

# CLIMATE CHANGE

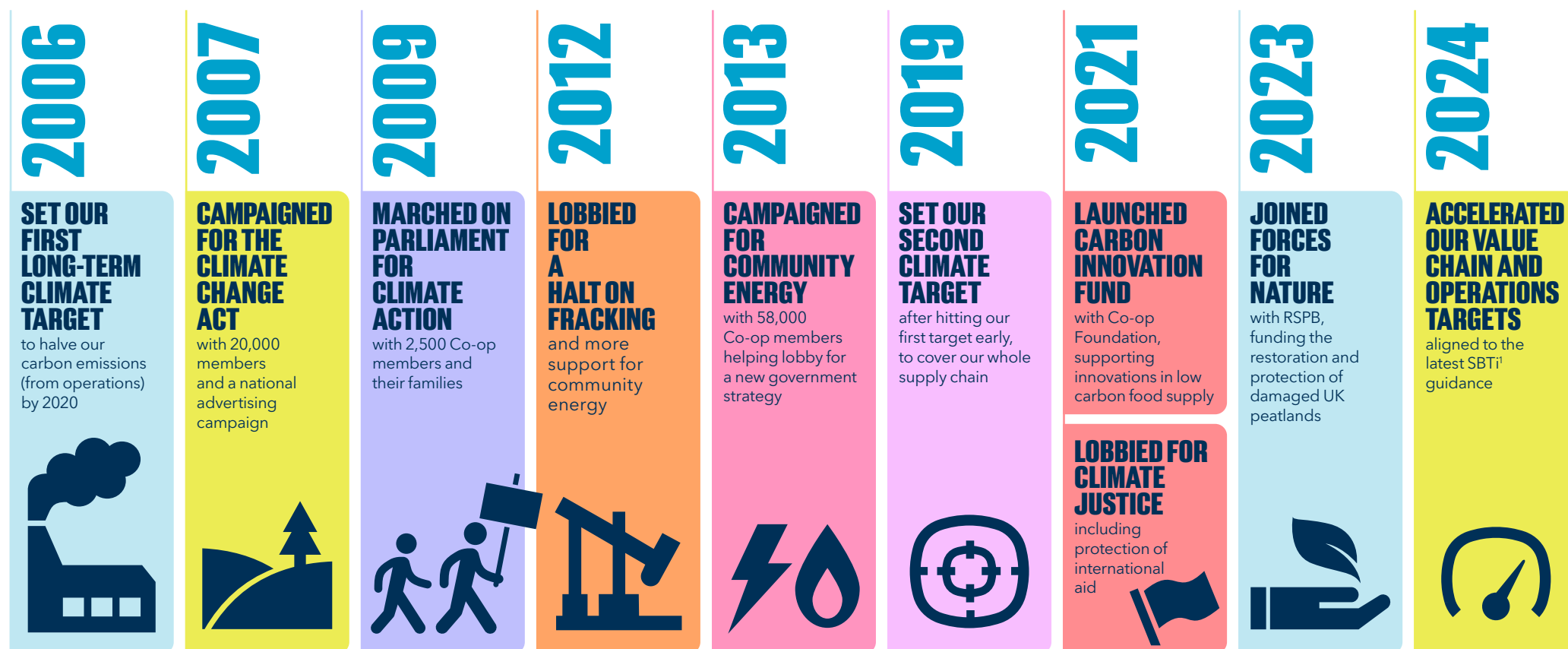
A  
SUSTAINABLE  
FUTURE

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



<sup>1</sup> Science Based Targets Initiative

## 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)

**55%** (2,540 ktCO<sub>2</sub>e)



### Purchased Goods

Production of our ingredients across the world, whether from plants or animals, branded or own-brand

**12%** (532 ktCO<sub>2</sub>e)



### Packaging

All the packaging on our products

**10%** (461 ktCO<sub>2</sub>e)



### Manufacturing products

Processing ingredients into the final product

**7%** (336 ktCO<sub>2</sub>e)



### Land Use Change

Estimated impact of deforestation and land use change in our supply chain

**5%** (212 ktCO<sub>2</sub>e)



### Supply chain transport

All the transportation of ingredients or final products before it gets to our depots

**3%** (159 ktCO<sub>2</sub>e)



### Goods and Services to run our business

Emissions covering the goods or services to run our business. From carrier bags to uniforms

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

**2%** (100 ktCO<sub>2</sub>e)



### Electricity used at Co-op

**0.4%** (17 ktCO<sub>2</sub>e)



### Gas used at Co-op

**2%** (86 ktCO<sub>2</sub>e)



### Transport by Co-op

Transport of goods to store, home delivery and our Funeralcare fleet

**1%** (49 ktCO<sub>2</sub>e)



### Refrigeration at Co-op

Emissions from running our fridges

**2%** (97 ktCO<sub>2</sub>e)



### Other

Everything else. Including colleagues commuting to work, travelling for business, and the end disposal of waste we generate

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

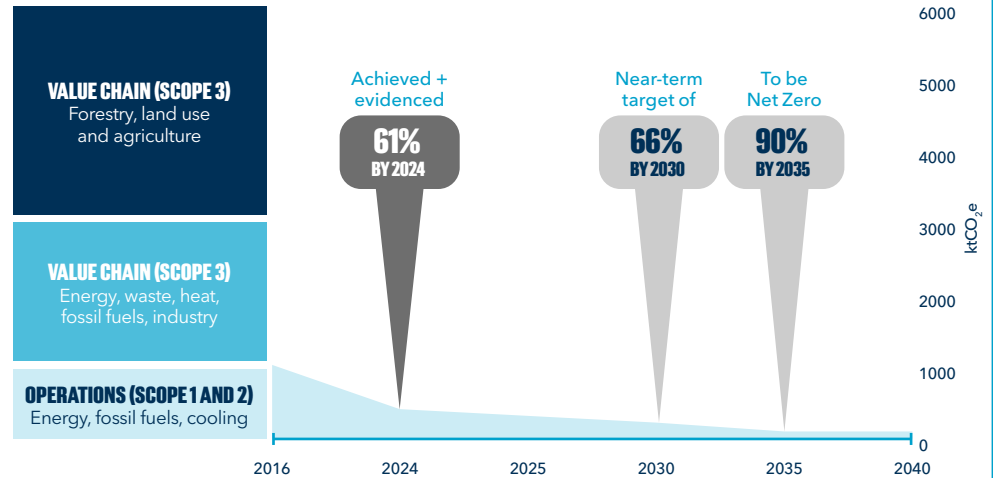
We commit to reduce absolute Scope 1 and 2 emissions by **66%** by 2030, from a 2016 base year.



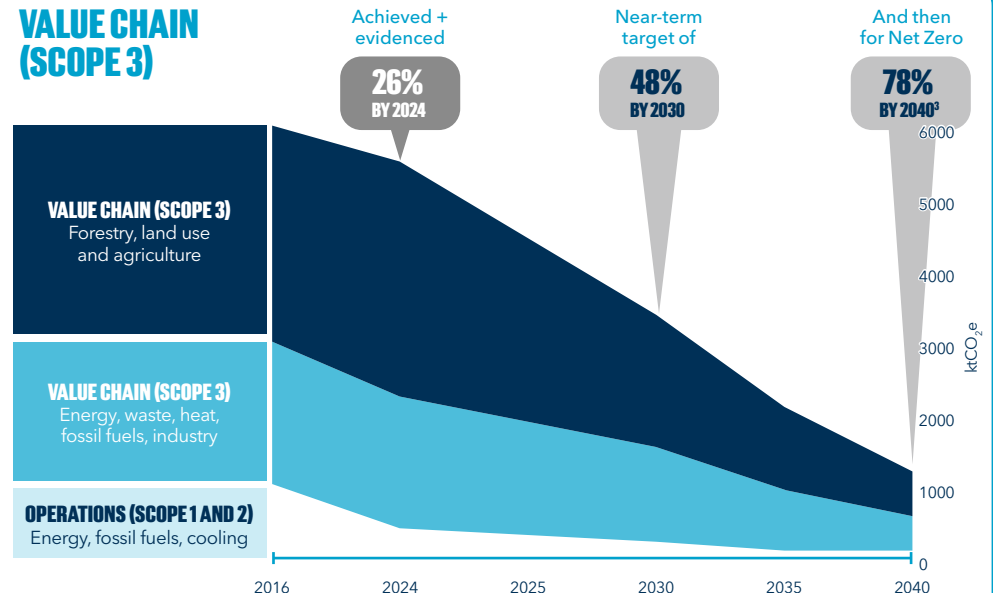
We commit to reduce absolute Scope 3 emissions by **48%** by 2030, from a 2016 base year.

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.

### 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**



## 61% reduction

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

### 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.

<sup>1</sup> Since January 2023

## 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.

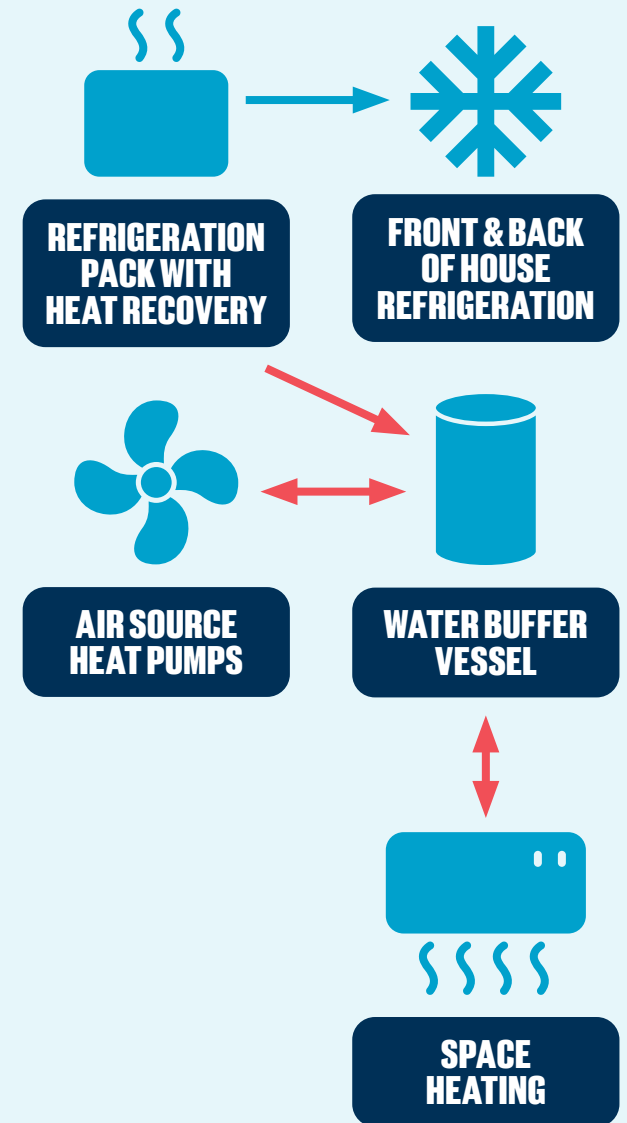
We have hosted our retail peers and supply-chain partners on site, and we have attended industry events to **showcase how the power of**

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



<sup>1</sup> Hydrofluorocarbon

## 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 [BRC/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 CO<sub>2</sub>e.

In 2024, we have removed a total of 458 tonnes of packaging, which equates to around 1,336 tonnes of CO<sub>2</sub>e.

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.

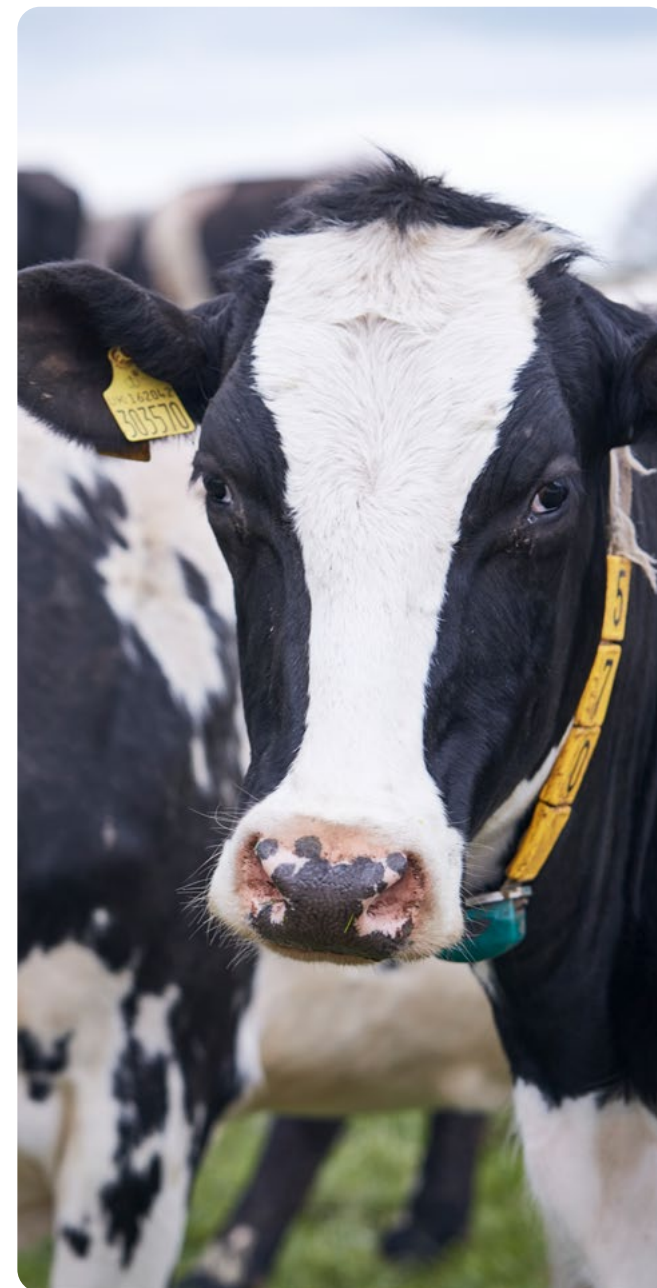
We publish a detailed climate risk disclosure report each year which you can read [here](#).

## 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.

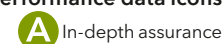
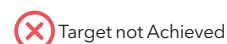
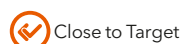


<sup>1</sup> Non-governmental Organisations















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

<sup>3</sup> British Retail Consortium

## CLIMATE CHANGE DATA













Key Performance data icons

Issue	2024 Target	Performance against Target	KPIs	Baseline 2016	2021	2022	2023	2024	2025 Target	SDGs		
Direct Emissions (Scope 1 & 2)	<b>SBTi-approved science-based target</b>  <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.  <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.	 Between 2016 and 2024 we have reduced our absolute Scope 1 & 2 emissions by 61%. We are on track to meet our next target of achieving a 66% reduction in Scope 1 & 2 emissions by 2030.	Scope 1 GHG emissions: Refrigeration (ktCO <sub>2</sub> e)	181	73	66	50	49 	<b>SBTi-approved science-based target</b>  <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.  <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.	  		
			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.									
			Scope 1 GHG emissions: Transport (ktCO <sub>2</sub> e)	126	103 	95	91	86 				
			Scope 1 GHG emissions: Energy: Fuel (ktCO <sub>2</sub> e)	31	22	19	17	17 				
			Scope 2 GHG emissions: Energy: Electricity, Location-based accounting (ktCO <sub>2</sub> e)	310	121	107	105	100 				
			<b>Total direct emissions from running our business</b> location-based accounting: Scope 1 and 2 GHG emissions (ktCO <sub>2</sub> e)	649	320	288	263	252 				
			Building energy use (GWh)	921	693	660	602	578 				
			Total energy use including transport fuel (GWh)	-	-	1,060	992	936 				
			% of electricity from renewable sources	99%	100%	100%	0%	15% <sup>1</sup> 				
			Scope 2 GHG emissions accounting for renewables: Energy: Electricity, Market-based accounting (ktCO <sub>2</sub> e)	-	0	1	190	191 				

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

## CLIMATE CHANGE 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	Baseline 2016 ktCO <sub>2</sub> e	2024 ktCO <sub>2</sub> e	2025 Target	SDGs
Indirect Emissions (Scope 3)	<b>SBTi-approved science-based targets<sup>1</sup></b>  <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.  <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.  <b>Overall Net Zero Target:</b> The Co-operative Group commits to reach Net Zero GHG emissions across the value chain by 2040	  Between 2016 and 2024 we reduced our absolute Scope 3 from the categories included in our near-term science-based target by 26%.	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>			<b>SBTi-approved science-based targets<sup>3</sup></b>  <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.  <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.  <b>Overall Net Zero Target:</b> The Co-operative Group commits to reach Net Zero GHG emissions across the value chain by 2040	  
			Scope 3 emissions categories included in near-term science-based targets				
			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>		

<sup>1</sup> Best practice from SBTi is to set a GHG reduction target which covers the most significant categories of Scope 3 emissions over which we may exert influence, with a requirement to include a minimum of 67% emissions coverage in near-term targets and 90% emissions coverage in long-term targets. SBTi have also advised that some indirect emissions sources should not be included in our Scope 3 target boundary. This includes emissions from customer travel for shopping, and indirect product use (cooking and chilling). Our near-term and long-term targeted emissions cover 95% and 99% of the emissions included in our Scope 3 target boundary.

<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.



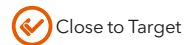
## CLIMATE CHANGE DATA



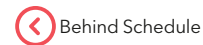
Target Achieved



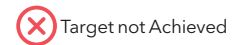
On Track



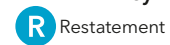
Close to Target



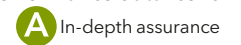
Behind Schedule



Target not Achieved



Restatement



In-depth assurance

Key Performance data icons

Issue	2024 Target	Performance against Target	KPIs	Baseline 2016 ktCO <sub>2</sub> e	2024 ktCO <sub>2</sub> e	2025 Target	SDGs
Indirect Emissions (Scope 3)			Scope 3 emissions categories also included in long-term science-based targets <sup>1</sup>				
			Category 2 - Capital items	154	54		
			Category 7 - Employee commuting	33	33		
			Category 15 - Investments	62	64		
			Scope 3 emissions categories not included in science-based targets				
			Category 8 - Upstream leased assets	n/a	n/a		
			Category 9 - Downstream transportation and distribution - Shopping	289	262		
			Category 9 - Downstream transportation and distribution - Funeral travel	8	8		
			Category 9 - Downstream transportation and distribution - Deliveroo	n/a	18		
			Category 9 - Downstream transportation and distribution - Wholesale retail	44	20		
			Category 10 - Processing of sold products	n/a	n/a		
			Category 11 - Use of Sold Products - Cooking & chilling	622	564		
			Category 11 - Use of Sold Products - Electrical products	11	4		
			Category 13 - Downstream leased assets	5	4		
			Category 14 - Franchises	0.4	8		



<sup>1</sup> Best practice from SBTi is to set a GHG reduction target which covers the most significant categories of Scope 3 emissions over which we may exert influence, with a requirement to include a minimum of 67% emissions coverage in near-term targets and 90% emissions coverage in long-term targets. SBTi have also advised that some indirect emissions sources should not be included in our Scope 3 target boundary. This includes emissions from customer travel for shopping, and indirect product use (cooking and chilling). Our near-term and long-term targeted emissions cover 95% and 99% of the emissions included in our Scope 3 target boundary.

## CLIMATE CHANGE 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	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	<p> As of the end of 2024, 48% of Category 1 Scope 3 emissions were covered by suppliers with validated science-based targets.</p> <p>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.</p>	% of Category 1 Scope 3 emissions covered by suppliers with validated science-based targets <sup>1</sup>	36% 	48% 	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.

