

CLIMATE CHANGE

Together, we're making real progress towards a more sustainable future and reaching Net Zero is a priority for us and our member owners. But we can't solve this alone; collective action is essential for reducing carbon emissions and protecting people and the planet.

OUR TARGETS¹:

Long-term target

We will be a Net Zero business by 2035 for our GHG 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 GHG emissions by 66% by 2030, from a 2016 base year.
- We commit to reduce absolute Scope 3 GHG emissions by 48% by 2030, from a 2016 base year.
- 77% of suppliers in Category 1, Scope 3 GHG emissions covered by suppliers with validated science-based targets by 2026 & 79% of suppliers in Category 1 Scope 3 GHG emissions covered by suppliers with validated science-based targets by 2030.

OUR PROGRESS:

- 65% reduction in GHG emissions from running our business (Scope 1 & 2) since 2016.
- 27% reduction in value chain and product (Scope 3) GHG emissions since 2016.
- 72% of Category 1 Scope 3 GHG emissions covered by suppliers with validated science-based targets in 2025.

For over 20 years, we've been reducing our carbon emissions - cutting our energy use, investing in renewables, upgrading to more efficient vehicles and fridges, and supporting our producers around the world.

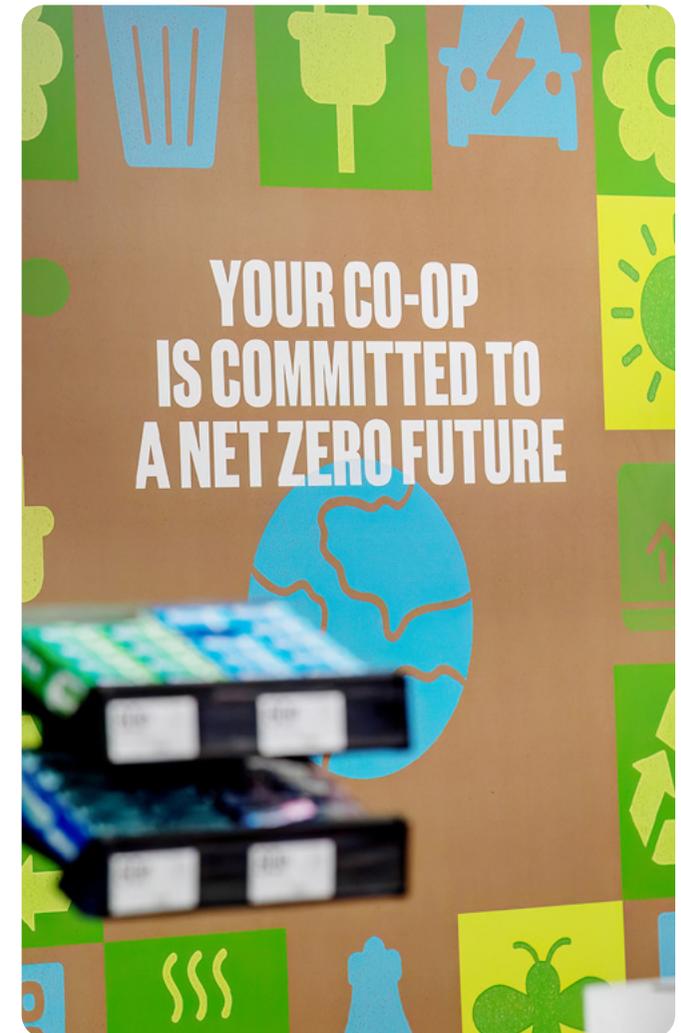
We know we can't solve climate change alone; most of our emissions² come from producing the products we sell, so working with our suppliers and producers is essential.

Our climate action is guided by three principles:

1 FOLLOW THE SCIENCE.

2 WORK FOR A FAIR AND JUST TRANSITION.

3 CO-OPERATE FOR SYSTEMS CHANGE.



¹ 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.

² 95% of our carbon footprint came from Scope 3 emissions in 2025.

Reduce our environmental impact and protect & restore nature

CO-OP'S CARBON FOOTPRINT 2025 (ktCO₂e)

SCOPE 3 (EMISSIONS FROM OUR VALUE CHAIN)

57%

(2,358 ktCO₂e)

Purchased Goods

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



10%

(427 ktCO₂e)

Packaging

All the packaging on our products



10%

(411 ktCO₂e)

Manufacturing products

Processing ingredients into the final product



7%

(273 ktCO₂e)

Land Use Change

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



5%

(214 ktCO₂e)

Supply chain transport

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



4%

(163 ktCO₂e)

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%

(83 ktCO₂e)

Electricity used at Co-op



<1%

(15 ktCO₂e)

Gas used at Co-op



2%

(86 ktCO₂e)

Transport by Co-op

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



1%

(47 ktCO₂e)

Refrigeration at Co-op

Emissions from running our fridges



2%

(77 ktCO₂e)

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 [here](#). The percentages have been rounded to the nearest whole number.

PRINCIPLE 1. FOLLOW THE SCIENCE, RAPIDLY REDUCE CARBON EMISSIONS

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



65% reduction

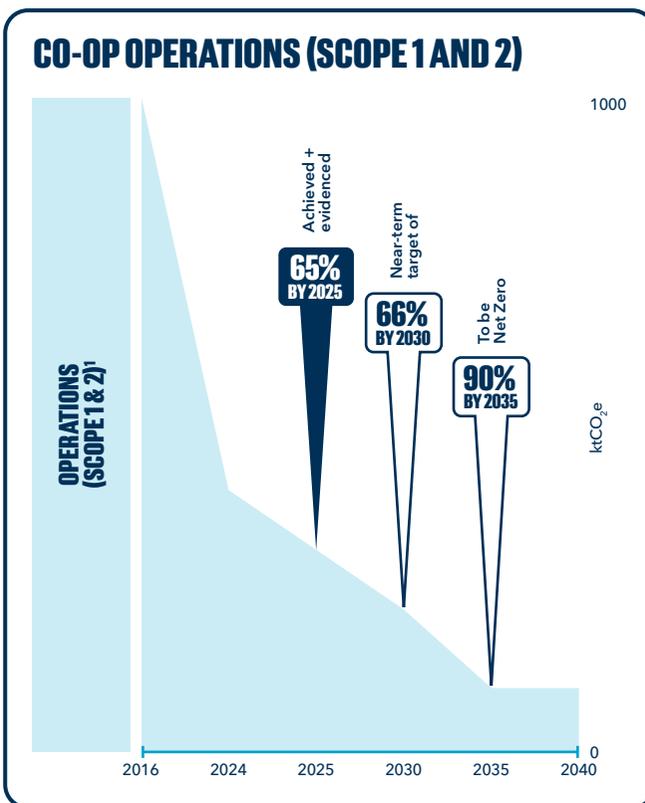
in GHG emissions from running our business (Scope 1 & 2) since 2016.

In 2025, we made significant progress in our energy efficiency, cutting electricity use by 4%, gas use by 13%, and reducing carbon emissions from electricity and gas by 17% compared to 2024. This was achieved through investment in store refits and asset connectivity upgrades allowing us to optimise energy consumption remotely. We also installed more submeters to improve our energy use tracking, undertook optimisation measures, and installed solar panels on several stores and one depot.



OWNED BY YOU

We were delighted to welcome members and customers to our two Sustainability Showcase stores in Soham and Earls Barton this year, giving them an opportunity to see the changes we're making to our food store estate to reduce emissions from our operations. Click the video to hear more about our Earls Barton store.



Solar installation at our Kilgetty Food Store

Biggleswade Solar, Offshore Wind & Solar PV Rollout

We installed retrofit rooftop solar panels on food stores for the first time this year, giving us valuable insights that are shaping a scalable rollout plan for 2026, ensuring we can deliver solar at pace and with confidence.

Our largest installation was our Biggleswade depot², where circa 6,700 panels now generate circa 2,500 MWh/year. This reduces our carbon emissions, improves our energy security and eases pressure on the national grid. We've also signed power purchase agreements to secure a long-term supply of renewable energy.

¹ Energy, fossil fuels and cooling.

² Went live in July 2025.

Reduce our environmental impact and protect & restore nature

Despite a 2% reduction in diesel use due to reduced volumes following the cyber attack, emissions from the food logistics network rose slightly (0.4%¹) due to higher emissions per litre of diesel. We continued to improve vehicle efficiency, refrigeration plug-in compliance and transport network optimisation to help drive down emissions. We introduced 30 biomethane tractor units and installed high-efficiency refrigeration onto our new fixed-body delivery trucks. Our home delivery fleet is being updated too, with 50 new electric non-refrigerated vehicles and a small number of diesel vehicles replacing older refrigerated diesel models². In Funeralcare, we added a further 13 electric hearses and 13 electric limousines to the fleet.

OPPORTUNITIES FOR THE FUTURE

We will continue to work on reducing our emissions from electricity and gas in 2026 and beyond, through energy efficiency technologies and initiatives, and through our solar rollout, which will continue in 2026 to cover more stores, depots and funeral homes.

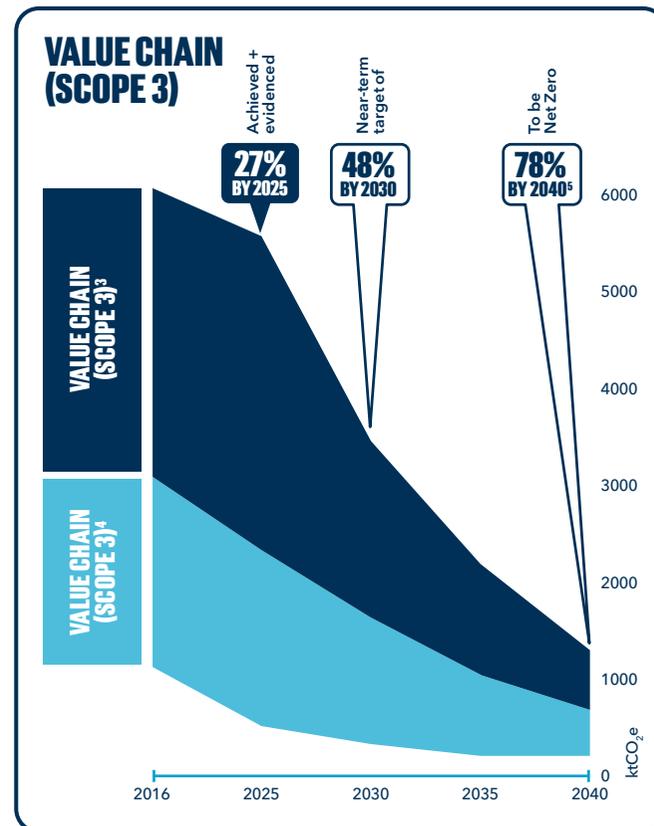
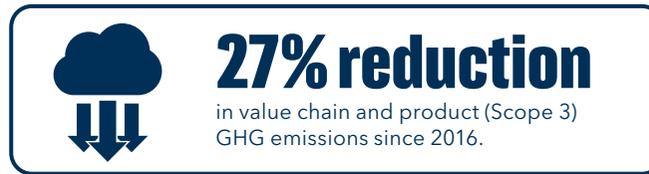
We'll keep optimising our fleet to improve efficiency across our network, we'll also continue to review biomethane vehicles as an alternative to diesel in 2026. High efficiency refrigeration units are now standard on new logistics vehicles and 2026 will see the introduction of our first fully electric heavy goods vehicle.

We'll continue to invest in natural refrigeration systems in new stores and refits, whilst collaborating with refrigeration manufacturers and installers to embrace new technology to continue to reduce emissions.

¹ Since 2024.
² Rollout started in Q4 25 and will complete in Q1 26.
³ Forestry, land use and agriculture.
⁴ Energy, waste, heat, fossil fuels, industry.
⁵ 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 Our Data [section](#).

HOW WE'RE REDUCING CARBON EMISSIONS – SCOPE 3

PROGRESS THIS YEAR



Over 90% of our carbon footprint comes from Scope 3 emissions, most of which are linked to producing the products we sell. This makes reducing the carbon footprint of our products and value chain critical in reducing our climate impact. In 2025, we've taken four main actions:

- Improving product data.
- Supporting British farmers.
- Designing more sustainable products.
- Engaging with our suppliers.

IMPROVING PRODUCT DATA

When we first estimated our value chain (Scope 3) emissions back in 2016, we had to make a lot of assumptions about our product emissions. We've since collaborated across the food industry with other retailers and our suppliers to build a common way of measuring the impacts of the products we sell (read more about Cross Industry Collaboration [here](#)).

By the end of 2025, we now use specific-product level data for the majority of our own-brand food products. This gives us a more accurate and transparent view of our impact, helps us target the areas where we can make the biggest difference, and enables us to work with suppliers on shared plans and track progress together.

SUPPORTING BRITISH FARMERS

We depend on British farmers to grow and produce the food we sell. In 2025, we announced a new fund to support them and we have continued to support them to reduce the carbon intensity of our dairy and protein. Read more about our commitments and work with British farmers [here](#).

Reduce our environmental impact and protect & restore nature

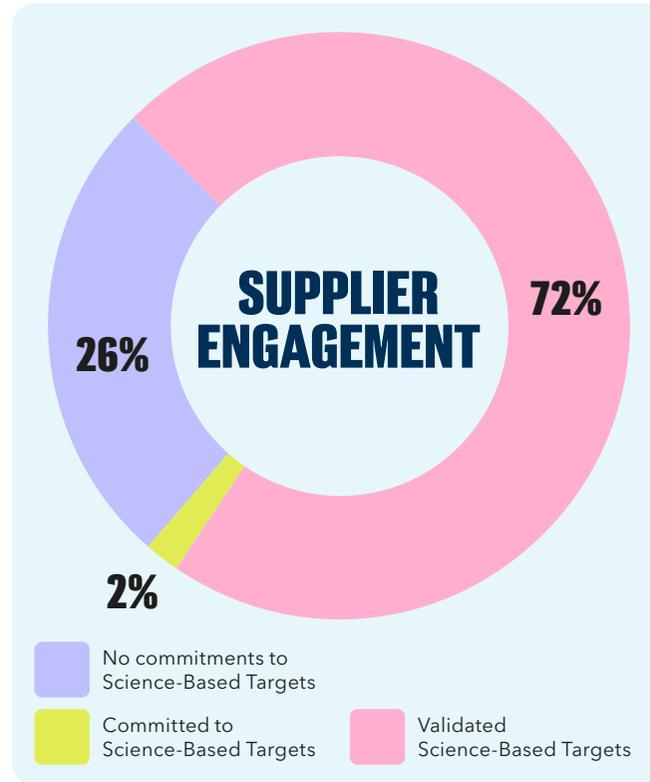
DESIGNING MORE SUSTAINABLE PRODUCTS

Cutting waste and improving our packaging helps lower our carbon footprint and makes our products more affordable for our customers. In 2025, we removed 235 tonnes of plastic packaging. Now that we have data on the carbon footprint of all our own-brand products, we can make changes which improve quality, nutrition and environmental impact at the same time.

SUPPLIER ENGAGEMENT

We buy products from thousands of suppliers every year. We track the progress of our top 200 suppliers towards carbon reduction, and in 2025, we continued to work with our strategic suppliers to agree plans and make progress.

This year, 72% of our purchased goods GHG emissions are from suppliers with validated near-term science-based targets, up from 48% in 2024 – a strong step forward towards our shared climate goals.



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

Climate change is making growing conditions more volatile, affecting food production and, in turn, the livelihoods and lives that depend on it. Farmers, communities and workers who produce our products globally are directly affected by the present-day impacts of climate change and extreme weather events.

Our approach is split into two parts:

- Understanding Climate Risk: Ensuring we understand the scale of change that is coming, including the growing risk to our business, and to the people who produce and supply our products and services.
- Supporting Adaptation and Resilience: Acting as an ethical and fair-trading partner to the people we source from and support their adaptation to climate change.

UNDERSTANDING CLIMATE RISK

We publish a detailed climate risk disclosure report each year which you can read [here](#), aligned to the best practice guidance of the Task Force on Climate-related Financial Disclosures (TCFD).

SUPPORTING ADAPTATION AND RESILIENCE

Climate justice means those least responsible for climate change shouldn't face the greatest impacts.



We support Fairtrade producers to adapt and mitigate through diversifying income, growing more resilient crops and adopting practices like shade planting. Read more about our work with The Fairtrade Foundation [here](#).

In recent years we've seen more volatile weather in the UK as well, and we're supporting our British farmers to adapt to unpredictable harvests. Read more about our support for British Farming [here](#).

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

We drive systems change rather than acting alone. Climate change is a shared issue that needs a co-operative response. In 2025 we did this in three ways.

POLITICAL ENGAGEMENT AND LEADERSHIP

In July, we supported a mass lobby, organised by The Climate Coalition, a coalition of over 100 organisations including The Co-op, uniting voices to demand action for people, climate and nature.

CROSS-INDUSTRY COLLABORATION

This year we have continued to support cross-industry alignment through the [IGD](#) Transition Plan for the UK Food System.

We're supporting IGD's work to build the value case for baselining the carbon footprint and nature impact of British farms. Read more in our Farming and Fisheries section [here](#).

By standardising product carbon footprinting across the industry, we've collectively removed a major barrier to Net Zero and enabled increased collaboration with our suppliers, farmers and producers.

NGO AND CHARITY PARTNERSHIPS

In 2025, we have continued our charitable partnership to restore degraded peatlands with the RSPB, with the first two years of the partnership protecting 500 hectares of peatland in their natural state long into the future, avoiding about 70,000 tonnes of carbon emissions, and seeing the return of rare species including golden plover, hen harrier and curlew.

Our cross-industry work is supported and convened by environmental NGOs¹ who play an important role in holding us to high independent standards, primarily [WWF](#) and [WRAP](#), working alongside our industry bodies IGD and [BRC](#). You can read more about the work of retail-environmental NGO partnerships online [here](#).



Mondra

Understanding the environmental impact of food products has long been a challenge. Calculating a single product's carbon footprint used to be slow and inconsistent, making it hard for the industry to compare emissions, track progress or work together effectively.

The BRC-Mondra coalition has changed that. Now representing over 90% of the food retail market, it combines advanced technology with industry collaboration resulting in standardised carbon footprints for thousands of our own-brand products. This gives us high-quality, scalable data that updates automatically whenever recipes or packaging change - allowing us to track progress in real time. As data from British farmers can be added, accuracy will continue to improve.



¹ Non-governmental organisation.