

RESOURCE USE

We have an important role to play in how we use resources. By reducing waste, choosing materials wisely and working more efficiently, we can help create a future that's better for our colleagues, communities and the planet.

PLASTICS AND PACKAGING

Packaging plays an important role in keeping food fresh, maintaining quality and preventing waste. We're committed to reducing its environmental impact by continually improving and innovating our materials while ensuring we meet current and emerging regulations in a cost-effective way.

OUR TARGET:

We will reduce our plastic packaging by 30% by the end of 2025, per 1% market share compared to baseline year of 2018.

OUR PROGRESS:

Against our target using the Kantar market share metric, our final figure was 27.5%

In 2025, we focused on three key areas:

- **Improving data quality:** We've been improving our data quality to comply with the Extended Producer Responsibility (EPR) obligations.
- **Continuing our work on plastic reduction.**
- **Resetting our Packaging Strategy:** In line with the new UK Packaging Pact¹, of which we are a founding member, and the UK Government Circular Economy Growth Strategy².



2025 PLASTIC REDUCTION PROJECTS

Tomatoes and peppers tray redesign:



78 TONNES

Moved laundry detergents to fibre-based cartons:



33.5 TONNES

Mini bites moved to bag in box:



20 TONNES

Irresistible steaks moved to card skin trays:



20 TONNES

Irresistible potatoes - Removed sleeve and used printed film:



19 TONNES

Yum Yums - Switched into card trays:



17 TONNES

Citrus Fruits - Format update:



14 TONNES

Flowers - Sleeve reduction:



12 TONNES

FTG snack pots - micron reduction:



7.3 TONNES

Spring onion tag removal:



5 TONNES

Cut herbs film downgrade:



4 TONNES

Washing up liquid cap redesign:



0.3 TONNES

¹ UK Packaging Pact | WRAP - The Waste and Resources Action Programme

² Circular Economy Taskforce - GOV.UK

Our progress

We have reduced our plastic use in absolute terms by 37%, and 27.5% against our target using the Kantar market share metric.

Whilst plastic reduction remains part of our ongoing strategy, our future focus will be on optimising packaging to minimise overall environmental impact by reducing material weights, increasing recycled content and improving recyclability.

Opportunities for the future

Alongside reducing plastic, we're focused on making all our own-brand packaging easy to recycle and lowering the environmental impact of the materials we use. We're also reviewing new targets to help drive further progress.

Our priorities for 2026:

- Implement our new Packaging Strategy, aiming to reduce the environmental impact of all packaging materials including plastics, metals and glass.
- Review our packaging target using a revised methodology and our improved data sources.
- Improve data accuracy to help us reduce the impact of extended producer responsibility.
- We will continue to work with our suppliers to ensure that all packaging materials are sourced responsibly.

CASE STUDY



Deposit Return Schemes

Our members are passionate about reducing packaging waste and finding easy-to-recycle alternatives. In response to this, as part of our Recycle Week in September, we asked our members to Join In with a survey on Deposit Return Schemes (DRS) - a Government initiative set to come into force for aluminium and plastic drinks containers in 2027. While DRS will help ensure materials are recycled

effectively, it also brings challenges for retailers including take-back requirements, store space, logistics and labelling.

Over 6,000 members joined in to talk to us about this issue, the insights from which will shape how we implement DRS in a way that works for our members, focusing on convenient return options and flexible ways to receive cash deposits.

Reduce our environmental impact and protect & restore nature

FOOD WASTE

Food waste puts pressure on precious resources like water and land and drives up emissions. Our member owners care about preventing food waste, and so do we. That's why we work hard to prevent food waste - and when food does become surplus, we try to ensure that it's shared with people in our communities.

OUR TARGET:

We will reduce food waste generated in our stores and depots by 50% by 2030 compared to 2022.

OUR PROGRESS:

In 2025 although we saw an increase in our food waste, our reduction since 2022 sits at 20% and we are still on track to achieve our 2030 target.

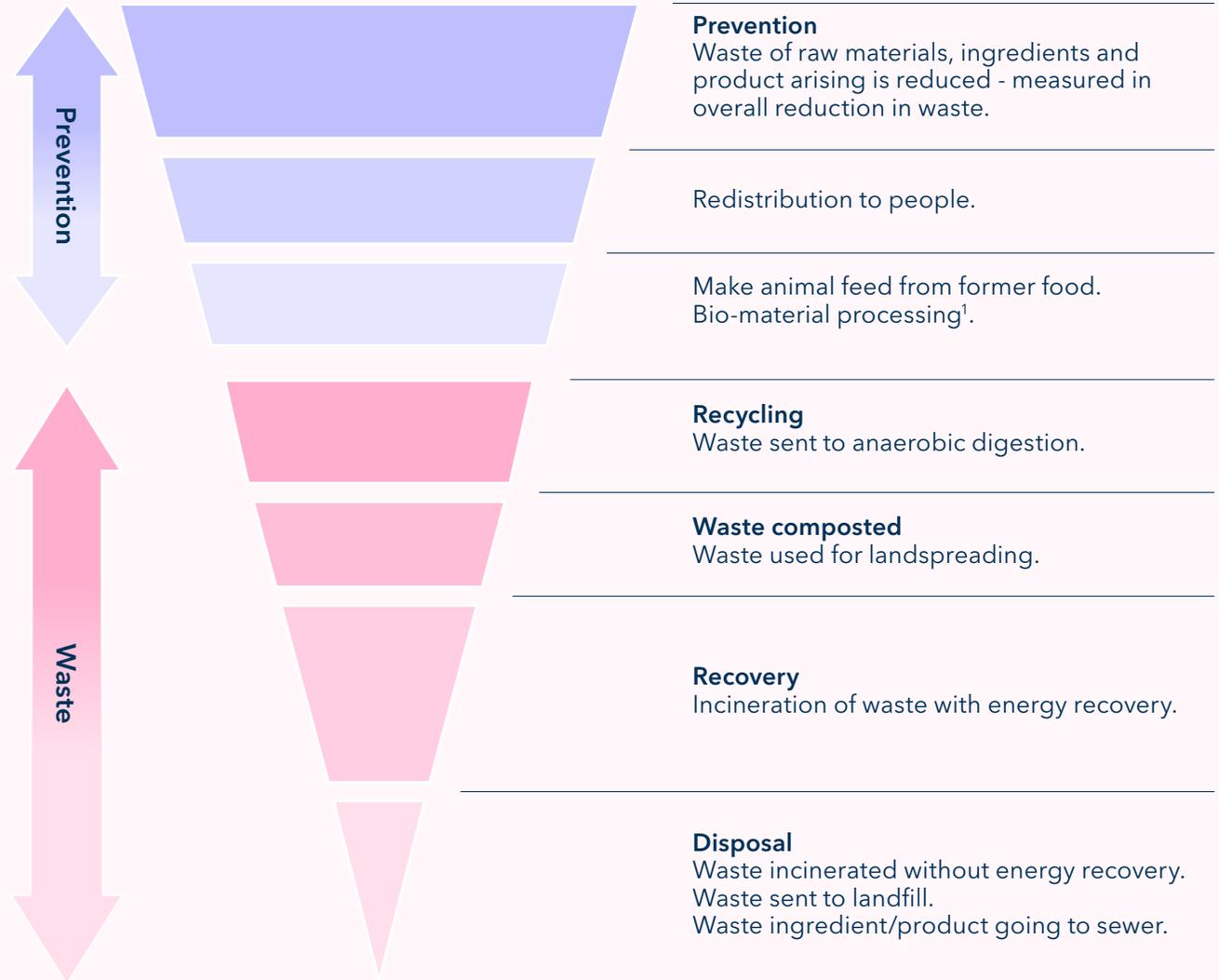
We continue to tackle food waste across our operations, following the food use hierarchy (see diagram to the right). We support suppliers, members and customers to reduce and prevent food waste, and where food cannot be sold, we prioritise redistribution. Through our food redistribution platform Caboodle, surplus food from stores is redistributed to community groups, while our depots work with national and local partners. Any food that cannot be redistributed is used to make green energy through [anaerobic digestion](#).



7,000 tonnes

We redistributed over 7,000 tonnes of food in 2025 (nearly 1,000 tonnes more than last year), enough to provide the equivalent of 16.7m meals.

FOOD MATERIAL HIERARCHY



¹ Turning organic waste materials (like surplus food, peelings, trimmings, expired products, etc.) into useful biological products rather than sending them to landfill or incineration.

Reduce our environmental impact and protect & restore nature

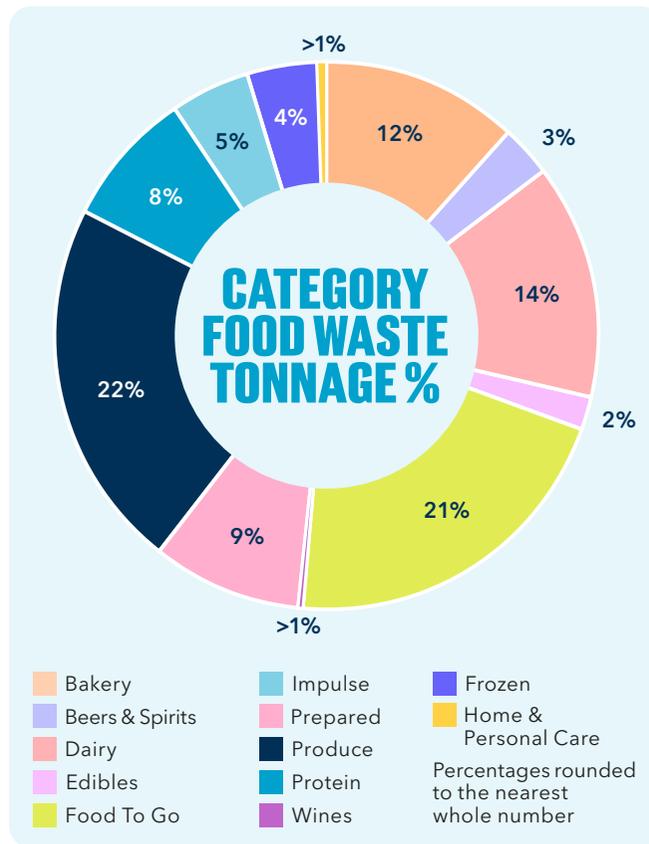


OWNED BY YOU

Members asked us to develop activities that will help them save money through reducing Food Waste. In Food Waste Action Week this year we held hundreds of events across the UK and provided online content for members to find out more about how to save money and save the planet. [You're helping to prevent food waste | Co-op Blog](#)

This year, we've seen a 16.5% increase in our food waste. This is due to several factors including our commercial strategy, the impact of the cyber-attack and the resulting reprioritisation of available stock into stores. Our focus for 2026 is to continue to work towards our 2030 target. The unprecedented challenges of 2025 also highlighted the need to strengthen our redistribution capability, both for day-to-day operations and for unexpected events.

The chart on the right shows a breakdown of our food waste in 2025. The increase in our operational food waste inevitably impacted on our food waste intensity, which rose 1.03% last year to 1.23%.



We have continued to work on prevention of food waste throughout the year, using data and collaborating with suppliers to identify high-waste lines such as bananas, in-store Bakery (ISB) and Food to Go.

We're focusing on a wide range of programmes with suppliers and colleagues, to drive value and cut waste from our supply chain. We've also reviewed our redistribution processes in-store to identify key improvements for the future.



CASE STUDY

Engaging with customers on food waste and contributing to collaborative initiatives

In-store bakery (ISB) is one of our highest-wasting categories, contributing over 1,000 tonnes of unsold food in 2024. To address this, we launched a Co-op member initiative offering 50% off loose ISB items after 6pm supported by the "More Value, Less Waste" campaign. Our store colleagues have welcomed the initiative, with a strong increase in member sales after 6pm and less food going to waste.

Reduce our environmental impact and protect & restore nature

CASE
STUDY



Collaboration with our main suppliers to track, measure and act on food waste in the supply chain

As part of our efforts to prevent waste in our stores, we've engaged with key suppliers to identify our priority areas and inform supply chain actions. One example is our collaboration with Warburtons where we targeted a batch of high-waste intensity lines and analysed the sales and waste data at a store level. Warburtons used these insights to make targeted interventions. After six weeks of monitoring, the data showed a drop in waste by 2% across the lines and helped to optimise sales.

Opportunities for the future

We'll continue to focus on preventing food waste across our highest-wasting categories including bakery, dairy, fresh produce and Food to Go. Insights gathered in 2025, such as our end-to-end review of bananas and work with key Food to Go suppliers, will guide targeted prevention activities.

We now have a clear plan to strengthen our redistribution capability, and delivering these improvements will be a major focus for 2026.

We'll also continue to refine the delivery of our food waste prevention strategy, exploring opportunities for improvement and shared learning across our wider network including wholesale, franchise stores and member societies.

WATER USE

Last year, we reported on our work to improve the accuracy of our water consumption data and outlined our plan to install automatic meters at key sites. These steps have strengthened our understanding of water use. However, overall consumption in 2025 increased slightly due to a small number of leaks across our estate. As a result, we did not achieve our 2025 target.

This outcome highlights the need for accurate data and proactive leak management. In response, we have launched a new water strategy and roadmap, with a strong emphasis on improved data and monitoring. Key actions include expanding our automatic meter reading (AMR) programme and developing dashboards to track consumption in real time. We have also implemented monthly reviews, leak identification processes, and targeted audits to drive efficiency.

Alongside these measures, we have refreshed internal targets for depots, Funeralcare and food sites and established a water management working group to oversee delivery. Our roadmap focuses on five key pillars:

- Data improvement
- Leak monitoring
- Colleague engagement
- Target setting and reporting
- Efficiency measures

These actions will help us embed responsible water use across our operations. We will share further updates in our 2026 report.

