity annually is counted once in that year.

Data calculation and methodology
The figures represent the number of unique members who have 'joined in' in the calendar year. The data is captured at the point a member 'joins in', which is considered to be the most reliable point on the participation journey for measurement.

The indicators comprise Join In data that is collected from several sources, reflecting the number of routes available to members who wish to 'join in':

1. The Membership emails which are sent to all marketable members. When a member clicks through from their email, their unique identifying number will be carried with them, and is captured via a third-party platform, from which data is downloaded at the end of the reporting month.

2. The Join In platform, which members can access by logging into their membership account or clicking through from the Co-op App. Opportunities are presented on the member dashboard. When a member clicks through from here, the unique identifying number and opportunity number will be automatically captured. The data includes participation driven by the Co-operate app, which is also directed to opportunities on the member dashboard.

3. In 2021, data also included: members who donated part or all of their membership rewards along with participation in the 2022 elections and AGM voting.

Our Data Analysis team deduplicates members to ensure that the final figure registers unique participation.

Community investment

Indicators

- Total invested in communities (£m)
- UK community investment (£m - split by cash, colleague time, gifts in kind and leverage)
- International community investment (£m - split by cash, colleague time and leverage)

Definitions

By Corporate Community Investment (CCI) – our total community investment figure – we mean our businesses' voluntary engagement with charitable organisations or activities that extend beyond core business activities.

As per the B4Si framework definition, all investments reported are 'Voluntary and charitable'.

Scope

The data covers contributions during the calendar year from all our businesses. In line with the B4Si methodology we follow the 80/20 principle - the first 80% of a business's community contribution takes about 20% of the time to compile. By applying the model, we focus on activities that are easily captured; not every single small donation or item of in-kind or employee time has to be quantified. We focus on larger projects and activities where data is more reliable and readily available – although we are likely to be under-reporting as a result.

From May 2021 onwards Co-op has rolled out compostable carrier bags to all communities across the UK. Compostable carrier bags are sold at 10p per bag with the cost price being 5p and 5p being generated for the Carrier Bag Levy to be distributed between community projects.

In England, Scotland and Wales, 50% of proceeds from the sale of compostable carrier bags, are returned to communities through the Local Community Fund. The remaining 50% of carrier bag proceeds are used to support climate change initiatives across the UK, with 35% ringfenced to support major partnerships and the remaining 15% is transferred to Co-op Foundation to run a Carbon innovation Fund.

On the Isle of Man, 100% of proceeds from the sale of compostable carrier bags are returned to communities through the Local Community Fund. All of these activities are reported within B4Si data as "Leverage". In Northern Ireland, all money raised from the Carrier Bag Levy goes to the Northern Ireland Exchequer to distribute to good causes. As this is a mandatory agreement, executed via the Exchequer, we do not include this total in our community investment data.

Data calculation and methodology

We collate data and calculate the CCI overall total. Within this we also split out our contribution in the UK and our contribution internationally.

Data is collected on templates, set up in line with B4Si methodology. These are sent to various data owners across our businesses - generally colleagues directly delivering community investment projects, and finance and data management colleagues.

Data is checked for eligibility, errors or anomalies before being added to the final totals for each indicator.

Cash contribution is the gross monetary amount we pay in support of a community organisation/project.

Community Investment contributions are only reported if they have been paid to beneficiaries outside of the Co-op within the stated reporting year. Where funds have been raised but not yet paid out, the funds will be reported within the year in which they are paid out. Where funds have been transferred from the Co-op to the Co-op Foundation registered charity, they are not reported as charitable donations until the Foundation has donated them to an external beneficiary.

Leverage – is defined as the additional funds that we have unlocked from other sources, such as employees' contributions through Payroll Giving schemes, other employee donations, customers' donations to fundraising activities, donations from partners/suppliers in support of charitable activities etc.

Management costs (project/staffing costs) incurred in the management of our Community Investment are, wherever possible, called out separately either as Colleague Time, or in the case of external spend, as Cash Donations.

Gifts in kind are non-cash resources donated to community activities. These in-kind contributions can include donations of products or services or other corporate resources such as IT equipment, used furniture, meeting rooms or other space. In-kind contributions are valued at what it has cost the business to make, not at what the beneficiary organisation would otherwise have had to pay in the open market.

Colleague community activity

Indicators

- Colleagues involved in community activity during work time (number of colleagues, number of days, value of time)

Definitions

Eligible Time contribution is defined as 'Voluntary and charitable' in line with the B4Si definition.

As per the B4Si framework definition, 'Community activity in work time' contribution is the cost to the company of the paid working hours contributed by employees to a community organisation or activity. The term 'volunteering' is often used to describe time contributions, but it can go beyond this to include any active engagement in community activity during paid working time. Examples include:

- Employee volunteering
- Active participation in fundraising activities
- Longer-term secondments to community organisations
- Supervision of work experience placements

Scope

The data covers time contributed during the calendar year, for volunteer activity completed by colleagues in any of our businesses.

Time contributed is number of hours/days completed during paid work time, valued at the business's average employment rate.

Data calculation and methodology

Data is collected on templates set up in line with B4Si methodology. Templates are sent out to various data owners across the business - generally colleagues directly delivering community investment projects, and finance and data management colleagues.

The data sets returned are then collated and de-duplicated to produce totals.

Number of colleagues and hours contributed:
Main channels/datasets include: Funeralcare community trackers, Food volunteering data, Depot Engagement colleagues annual B4Si reporting, Member Pioneer reporting, annual B4Si reporting, project-based reporting (ie colleagues working on eligible projects such as the loneliness campaign), Local Community Fund and tackling modern slavery. These are largely self-reported data from colleagues.

Once the total amount of hours has been calculated from all the data sets this is then divided by 7.5 (hours in a standard working day) to work out the amount of days contributed.

Value of staff time:
Value per hour is calculated by a blended business rate, with data taken from the previous year's Annual Report:

(Total Wages & salaries + social security costs + pension costs) / (Hours per year multiplied by FTE) = Av. Hourly cost

The total hours collected from the data sets returned are multiplied by the average hourly cost.

Greenhouse gas (GHG) emissions

Indicators
- Scope 1 and 2 emissions - UK grid average (location based)
- Scope 1 and 2 emissions - accounting for renewable electricity (market based)
- Scope 3 emissions
- % reduction in GHG emissions

Definitions
Scope 1 and 2 emissions - UK grid average (location based):
Defined as the GHG emissions from our direct operations, counted as if all the electricity we buy was from the UK grid average mix of sources (ie not accounting for the renewable energy we buy).

Scope 1 and 2 emissions - accounting for renewable electricity (market based):
Defined as the GHG emissions from our direct operations, accounting for the renewable energy we buy (ie as if renewable electricity purchased resulted in zero emissions).

Scope 3 emissions:
Defined as the GHG emissions which aren't directly from our operations but which we influence indirectly. This includes suppliers of the products we sell, the impact of the waste we generate and the impact of the packaging we produce.

% reduction in GHG emissions:
Defined as the extent, expressed as a percentage, to which we've reduced the amount of direct (Scope 1 and 2) GHG emissions we produce in a calendar year, compared to our 2006 baseline.

Scope
Scope 1 and 2 GHG emissions is provided to cover the full calendar year (for Scope 1 and 2 emissions) and covers all properties for which we have operational control in the UK.

Scope 3 GHG emissions data is provided to cover a 12-month period as specified. It covers all material sources of emissions for the Co-op within our value chain to the best of our present knowledge.

Following best practice guidance of the Science Based Targets initiative, our Scope 3 GHG emissions target covers the most significant sources of emissions over which we may exert a degree of influence. Notably this presently excludes customer-side impacts such as cooking and chilling of purchased food, use of purchased cleaning products (e.g. for laundry) and customer travel using fuel purchased at Co-op forecourts.

We report to a baseline year of 2016, as this is the year against which our approved science-based GHG reduction targets are set.

Data calculation and methodology
Our total GHG inventory is based on:

Scope 1
- Natural gas used for heating (kWh) – data from our gas supplier
- Fuel used for heating / power generation (litres) - data from logistics records of purchased non-vehicle fuel
- Fugitive refrigerants (kg) – data aggregated from refrigerant top-ups by Co-op and subcontractors
- Mileage and fuel from all vehicles we control (miles) - data from logistics records

Scope 2
- Electricity used (kWh) – data from our electricity supplier
- Renewable energy guarantees of origin (REGO)

These data sources are each converted to their equivalent GHG emissions, expressed as 'tonnes of CO_2-equivalent', this is based on the latest conversion factors published by the Department for Business, Energy & Industrial Strategy (DBEIS) mid-year in the calendar year reported.

Scope 3 - in science-based target (SBT) scope

- Purchased Goods and Services – tonnes of product sold per category in year
- Purchased Goods and Services – importer survey data and supplier soy usage
- Purchased Goods and Services – on-farm lifecycle assessments
- Purchased Goods and Services – anonymised supplier energy use across category
- Purchased Goods and Services – anonymised supplier food waste across category
- Purchased Goods and Services – primary and secondary packaging weights by material
- Upstream Transport - supplier UK road freight
- Waste generated – waste contractor tonnes collected
- Downstream Transport – 3rd party analysis of UK transport patterns
- End-of-life – 3rd party data on % customer waste per category
- End-of-life – 3rd party data on tonnes packaging disposed of and route

Scope 3 - out of SBT scope

- Use of Sold Products – litres fuel sold through Co-op forecourts
- Use of Sold Products – 3rd party data on product category lifecycle analysis for customer-side impact (e.g. energy for cooking, chilling)
- Purchased Goods and Services – financial value of goods not for resale
- Investments – financial value of investments held and sector breakdown

For each of the above, we have consulted with external environmental experts 3Keel to assess the GHG contribution of these areas, following a hierarchy of data specificity as follows from most to least preferred:

- Primary lifecycle assessment (e.g. Enviromap program for all Co-op Agriculture)
- Specific emissions factors (e.g. 2021 UK grid electricity use GHG factor)
- Generic emissions factors (e.g. purchased 'citrus fruit' GHG factor)
- Economic emissions factors (e.g. assumed GHG impact per £ spend on marketing)

Scope 3 - positive impact

- Renewable energy – GHG impact of electricity purchased, accounted using UK grid (location based) method, for which 100% renewable energy guarantees of origin are allocated
- Carbon offsets – total verified emissions reduction (VER) credits purchased
- RTRS soy – GHG impact through land use change of soy purchased by Co-op suppliers over accounting period, if accounted for without deforestation control

% reduction in GHG emissions:

The difference between current year and baseline year GHG emissions (Scope 1 and 2) as % of baseline year GHG emissions (Scope 1 and 2).

External standards or guidance used:

- Greenhouse Gas Protocol Corporate Accounting and Reporting Standard
- GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard
- GRI 305-5 Reduction of GHG emissions (2016)

Energy used

Indicators

- Total energy used

Definitions

By energy use, we mean:

- Electricity consumed at our properties
- Natural Gas consumed at our properties
- Fuel (e.g. oil, diesel, petrol) consumed specifically to provide power or heat

We convert all of these into a common unit of energy use; kilowatt-hours (kWh) or megawatt-hours (MWh) using DBEIS conversion factors.

Scope

This data is provided to cover the full calendar year.

It covers all properties for which we have operational control, including stores, petrol forecourt stores, funeral homes, depots and support centres.

Data calculation and methodology

We report to a baseline year of 2016, as this is the year against which our approved science-based GHG reduction targets are set. Our restatement criteria are included at the end of this document.

Electricity and gas use:
Billed or metered electricity and gas supplied to each of our sites, provided by our energy supplier.

This data is validated by a specialist team at the Co-op who check each report as it comes in, and, for natural gas, converted by supplier into a kWh figure using standard conversion factors supplied by DBEIS.

Fuel use:
Quantities of non-transport fuel in litres purchased and used by our depot sites, based on data provided by our logistics team.

We convert litres to kWh using standard DBEIS conversion factors.

External standards or guidance used:

- Greenhouse Gas Protocol Corporate Accounting and Reporting Standard
- GRI 302-1 Energy Consumption within the organisation (2016)

Electricity from renewables

Indicators

- % electricity from renewables

Definitions

We define this indicator as the percentage of electricity we use which has come from a certified renewable source. This is electricity purchased on a '100% renewable' tariff and for which we have been provided a 'Renewable Energy Guarantee of Origin' (REGO) certification.

Scope

This data is reported for the calendar year and includes electricity used by all Co-op sites.

Data calculation and methodology

Total electricity used by the Co-op, provided directly by our supplier.

Total REGO allocation for units of electricity used by the Co-op provided directly by our supplier.

External standards or guidance used:

- We follow the GHG Protocol Scope 2 Guidance, criteria for sufficient evidence of this being a renewable source.

Operational waste

Indicators

- Total waste from operations
- % waste reused/recycled/recovered
- % waste decrease/increase

Definitions

Total waste from operations:
The sum (in tonnes) of waste collected from all properties for which we have operational control, including stores, petrol forecourt stores, funeral homes, depots and support centre in the calendar year, by all waste contractors.

% waste reused/recycled/recovered:
The amount of total waste, expressed as a percentage, which has been diverted from landfill disposal. This may include anaerobic digestion or composting, separation and recycling, conversion into refuse-derived fuel, or energy-from-waste incineration.

% waste decrease/increase:
The extent, expressed as a percentage, to which we've reduced/increased the amount of waste we produce in a calendar year, compared to our 2006 baseline and the previous reporting period.

Scope

Our scope covers all waste collected in the calendar year from properties over which we have operational control.

Our reported waste figure does not include surplus food which we have redistributed to charities and communities, as this does not go to waste and is reported as a separate figure.

It further excludes collections which are facilitated by our properties, but which come from our customers, such as textile banks and battery collections.

Data calculation and methodology

For all indicators we record weight of waste collected by site, by contractor, for the calendar year. This is calculated as a sum of reports from all waste contractors, broken down by end disposal route.

Many Funeralcare properties have local waste arrangements with their local councils, and therefore are not included in reports from our waste contractors. In this case we assume these sites produce the average weight of waste for Funeralcare properties for which we have data and apply the national average landfill rate for the most up-to-date year.

% waste reused/recycled/recovered:
Calculated according to the definition above.

% waste decrease/increase:
The difference between current year and baseline year/previous year, as % of baseline year/previous year.

We use a 2006 baseline to report our progress. This is the earliest year we have comparable data for, so this represents the full span of progress since we have reported this figure.

Packaging

Indicators

- Packaging handled by material
- Weight (total and % change) of own-brand packaging
- % of Co-op brand packaging that is recyclable
- % reduction in plastic packaging since 2018 per 1% market share

Definitions

Packaging handled by material:
'Packaging handled' is the legally-defined weight of packaging by material that the Co-op is responsible for producing each year (both branded goods and Co-op own-brand). It includes a proportion of the packaging around the goods shipped to us, as well as the packaging around the goods we sell (any material used to hold, protect, handle, deliver and present goods sold [by us] to the end user).

Weight (total and % change) of own-brand packaging:
'Own-brand packaging' is the total weight of packaging around goods that are Co-op branded. We report this separately as we have the most control over this element.

% of Co-op brand packaging that is recyclable
Recyclable is defined as being when the majority (by weight) of a product's packaging components are labelled 'Recycle', 'Recycle at Recycling Point' or, for plastic films, where they are collected for recycling through our front of store collection scheme.

Our percentage of packaging recyclability is currently calculated by product, not by weight. It is calculated as a % of total lines on sale at the end of the calendar year. However, achieving 100% recyclable makes this distinction no longer necessary.

% reduction in plastic packaging since 2018 per 1% market share
Own-Brand Plastic Packaging Reduction is the total amount of own-brand plastic packaging used in the calendar year per 1% market share (according to Kantar) as at the last week of the calendar year compared to same in our benchmark year of 2018.

Scope

Packaging handled data covers the calendar year and covers packaging handled by our Food business. Funeralcare and Consumer Services businesses do not produce reportable packaging.

Percentage of Co-op brand easy to recycle only includes products sold by Co-op Food.

Data calculation and methodology

We use product sales data and packaging weights to calculate our reported packaging data.

Weight of own-brand packaging
The number of sales of each Co-op brand line multiplied by its packaging weight.

Packaging handled by material
The number of sales of each line multiplied by its packaging weight and packaging material type.

We use the services of a third-party data provider to report on our packaging weight.

% of Co-op brand packaging that is recyclable
We use data listing the live products on sale at year end in the reporting year and calculate whether the packaging is recyclable using the definition given above. The reported percentage is the number of products considered that are recyclable as a percentage of the total products on sale at that point in time. At 100%, this becomes identical to the percentage by weight.

Recyclability percentage is benchmarked against 2016 – that's when we started measuring by stock keeping unit (SKU) not weight.

Packaging handled data is produced in accordance with the requirements of the Packaging waste: producer responsibilities legislation.

% reduction in plastic packaging since 2018 per 1% market share
We multiply the total amount of own-brand plastic packaging used in the calendar year by our percentage market share in the last week of the calendar year according to Kantar and compare that to the same in our benchmark year of 2018. For example, in 2018 we used 20,178 tonnes of plastic packaging and our market share at year end was 6.1%, therefore our plastic packaging per 1% market share was 3,308 tonnes per 1% market share. In 2019 we used 19,950 tonnes of plastic packaging and our market share was 6.3%, so our amount of plastic per 1% market share was 3,167 tonnes. This equates to a 4.3% own-brand plastic packaging reduction per 1% market share.

Food waste

Indicator

- Food wasted and redistributed in Co-op stores

Definitions

Food waste is any food not sold to customers (including reduced to clear), not given to colleagues or to community redistribution partners, and not sent for animal feed, in accordance with the Food Waste Hierarchy. The following are not considered to be food in line with the Food Loss and Waste Protocol: pet food, medicines, and vitamins and supplements.

All food and drink products sold for human consumption including bones, rind and peel are considered to be food and can become food waste or food surplus (unsold food that is redistributed to feed people or animals).

Food sent to composting, anaerobic digestion, incineration, conversion into fuel, or landfill is considered to be waste, in accordance with the Food Waste Hierarchy.

Scope

All food and drink handled by the Co-op in Co-op Group stores. Out of scope is food handled by depots, FRTS or Nisa stores.

Data calculation and methodology 2015-2017

Using the Co-op headline data on waste that is produced annually based on weighbridge data by our waste contractors, and specifically the food waste and animal by-product data tonnages, Co-op estimated the food waste totals per year. Packaging weight estimates were not deducted from the total annual tonnage. Depot food waste was included in the reported total tonnage.

Data calculation and methodology 2018- 2021

To report on our food waste and surplus, Co-op follow the Retailer Guidance set out by the Waste and Resources Action Programme as part of the Food Waste Prevention Roadmap. Co-op joined the Roadmap in 2018 to support our 50% reduction by 2030 target and to align with Sustainable Development Goal 12.3. The Retailer Guidance can be accessed here.

Products are assigned a net weight based on declared weight or, where this is not known, a reasonable estimation.

Food waste is tracked, line by line, using the hand-held devices used by store staff for controlling stock. These devices allow staff to assign a "reason code" which allows tracking of the destination of the product at the end of its life in store, as well as other store data.

The weight of food wasted in the year is the total weight of these individual products that have been scanned by store staff.

Food redistributed

Indicator
- Food redistributed

Definitions
'Food redistributed' refers to surplus, edible, unsold food which would otherwise have gone to waste, which we have distributed to our communities.

Scope
This covers all surplus food donated to a charity partner for redistribution in the calendar year from our Food business.

Data calculation and methodology
The weight of food redistributed in the year is the total of:
- Total weight of surplus food directly from our stores, measured by barcode scanners each time it is redistributed
- Total weight of surplus food collected by Fareshare (largely from our depots) – from annual Fareshare data report

Fish and Seafood

Indicators

- % Co-op Fish wild caught vs farmed
- Proportion of wild fish and seafood by risk profile

Definitions

Wild caught fish includes all finfish, shellfish, bivalves and molluscs captured from fisheries.

Aquaculture includes all fish, shellfish and bivalves produced in a farmed system.

Risk profile refers to either high, medium or low risk seafood supply chains according to the Co-op Seafood Responsible Sourcing standard.

Seafood includes all fresh, frozen, ambient seafood in Co-op own-brand products including seafood used as an ingredient. Includes all Seafood that falls under the scope of the Co-op Seafood Responsible Sourcing standard.

Scope

Indicators include all seafood supplied to the Co-op for sale in a calendar year. They exclude branded products, fish extracts, gelatine and pet food.

Data calculation and methodology

% Co-op Fish wild caught vs farmed:
Calculated using the Sustainable Fisheries Partnership (SFP) metrics database which suppliers populate on a monthly basis with volume data for each of their seafood supply chains. Wild and farmed fish are categorised.

Proportion of wild fish and seafood by risk profile (reported up to 2020):
Calculated using the SFP metrics database and the Co-op risk assessment tracker excel sheet. This assigns a risk rating based on the Co-op Seafood Responsible Sourcing standard.

The Co-op Seafood Responsible Sourcing Standard uses the following standards: Marine Stewardship Council (MSC), Aquaculture Stewardship Council (ASC), Global Aquaculture Alliance Best Aquaculture Practices (GAA BAP), Global GAP and RSPCA Assured.

Animal welfare

Indicators
- Proportion of fresh protein sales by type
- Proportion of sales by welfare standards
- Higher welfare sales

Definitions
Fresh protein sales include Co-op brand products and branded products.

Proportion of fresh protein sales by type:
We define fresh protein as Fish, Beef, Lamb, Sausage, Chicken, Turkey, Pork, Ham and Bacon products.

Proportion of own brand sales by welfare standards:
For sales by welfare standards we take a product-by-product approach. We split each product by the proportion of sales under each welfare standard for that product:

	Standard range	Irresistible Range
Beef	Red Tractor	n/a
Lamb	Red Tractor	n/a
Dairy	Red Tractor	n/a
Pork*	RSPCA Assured (Excluding select Honest Value Lines). Irresistible lines are also RSPCA assured	RSPCA assured (excluding select Honest Value lines). Irresistible lines are also RSPCA assured
Chicken	Red Tractor	RSPCA Assured
Turkey	Red Tractor	n/a
Eggs	RSPCA Assured / Free Range	n/a
Salmon	GLOBAL G.A.P	RSPCA Assured

*includes Ham, Sausage and Bacon

For Milk we identify Red Tractor Dairy Farm Assured Scheme or Certified organic.

For Eggs we identify RSPCA Free Range or Certified Organic

For Salmon all Co-op branded lines are reared to Global Gap or RSPCA

The proportion of sales by welfare standard is reported for fresh Beef, Lamb, Pork, Bacon, Sausage, Ham, Chicken, Turkey, Eggs and Milk.

Higher welfare sales:
We define higher welfare sales as total annual sales of the following products (fresh, food to go, frozen and prepared[3]):
- All eggs, both Co-op brand and branded (all Co-op brand eggs are free range as a minimum)
- Organic milk
- Chicken - Free range (retail line name) or Premium tier products (Premium tier are RSPCA Assured)
- Pork – all Co-op branded products are outdoor reared
- Bacon – all Co-op branded products are outdoor reared)
- Sausage – all Co-op branded products are outdoor reared
- Ham - all Co-op branded products are outdoor reared

It also includes the following:
- RSPCA Assured Cooked Meat products

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[3] As of 2017 reporting there are no frozen or prepared products classed as higher welfare

Scope

All indicators
Sales figures cover our financial year. We include branded products and Co-op brand products.

Proportion of fresh protein sales by type and proportion of sales by welfare standards:
Data excludes:

- Non-fresh products - those where the 'Department' (as identified by the column in the sales data) is listed as Frozen, Food to go or Prepared
- Fish products classified as 'Fish – Shellfish'

Data calculation and methodology

The basis for these indicators is a sales data report sourced from our Finance team.

Proportion of fresh protein by type:
A percentage calculation for each protein type (see list above) as a proportion of total Co-op brand protein sales – excluding VAT.

Proportion of sales by welfare standards (branded and own brand products):
Calculated for each product type (see list above), expressed as a % of total sales of that product type.

Higher welfare sales (own brand only):
The total value of sales of all those products defined as higher welfare (see above) – excluding VAT.

Wood and paper

Indicators

- Volume of wood and paper used in Co-op Food products, of known origin
- % wood and paper for Co-op Food from FSC
- % wood and paper for Co-op Food from recycled sources
- % wood and paper for Co-op Food from known legal source virgin material

Definitions

Volume of wood and paper used in products for Co-op Food, of known origin:
Certified to either FSC (Forest Stewardship Council), recycled or a known legal source (eg PEFC [Programme for the Endorsement of Forest Certification] or FSC material without the site being FSC certified). The % by origin is also reported:

% wood and paper for Food from FSC:
% from FSC certified sources with full chain of custody.

% wood and paper for Food from recycled sources:
Wood or paper from pre- or post-consumer recycled sources.

% wood and paper for Food from known legal source virgin material:
Covered by another credible certification – we accept PEFC or FSC but the site isn't FSC certified.

Scope

The data covers all Co-op own-brand products invoiced to us by suppliers during the calendar year, where wood, paper or pulp is used in a product. This can be food or non-food, in our Food business.

We produce this in accordance with our annual submission to WWF's Global Forest and Trade Network which is also audited by WWF. The WWF guidance does not require inclusion of products where wood and paper is less than 5% of the product content. However, for transparency we include all of the tonnage in our data, even where it is less than 5% of a product.

Branded products (ie, non-Co-op products) are excluded.

Data calculation and methodology

The wood raw material equivalent (WRME) of each product is checked annually through a supplier survey, including certification level of wood and paper (defined by WWF – see below) and amount of wood and paper products the supplier has invoiced us for.

We report against a baseline year of 2006.

External standards or guidance used:

GRI 301-2 Recycled input materials used (2016)

FSC Coffins

Indicators

- % of coffins made from FSC-certified wood

Definitions

The amount of FSC-certified wood used in manufacture of coffins as % of total wood used in manufacture of coffins for the 12 months to the end of June.

Scope

The data covers the 12-month period to the end of June in the reporting year, to align with FSC audit period.

The FSC certification only relates to coffins produced in our Glasgow coffin factory.

If coffin production is outsourced to third parties these cannot be claimed as FSC by the Co-op under our certification code, even if the third party is FSC certified themselves.

Data calculation and methodology

Raw material usage data is calculated using balances from the year end stock count, and invoices from the production system. Invoices for coffins manufactured by third parties are excluded. Final data is subject to an annual FSC audit.

Palm oil

Indicators

- Palm oil used in Co-op brand products
- RSPO sourcing in Co-op brand products

Definitions

Palm oil used in Co-op brand products:
Defined as the total weight of palm oil (kernel, derivatives, oil etc) used in Co-op brand products in the calendar year.

RSPO sourcing in Co-op brand products:
This is the total weight of palm oil certified by one of the [Roundtable on Sustainable Palm Oil](#) (RSPO) schemes, directly used in Co-op own-brand products (ie, Credits, Mass Balance or Segregated) in the calendar year.

Scope

The scope covers all Co-op own-brand products made and sold to our Food business during the calendar year. Only Co-op own brand products are included in data collection - branded products are excluded as branded suppliers report directly to RSPO on their usage - and the indicators are only applied in our Food business.

Data calculation and methodology

Amount of Palm Oil used in Co-op Own-Brand products:
RSPO certification level physically in those products (Segregated or Mass Balance), or if not used number of RSPO credits purchased.

We currently use a 3rd party to collect the data. They collate data from suppliers on behalf of a number of the members of Retailer Palm Oil Group.

Our third-party provider request information on how much palm oil a supplier has purchased and what level of certification this is and provide an annual report that aggregates total volume of palm oil used by each supplier in Co-op branded products by certification type.

External standards or guidance used:

- Data is collected and presented in a way which is aligned with what is submitted annually to the RSPO in our Annual Communication of Progress (ACOP)
- GRI 301-1 Materials used by weight or volume (2016)

Soy

Indicators

- Footprint of embedded soy in supply chains of Co-op brand products

Definitions

Soy used in Co-op brand products:
Defined as the total weight (tonnes) of soy embedded in Co-op brand products in the calendar year. This covers soy embedded through animal feed in the supply of fresh protein product, and products which use animal protein (including dairy and eggs), and soy as a direct ingredient.

We define (animal protein) ingredients as animal proteins in meat, dairy, or egg purchased directly for inclusion in a product. For example, 'cream' on purchase ledger. It excludes proteins that are embodied in other compound food products (e.g. chocolate containing milk) and by-products (e.g. fat, gelatine).

For soy as a direct ingredient we exclude soy lecithin.

Scope

The scope covers all Co-op own-brand products made and sold to our Food business during the calendar year. Only Co-op own brand products are included in data collection - branded products are excluded and the indicators are only applied in our Food business.

Data calculation and methodology

Amount of soy used in Co-op brand products:
We currently use a third party to collect the data for embedded soy in animal protein (fresh and as an ingredient). They collate data from suppliers on behalf of a number of the members of Retail Soy Group.

Our third-party provider request information on embedded soy used by suppliers and provide an annual report that aggregates total volume of soy used by each supplier in Co-op brand products.

For soy used as a direct ingredient this is estimated based on total sales for the calendar year and the amount of soy used as an ingredient within the products.

External standards or guidance used:

- Data is collected and presented in a way which is aligned with what is submitted annually to the RTRS Report on Progress.
- GRI 301-1 Materials used by weight or volume (2016)

Ethical trade

Indicators

- Number of sites and workers on Sedex and location of audits
- Number of supplier training events completed
- Status of improvement actions from ethical audits completed

Definitions

- We report the total number of supplying sites in all tiers that supply Co-op Food that actively supply at the point the data is reported and remain live suppliers, aggregated by continent. Discontinued suppliers are excluded. We report the number of workers in the reported supplying sites at the point the data is reported aggregated by continent. Discontinued suppliers are excluded.
- We report the total number of audits completed in the previous two calendar years at all the active (at time of reporting) supplying sites, aggregated by continent. Discontinued suppliers are excluded.
- We report the % of Tier 1 sites in a high-risk country with a valid audit at the point the data is reported.

All indicators relate to Co-op own brand suppliers of finished goods for sale in the Co-op food business only. For specific indicators we use the definitions below:

Number of sites and workers on Sedex and location of audits:

- By site, we mean site of employment, such as factory, packhouse, grower, etc.
- We define a Tier 1 site as a production site where goods are finished, ready for supply to, or sale by, the end company. A Tier 2 site is a production site that supplies goods or materials to a Tier 1 site for incorporation into the finished product. 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.
- By worker, we mean any person directly or indirectly employed to work at that site.
- By Sedex, we mean the Supplier Ethical Data Exchange (Sedex), a web-based system which allows organisations to store information about labour standards within their business and to share this with one or more of their customers.
- By audits, we mean an ethical/social audit to measure, understand, report and ultimately improve an organisation's social and ethical performance based on the Ethical Trading Initiative (ETI) Base Code and International Labour Organisation standards.
- A valid audit means (as set out in our Supplier's Guide to the Co-op Ethical Trade programme) it is:
    o Semi-announced
    o Conducted by a third party
    o A 'Sedex Members Ethical Trade Audit' (SMETA) or equivalent standard
    o A 'Sedex Virtual Assessment'- introduced in 2020, this due diligence tool allows an auditor to assess the performance of a site remotely (where it cannot take place on site) through the use of video conferencing
    o Less than two years old
- By high risk we mean countries that are stipulated as high risk in our Suppliers Guide to the Co-op's Ethical Trade Programme, based on independent expert knowledge of issues known to exist in countries.

Number of supplier training events completed:

- By training, we mean face-to-face or online events such as workshops, conferences and forums run by the Co-op Ethical Trade Team or training events sponsored by Co-op Food business for Co-op own-brand suppliers to build their knowledge of expectations with regards to their labour standards.
- We report the number of training events by country.
- We report the total number of delegates from supplying sites attending a training event.
- We report the number of supplying sites represented by delegates attending training events.
- Training data covers the calendar year.

Status of improvement actions from ethical audits completed:
- Data in this table is collated from valid audits completed in the last 2 years. Each column is split by 'Critical / major' and 'Minor' improvement actions as defined by the SMETA Non-Compliance Guidance (available to members only via the Sedex system):
    - o Critical / major (business critical/ critical/major non-conformances): Critical, severe or material breaches which represents a danger to workers/those on site or which constitutes a critical, severe or materials breach of workers' human rights or safety.
    - o Minor: An occasional or isolated problem. An issue which represents low risk to workers/those on site.
- Improvement actions are split by ETI (Ethical Trading Initiative) provision in the Sound Sourcing Code that they cover.
- By improvement actions, we mean non-compliances raised in ethical audits and corrective actions completed to resolve issues.
- We report the number of improvement actions (non-compliances) raised by audits in the last two years. These totals are split out by:
    - o number of improvement actions (corrective actions) that have been reported as completed by the site AND the evidence has been verified by the auditor
    - o number of improvement actions that have been reported as completed by the site and will be verified by the auditor during the following calendar year
    - o number of improvement actions that are due to be completed by the site during the following calendar year
    - o number of overdue improvement actions

Scope

All indicators exclude branded products (ie, non-Co-op products).

Number of sites and workers on Sedex and location of audits and Status of improvement actions from ethical audits completed:
Data covers active Co-op Food own-brand supplying sites in the scope of the Co-op Food Ethical Trade Monitoring Programme in the reported supplying sites at the point the data is reported and from audits covering the calendar year and the previous year.

Audit data is from valid audits conducted within the last two years (reporting year and previous calendar year).

Number of supplier training events completed:
Data covers training events, conferences and forums run by the Co-op Ethical Trade Team or training events sponsored by Co-op for Co-op own-brand suppliers during the calendar year.

Data calculation and methodology

Number of sites and workers on Sedex and location of audits:

The basis for indicators relating to sites, locations, audits and improvement actions is a supply chain report from Sedex.

Sedex create a bespoke supply chain report, which is the basis for the Co-op Food Ethical Trade Monitoring Programme.

As a condition of trade all Co-op own-brand Tier 1 production sites must:
- be registered on Sedex
- complete a self-assessment questionnaire
- and, if based in a high-risk country, conduct a valid ethical audit prior to supply.

This status report is supplied by Sedex on a monthly basis from a template compiled by the Co-op Ethical Trade team based on a bespoke specification. It is benchmarked on a monthly basis against Co-op's MyCore technical system to ensure that all active direct supplying sites are included in scope.

Sites beyond tier 1 are included in the scope of the Co-op ethical trade programme where deemed necessary by the Ethical Trade Manager in consultation with Ethical Trade Officers, due to known ethical trade risks including the increased reliance on casual/temporary labour, media allegations etc. Information on Tier 2 sites is collected directly from direct suppliers, who upload supplier information into templates onto MyCore.

Number of supplier training events completed:
The basis of training data 'in person' events is an internal report maintained by the Co-op Food Ethical Trade Team. Registration data is collected using the Eventbrite web platform, which collects data on all areas required for reporting. Delegates are required to record they have attended training events via a sign in sheet, of which a copy is kept on file by the Co-op Ethical Trade Team. Data from the events is then compiled by the Ethical Trade Team into a central log.

For online events, registration data is collected using the Eventbrite web platform. Attendance reports are further downloaded from the host website to provide the number of delegates and suppliers who attended the event. Data is stored in a central log by the Ethical Trade Team.

Calculations of data are summarised under Definitions (above).

External standards or guidance used:
- The indicators measure supplier adherence to Co-op's commitments, as set out in our Sound Sourcing Code of Conduct and our Human Rights and Trade Policy.
- All audits provided to the Co-op Food must comply with the SMETA guidance, based on the Ethical Trading Initiative (ETI) Base Code and International Labour Organisation standards.
- GRI 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk.
- GRI 408-1 Operations and suppliers at significant risk for incidents of child labour.

Fairtrade

Indicators

- Our commitment to Fairtrade across seven core categories
- Tonnage / Litres / Stems sold on Fairtrade terms
- Overall number of Fairtrade SKUs in the range
- Minimum number of Fairtrade SKUs in the range
- Our Leadership in Fairtrade
- Co-op % change in Fairtrade sales
- % Fairtrade market share

Definitions

'Fairtrade' specifically refers to products which carry the internationally-recognised Fairtrade Mark and versions thereof. These products are certified in the UK by the Fairtrade Foundation and to the standards created and controlled by Fairtrade International.

'Fair Trade' refers the global movement that stands for trade between companies and producers in which fair prices are paid to the producers. Whilst recognising that 'Fairtrade' is the 'gold standard' in certification, Co-op also acknowledges that there are a small number of product and product ingredients sourced from 'lesser developed countries' for which certification by Fairtrade International does not exist. Co-op has therefore created a model to allow the development and labelling of own brand 'Fair Trade' products, outside of, but based on, the Fairtrade system.

Tonnage / Litres / Stems sold on Fairtrade terms:
The total volume of Fairtrade ingredients measured in Tonnes / Litres / Stems contained via products stocked at Co-op and wholesale partners in the calendar year. Includes Fairtrade-branded wine sales and Fair Trade Charcoal.

Overall number of Fairtrade products in the range:
The total number of Fairtrade products stocked in the Co-op in the calendar year. Including own label and branded lines.

Minimum number of Fairtrade SKUs in the range:
The number of Fairtrade products stocked in more than 99.5% of stores in the calendar year.

Our Leadership in Fairtrade:
Co-op's ranking of perceived leadership in Fairtrade as % in the calendar year. People who mention Co-op when asked 'Which UK business or retailer is the leader on Fairtrade?' in Co-op's Ethical Leadership survey. Questions in this survey are asked unprompted.

Co-op % change in Fairtrade sales:
The total increase or decrease in Fairtrade-certified sales made by Co-op in the calendar year versus the previous calendar year.

% Fairtrade market share:
Fairtrade-certified sales made by Co-op as % of total Fairtrade-certified sales made in the UK convenience sector in the calendar year.

Scope

Tonnage / Litres / Stems sold on Fairtrade terms
Data covers Fairtrade-certified products sold in the calendar year and Fair Trade Charcoal, endorsed by Traidcraft.

Overall number of Fairtrade SKUs in the range
Data covers total number of Fairtrade lines in the Co-op range in the calendar year.

Minimum number of Fairtrade SKUs in the range
Data covers number of Fairtrade lines in the Co-op range sold in more than 99.5% of Co-op stores in the calendar year.

Our Leadership in Fairtrade
Data covers % of people who mention Co-op when asked 'Which UK business or retailer is the leader on Fairtrade?' in Co-op's Ethical Leadership survey. Questions in this survey are asked unprompted. Highest perceived leadership on Fairtrade Co-op Ethical Leadership Research conducted by ICM Unlimited.

Co-op % change in Fairtrade sales
Data covers Fairtrade-certified sales made by Co-op and the total UK grocery market, as measured by Kantar for the calendar year.

Out of scope are products labelled 'Fair Trade' and 'fairly traded' unless they specifically carry the Fairtrade certification.

% Fairtrade market share
Data covers Fairtrade-certified sales made by Co-op and the total UK grocery market, as measured by Kantar for the calendar year.

Out of scope are products labelled 'Fair Trade' and 'fairly traded' unless they specifically carry the Fairtrade certification.

Data calculation and methodology

Tonnage / Litres / Stems sold on Fairtrade terms
Fairtrade Certified: An annual report is generated by the Fairtrade Foundation from the Fairtrade Connect system which reports total Fairtrade ingredient volumes for the Co-op in the calendar year. Includes Fairtrade-branded wine. The data is reported as provided by the Fairtrade Foundation.

Fair Trade Charcoal: An annual report is generated by Rectella which reports Fair Trade total Charcoal volume for the Co-op. The data is reported as provided by Rectella.

Overall number of Fairtrade SKUs in the range & Minimum number of Fairtrade SKUs in the range
An annual report is generated by Co-op which reports the total number of Fairtrade and Fair Trade SKUs sold in the calendar year. Includes depth of distribution (DOD) of Fairtrade range. Lines available in more than 99.5% of stores are in scope for the minimum number of Fairtrade SKUs in the range.

Our Leadership in Fairtrade
The Ethical Leadership survey is conducted online, interviewing a nationally representative sample of 2,000 GB adults (aged 18+). All questions are asked unprompted (i.e. respondents do not have a checklist, they answer with the business or retailer which is top of mind when asked about a range of ethics and sustainability issues). On the topic of Fairtrade, the question is "Which UK business or food retailer do you consider to be the leader on Fairtrade?". The answer which we report is the total % of the 2,000 respondents that mentioned Co-op. Conducted by ICM Unlimited.

% Fairtrade market share
A quarterly report is generated by Kantar which reports Fairtrade and total grocery sales/share for the Co-op and the total UK grocery market. The data is reported as provided by Kantar.

Co-op % change in Fairtrade sales:
The total increase or decrease in Fairtrade-certified sales made by Co-op in the calendar year versus the previous calendar year.

% Fairtrade market share:
Kantar measures retail sales (£) of Fairtrade products across the food retail and convenience food sectors in the UK. It calculates shares of the sales for each retailer.

Third party certification is governed by the Fairtrade Foundation.

Healthier products

Indicator

- % Co-op branded food products with no red traffic light

Definitions

% Co-op branded food products with no red traffic light:
Our traffic light labelling provides nutrition information for our products at a glance. The colour coding allows customers to check if the product is low (green), medium (amber) or high (red) in fat, saturated fat, sugar and salt.

This indicator counts how many products do not have a high amount of one or more of these nutrients - fat, saturated fat, sugar, salt - as a percentage of the total number of products which carry traffic light labelling.

Scope

% Co-op branded food products with no red traffic light: Data relates only to Co-op brand, processed products which carry traffic light labelling.

It excludes the following products:

- non-processed food such as whole fruit and veg, and eggs
- alcohol
- non-food
- seasonal lines (due to them only being in the range for a limited period of time and excluding them is more reflective of our range throughout the year)

Data calculation and methodology

% Co-op branded food products with no red traffic light:
The % of products with no red traffic lights divided by total number of products carrying traffic light labelling is counted twice a year. Total products carrying traffic light labelling is extracted from MyCore system which maintains product specifications including traffic light labelling.

Data is captured in June and December to cover spring/summer and then autumn/winter launches. We then take an average of the two figures. The reason for this is we generally see fewer red traffic lights in summer as we have more salads/lighter meals and then in autumn/winter we tend to see more red traffic lights as our products are more indulgent/hearty meals for the colder weather.

Gender and Ethnicity

Indicators
- % colleagues that are female
- % females in leadership roles
- % colleagues identified as belonging to an ethnic minority group
- % of our leaders from an ethnic minority background

Definitions
Leadership roles are defined as colleagues in the grade 1–5; for food store colleagues those in position of Team Manager or above.

Scope
The scope of these indicators covers payrolled employees – total number of employees payrolled via Oracle, both active (including Full-time/Part-time, Regular/Temporary employees) and non-active (ie, on Maternity Leave, Paternity Leave, Adoption Leave, etc.).
It excludes Agency Temporary Workers ('Contingent Workers') eg those payrolled via recruitment agencies. This is in line with current reporting guidelines from the ONS and Gov.uk.

Data calculation and methodology

% colleagues that are female:
This is calculated as the number of payrolled employees (at 31 December) recorded in the Oracle system with Female Gender, divided by total payrolled employees recorded in Oracle.

% leaders that are female:
% colleagues identified as belonging to an ethnic minority group
% of our leaders from an ethnic minority background

These three indicators are calculated based on feedback taken from our annual Talkback colleague survey.

External standards or guidance used:
GRI 405-1 Diversity of governance bodies and employees (2016)

Colleague age

Indicators

- % colleagues in each age band

Definitions

Age bands are defined as:

- 24 and under
- 25 - 34
- 35 - 49
- 50 - 64
- 65 and over

As of end of calendar year.

Scope

Payrolled employees – total number of employees payrolled via Oracle, both active (including Full-time/Part-time, Regular/Temporary employees) and non-active (ie, on Maternity Leave, Paternity Leave, Adoption Leave, etc.)

Excludes Agency Temporary Workers ('Contingent Workers') such as those payrolled via recruitment agencies. This is in line with current reporting guidelines from the ONS and Gov.uk

Data calculation and methodology

The indicator is calculated at the end of year. The age, in years, of payrolled Employees recorded in Oracle is calculated: (Effective Date – D.O.B)/365.25.

Number of employees in each age band (defined above) is expressed as a percentage of total payrolled Employees recorded in Oracle at 31 December.

There is no rounding applied.

External standards or guidance used:

GRI 405-1 Diversity of governance bodies and employees (2016)

Number of colleagues

Indicators

- Total colleague headcount at calendar year end

Definitions

Total headcount is defined as the number of payrolled employees at 31 December. It is the absolute headcount number and not the number of full-time equivalents.

Scope

Data covers payrolled employees – total number of employees payrolled via Oracle, both active (including Full-time/Part-time, Regular/Temporary employees) and non-active (ie, on Maternity Leave, Paternity Leave, Adoption Leave, etc.).

Excludes Agency Temporary Workers ('Contingent Workers') such as those payrolled via recruitment agencies. This is in line with current reporting guidelines from the ONS and Gov.uk.

Data calculation and methodology

Calculated as the total number of payrolled employees recorded in Oracle at calendar year end (31 December).

External standards or guidance used:

GRI 102-8 Information on employees and other workers (2016)

Health and safety

Indicators

- Number of non-reportable accidents
- Number of non-reportable accidents/100,000 colleagues
- Number of reportable accidents
- Number of reportable accidents/100,000 colleagues

Definitions

Non-reportable accidents:
These are accidents (event resulting in injury or ill health) which have happened but are not legally reportable to the HSE (Health & Safety Executive, Government body).

Reportable accidents:
These are accidents which have happened and due to the severity of the accidents we have to report to the HSE as a RIDDOR (Reporting of Injuries, Diseases, and Dangerous Occurrence Regulations 2013).

The number of colleagues:
For these indicators the total number of colleagues is calculated as the total headcount of colleagues payrolled both through Oracle and the recruitment agency Rullion at calendar year end (31 December).

Accidents involving colleagues payrolled through any recruitment agency are recorded on our system, but we are only able to accurately include those from Rullion in the headcount (this is the majority of agency colleagues). As a result, we slightly over-report number of accidents per 100,000 colleagues.

Scope

The data set is taken for the full calendar year.

The indicators cover all recorded colleague accidents, including accidents for Agency Temporary Workers ('Contingent Workers') payrolled via recruitment agencies.

It covers colleagues working in all properties for which we have operational control, including stores, petrol forecourts stores, funeral homes, depots and support centres. It also covers colleagues travelling for work (apart from commuting).

The scope excludes:

- Sickness incidents – unless related to occupational health

- Accidents travelling as part of a colleague's commute to normal workplace

- Customers' accidents

Data calculation and methodology

The data source is Co-op Incident Management System, currently '@Risk' moving to a cloud-based system 'MySafety (Sphera)'.

Colleagues self-report on the system. Data is reviewed by business units, and then by the Safety Team. We then run reports to produce the figures according to the scope and definitions identified above.

- **Number of non-reportable accidents/100,000 colleagues and Number of reportable accidents/100,000 colleagues:**

Calculation for these indicators is:

Number of accidents/(total end of year headcount/100,000)

To understand the level of accidents occurring a comparable data set is used by way of 100,000 colleagues which helps demonstrate if we as an organisation are becoming safer (or not).

Restating and re-baselining criteria

Criteria for restating previously reported data

Co-op will restate data previously reported when:
- A material error is identified in the basis for the previously reported figure.
- More accurate and materially different data becomes available for the previously reported figure

By 'material' we mean that we will only restate a previously reported figure if the amendment alters the originally-reported headline figure by five percentage points or more.

As a guiding example: Part of the waste tonnage we report may be based on estimated weights for specific bin types collected. If we receive actual weighed data for these collections which is different to the estimate used and materially impacts the reported waste figure, we will then restate this figure.

Criteria for altering the baseline used for long-term targets

Co-op will re-baseline targets in the case of mergers, acquisitions, divestments or in/out sourcing of emitting activities which will materially affect a headline environmental figure, ie, altering it by five percentage points or more.

As a guiding example: If we acquire an entirely new business unit, such as a new convenience retail business, and this increases our headline waste or GHG emissions by more than 5%, the elements of that which fall under our direct control will be added to our baseline and backdated as if we had always operated this business. We would not however alter our baseline after opening a series of new stores, as this is organic growth rather than a significant change to our business.

Similarly: If we divest from a business unit, such as our previous pharmacy business, the impacts from that are removed from our baseline and backdated as if we had never operated this business. We would not however alter our baseline as a result of closing a series of pharmacies, as this is organic decline.

This means our targets remain like-for-like and can't be met (or invalidated) simply as a consequence of changing our business structure.

Criteria for the boundaries of 'direct' environmental impacts

Co-op's reporting of environmental impacts from our direct operations follows the principle of operational control, meaning that we report those impacts for which we have direct control of the operation in question. This includes:
- Scope 1 and 2 greenhouse gas (GHG) emissions
- Waste generated from our occupied premises
- Water used within our occupied premises

As a guiding example: We report the GHG emissions from the trucks and vans we operate to distribute food to our stores in our direct 'Scope 1' footprint. We wouldn't however include the GHG emissions from rail distribution, as we don't operate that element, this would instead be an indirect 'Scope 3' GHG emission.