GREGGS

THE GREGGS PLEDGE

TO DO MORE GOOD

THE GREGGS PLEDGE

THE GREGGS PLEDGE HIGHLIGHTS 2023

£650,000
almost £650,000 donated by the Greggs Foundation Community Grant programme from Outlet profits

97.1%
of our electricity usage came from renewable sources

30%
we maintained over 30% of our range as 'Healthier Choice' products

65%
of the chickens we buy are stocked at a maximum density of 30kg/m²

GROWING GREGGS FOUNDATION BREAKFAST CLUBS

896 Breakfast Clubs fed more than 62,000 children every school day.

Read more about how we are **building stronger, healthier communities** on **pages 10 to 12**

BUILDING SHOPS OF THE FUTURE

Over 500 shops (21% of our estate) feature Eco-Shop elements.

Read more about how we are **making the planet safer** on **pages 25 to 26**

EMBRACING DIVERSITY

We published our Ethnicity Pay Gap Report.

Read more about how we are **becoming a better business** on **pages 30 to 33**

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DETERMINED TO ALWAYS DO BETTER

> Delivering on our commitments has been built into everything we do; it is part of our DNA.

Roisin Currie
Chief Executive

We speak to our Chief Executive, Roisin Currie, about Greggs dedication to doing good.

Q: What difference do you think The Greggs Pledge is making to the business?
A: The biggest difference The Greggs Pledge has made is engaging our colleagues in our ambitions. 'Doing good' has been part of Greggs from our earliest days when we used to serve free pie and peas suppers in the local community. Our colleagues have always wanted to help others and The Greggs Pledge is something we can all get behind and support. Our colleagues tell us that our commitment to doing good and making a difference makes them proud to work for Greggs. I truly believe it has a big part to play in our 'secret sauce' — what makes Greggs, Greggs.

The Greggs Pledge gives us a clear set of targets to rally around and a focus for our resources. Delivering on our commitments has been built into everything we do; it is part of our DNA. Each one has a champion from our Operating Board and we scrutinise progress at regular intervals throughout the year, as well as keeping them front of mind in all business decisions.

Q: What do you think was the biggest achievement of 2023?
A: Three years into our five-year iteration, I'm pleased to announce that, in some areas, we have already achieved what we set out to do by the end of 2025: we have far exceeded our target to make 30% of our range a healthier choice (Commitment 4); and we have robust responsible sourcing policies in place years ahead of our 2025 target (Commitment 9).

The steady growth in the number of Breakfast Clubs always fills me with pride. They provide such a vital service within communities where poverty levels are high — not just by feeding children, but by encouraging them to get to school on time and be ready to learn.

Continued on next page...

> I am proud of the positive impact we continue to have with each of our commitments.

Q: What is proving harder than expected?
A: Some of our commitments are proving more challenging than we expected, but that's okay, because we believe in setting stretching targets and being ambitious. I want our sustainability goals to be hard to reach, because it makes us work together to think creatively, problem-solve and innovate when we are under pressure.

We wanted all our packaging to be 'more easily' recyclable by now, but have still only made it to 87% (coffee cups are the main sticking point, but don't worry, we're working hard on this) and we are slightly behind schedule in opening new Greggs Outlet shops, but again – we have a plan in place to get more surplus food to where it is most needed.

One of our targets – Commitment 10 – was to achieve the highest possible result in an external benchmark, The Business Benchmark on Farm Animal Welfare ('BBFAW'), but the criteria were redrawn last year and we are currently working alongside the accreditation body to assess the impact this will have on tiering. Life isn't predictable; things change and we will continue to adapt, evolve and innovate. The important thing is that we are driving progress on the issues that matter most, and where we can do the most good. I am proud of the positive impact we continue to have with each of our commitments.

We remain dedicated to transparency and showing our progress against all target areas, which is why I am also delighted, that in line with the publication of this year's report, we have also published our first Sustainability Accounting Standards Board ('SASB') report on our corporate website.

HOW DID WE DO?

Achieved | Partially achieved | Still to be achieved

STRONGER HEALTHIER COMMUNITIES

- Growing Breakfast Clubs
- Reducing food waste
- Greggs Outlets
- Heathier choices

SAFER PLANET

- Carbon neutrality
- Eco-Shop
- Packaging

BETTER BUSINESS

- Embracing diversity
- Sourcing sustainability
- Animal welfare

PROGRESSING THE PLEDGE

Q: Looking ahead to 2025 and beyond, what new areas might we expect to see in The Greggs Pledge?

A: The Greggs Pledge has always been about three things: building stronger, healthier communities, making our planet safer, and being a better business. This is not likely to change, but the areas we need to focus on might. For instance, we will have done everything possible to make our product packaging more easily recyclable by the end of 2025, so it makes sense to move on to another priority area. We have a bigger role to play in promoting regenerative, sustainable agriculture – biodiversity loss is a growing global concern and linked to the climate crisis, and our suppliers and farmers will play a vital role in helping to stop this. I want to see how Greggs can support them on that mission.

COMMITTED TO MAKING THE WORLD A BETTER PLACE

Our purpose

To make great tasting, freshly prepared food accessible to everyone.

Our vision

To be the customers' favourite for food-to-go.

Our culture and values

With over 32,000 amazing colleagues, our people are what makes our business successful. We aim to provide them with a great place to work, where they feel valued and have the opportunity to fulfil their potential. We are one team with a shared goal to make Greggs a success and we pride ourselves on our welcoming and inclusive culture.

We've been around for over 85 years, building a reputation for offering great-quality, freshly-prepared food at affordable prices with great service. We are a much-loved and trusted brand that is for everyone and available to serve our customers wherever, whenever and however they choose.

WE PLEDGE TO DO MORE

In February 2021, we launched The Greggs Pledge which declared ten commitments to help make the world a better place by the end of 2025, and beyond.

We have always been committed to doing the right thing, but we wanted to be more specific about how we channel our efforts and resources into doing good. We reflected on what we could do to have the most positive impact on the world around us, and chose to dedicate our efforts on three areas: communities, the planet and our approach to business. We set ourselves ten stretching targets to be achieved by the end of 2025.

Building stronger, healthier communities

We pledge to play our part in improving the nation's diet, providing free breakfasts to schoolchildren and giving surplus food to those most in need.

1. Growing Greggs Breakfast Clubs:
By the end of 2025, we will support 1,000 school Breakfast Clubs, providing some 70,000 meals each school day.

2. Putting an end to food waste:
By the end of 2025, we will create 25% less food waste than in 2018 and will continue to work towards 100% of surplus food going to those most in need.

3. Supporting our communities:
By the end of 2025, we will have 50 Greggs Outlet shops providing affordable food in areas of social deprivation, with a share of profits given to local community organisations.

4. Helping customers make healthier choices:
By the end of 2025, 30% of the items on our shelves will be 'Healthier Choices', and we will attract customers through education and promotions.

Making our planet safer

We pledge to become a carbon-neutral, zero-waste business.

5. Going carbon-neutral:
By the end of 2025, we will be on our way to achieving carbon neutrality by using 100% renewable energy across all of our operations.

6. Building the shops of the future:
By the end of 2025, 25% of our shops will feature elements from our Eco-Shop 'Shop of the future' design.

7. Using less packaging:
By the end of 2025, we will use 25% less packaging, by weight (as a percentage of sales), than in 2019 and any remaining packaging will be made from material that is more easily recycled.

Becoming a better business

We pledge to increase the diversity of our workforce, and to use our purchasing power responsibly, with the aim of making things better in our supply chain.

8. Embracing diversity:
By the end of 2025, our workforce will reflect the communities we serve.

9. Sourcing sustainably:
By the end of 2025, we will have a robust, responsible sourcing strategy in place and will report annually on progress towards our targets.

10. Protecting animal welfare:
By the end of 2025, we will secure and maintain Tier 1 in the BBFAW Animal Welfare standard.

OUR PROGRESS SO FAR

BY THE END OF 2023

MEASURING OUR PROGRESS

Achieved | Partially achieved | Still to be achieved

Building stronger, healthier communities

1 Growing Greggs Breakfast Clubs:
896 Breakfast Clubs fed more than **62,000** children every school-day.

2 Putting an end to food waste:
We reduced the amount of food waste we create in our manufacturing operations by a further **10%** and increased food redistribution to **41.9%** (vs a target of **48%**).

3 Supporting our communities:
We have **35** Greggs Outlet shops.

4 Helping customers make healthier choices:
We maintained over **30%** of our range as '**Healthier Choice**' products.

Making our planet safer

5 Going carbon-neutral:
97.1% of the electricity and **30%** of the gas we used across our operations was from renewable sources.

6 Building the shops of the future:
Over **500** shops (21% of our estate) feature **Eco-Shop elements.**

7 Using less packaging:
87% of our own brand packaging can be more easily recycled.

Becoming a better business

8 Embracing diversity:
We published our **Ethnicity Pay Gap Report*** and provided enhanced support for colleagues from an ethnic minority background to progress their career.

9 Sourcing sustainably:
We completed the mapping of soy in animal feed to determine sustainability status.

10 Protecting animal welfare:
We improved our chicken welfare standards, with **65%** at stocking densities less than or equal to 30kg/m^2 and the remainder at less than or equal to 38kg/m^2. All pigs are free from sow-stalls.

* In line with our business reporting schedule and is included in our 2023 Annual Report, published 10 April 2024.

TARGETS AND PRIORITIES IN 2024

Building stronger, healthier communities

1 Growing Greggs Breakfast Clubs:

We will have **950 Breakfast Clubs**, feeding **66,000 children** every school day.

2 Putting an end to food waste:

We will increase unsold food redistribution to **45%**. We will maintain cost of manufacturing waste at **0.20%** of sales.

3 Supporting our communities:

We will have **41 Greggs Outlet shops** and, to increase collection opportunities for unsold food, we will trial two light van collections; if successful we will consider expansion of this model in 2025.

4 Helping customers make healthier choices:

We will maintain our ranging principles to ensure **30%** of our range is 'Healthier Choices'.

Making our planet safer

5 Going carbon-neutral:

At least **60% of the gas** we use across our operations will be from renewable sources.

We will convert one of our major distribution depots to **use HVO as a diesel replacement**, meaning we'll cover around 2 million miles using a renewable fuel option.

We will develop our policy to deal with non-renewable electricity usage in serviced locations.

6 Eco-Shop:

At least **25%** of our shop estate will feature Eco-Shop elements. We will look to design our second **Eco-Shop** in 2024.

7 Using less packaging:

All of our own brand packaging will be more easily recycled*. We will reduce the amount of packaging used within our supply chain by moving to bulk-supply or reusable containers, where options are available.

Becoming a better business

8 Embracing diversity:

Our core development programmes, aimed at supporting our potential future management colleagues, will be representative of the ethnic diversity in our regional talent pools.

9 Sourcing sustainably:

100% declared soy will be certified as sustainable. We will continue to work with meat, egg and dairy suppliers to move **all soy** in animal feed to be from sustainable sources by the end of 2025. We will trial the use of wheat from a regenerative farmed source in our wholemeal bread production.

10 Protecting animal welfare:

We will further improve our chicken welfare standards, with **75%** at less than or equal to 30kg/m^2 stocking density and the remainder at less than or equal to 38kg/m^2. We will publish and implement our Chicken Welfare Standard.

* Not including hot drinks cups

OUR CONTRIBUTION TO THE UNITED NATIONS ('UN') SUSTAINABLE DEVELOPMENT GOALS

MAKING A POSITIVE IMPACT

The UN Sustainable Development Goals ('SDGs') are a collection of 17 interconnected goals to drive global progress towards a more environmentally and socially responsible world by 2030.

In 2022, we carried out an assessment that considered the SDGs alongside The Greggs Pledge to understand our current alignment with them. Using an external consultant to conduct the assessment, we considered each SDG and its UN targets and cross-referenced these with our ten commitments. Crucially, the indicators below each target were reviewed to see if Greggs could evidence a meaningful contribution to that target. As a result, the SDGs were grouped into three clear categories for our business:

GREGGS IMPACTS:

These are the goals that Greggs can influence and have the greatest impact on. See the table on the following page for more information.

GREGGS CONTRIBUTES:

These are the goals that Greggs' business activities can positively contribute towards but which require support and contribution from a wider network.

GREGGS SUPPORTS:

These are the goals that Greggs acknowledges are an important part of being a responsible business and guide our ways of working but which we cannot make a direct impact on.

OUR CONTRIBUTION TO THE UNITED NATIONS ('UN') SUSTAINABLE DEVELOPMENT GOALS CONTINUED

UN SDGs & Relevant UN targets	Greggs Pledge-related goals (2025 targets)	2023 progress
2.1 2.2	• We will support 1,000 school Breakfast Clubs providing some 70,000 meals each school day (page 10). • We will create 25% less food waste than in 2018 and will continue to work towards 100% of surplus food going to those most in need (page 13). • We will have 50 Greggs Outlet shops providing affordable food in areas of social deprivation, with a share of profits given to local community organisations working to tackle food poverty and associated issues (page 16). • 30% of items on our shelves will be healthier choices and we will attract customers through education and promotions (page 18).	• 896 Breakfast Clubs fed more than 62,000 children every school-day. • 27,000 children accessed the Rethink Food programme in 2023. • We now have 35 Greggs Outlet shops. • Once again, we exceeded our target with more than 30% of the products on our shelves being healthier choices.
7.2	• We will be on our way to achieving carbon neutrality by using 100% renewable energy across all our operations (page 21). • 25% of our shops will feature elements from our Eco-Shop's 'shop-of-the-future' design (page 25).	• 97.1% of our electricity usage came from renewable sources. • In 2023, the energy intensity of our business dropped by another 10%, demonstrating that our ongoing focus on energy efficiency is working. • Over 500 shops (21% of our estate) feature Eco-Shop elements.
8.5 8.6	• Our workforce will reflect the communities we serve (page 30).	• Our Ethnicity Pay Gap Report was published in our 2023 Annual Report on 10th April 2024. • Since the inception of Fresh Start in 2013, we have over 330 colleagues from these programmes in permanent roles.

UN SDGs & Relevant UN targets	Greggs Pledge-related goals (2025 targets)	2023 progress
12.3 12.5 12.6	• We will create 25% less food waste than we did in 2018 and will continue to work towards 100% of surplus food going to those most in need (page 13). • We will have a robust, responsible sourcing strategy in place and will report annually on progress towards our targets (page 34). • By the end of 2025, we will use 25% less packaging, by weight (as a percentage of sales), than in 2019 and any remaining packaging will be made from material that is more easily recycled (page 27).	• In 2023, food waste from our manufacturing sites was down 20% compared to 2022. • In 2023, we joined EcoVadis in 2023 allowing us to review a sustainability rating for all of our suppliers. • 100% of all Greggs branded printed packaging now carries a recognisable recycling logo.
13.2	• We will be on our way to achieving carbon neutrality by using 100% renewable energy across all our operations (page 21).	• 97.1% of our electricity usage came from renewable sources. • In 2023, the energy intensity of our business dropped by another 10%, demonstrating that our ongoing focus on energy efficiency is working. • In 2023, we reduced our absolute Scopes 1 and 2 emissions by 4,112 tCO_2e.
14.4	• We will reach and maintain Tier 1 in the Business Benchmark on Farm Animal Welfare ('BBFAW') (page 37).	• We increased the visibility of our approach to farm animal welfare by reporting more information to BBFAW.
15.1	• We will have a robust, responsible sourcing strategy in place and will report annually on progress towards our targets (page 34).	• We moved our sandwich bacon and ham to RSPCA-assured outdoor bred pork. This means that the pigs are reared without farrowing crates and sow stalls. • We improved our chicken welfare standards, with 65% at stocking densities less than or equal to 30kg/m² and the remainder at less than or equal to 38kg/m².

BREAKFASTS SERVED

COMMITMENT 1

1,000

school Breakfast Clubs, providing some 70,000 meals each school day, by the end of 2025

896

By the end of 2023, we had 896 Breakfast Clubs feeding more than 62,000 children every school day

LINKED SDG GOALS

OUR COMMITMENT

We set up the first Greggs Foundation Breakfast Club in 1999 and – almost 25 years later – have 896 of them up and running, helping to give children in the UK a good start to their day.

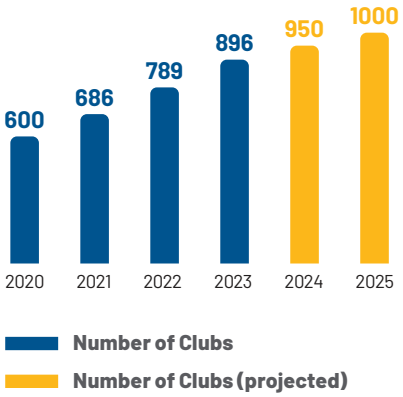
Greggs Foundation Breakfast Clubs do more than satisfy hunger. Breakfast Clubs encourage children to turn up to school on time, reducing absenteeism and, because well-nourished children do better at school, we're also doing our bit for our communities.

During 2023, more than 100 new Breakfast Clubs opened, taking the total to 896 and putting us on track to hit our target of 1,000 Clubs sooner than expected. By the end of the year, these clubs were serving breakfast to more than 62,000 children every school day.

For families struggling with poverty, it makes a real difference knowing that their children will get a nutritious breakfast at school every day. The Clubs also support parents by giving them extra time in the morning to get to work.

Fundraising

Each Breakfast Club receives fresh bread provided free by its local Greggs shop every day, but the £3,500 that it costs to set up and run an average Club every year comes from a variety of sources.



The Greggs Foundation

The Greggs Foundation, the corporate charity of Greggs plc, is the major funder. Greggs plc donates a percentage of its pre-tax profits to the Foundation every year and this is then grown further through the generosity of our colleagues, customers and a network of external partners.

We ran two appeals in our shops during June and September 2023, raising over £190,000. A further £202,000 came from 25p donations made at the tills throughout the year, over three times the amount raised in 2022. In 2024, we are adding new functionality to the Greggs App to allow customers to make this donation on their phones, so we are optimistic that it will rise again this year.

We also raised over £150,000 by passing on 5p from the sale of every Jammy Heart biscuit.

General Mills

General Mills is the biggest external partner: its annual donation to the Greggs Foundation funds almost 80 Greggs Breakfast Clubs around the UK. They are a committed and engaged partner.

In October, Jonathan Bennett, External Relations Director at General Mills, paid a visit to St Dominic's Catholic Primary School in Hackney to see the Breakfast Club in action. Over 100 children attend this lively Breakfast Club each morning and Jonathan commented:

"It's been incredible to see how the funding we offer to schools through the Greggs Foundation has been used so effectively to deliver a brilliant daily session that gets the children ready for the school day. From the range of activities and games on offer, to the great spread of nourishing food, Breakfast Clubs are a way for General Mills to help ensure that more children have a better start to their school day."

CASE STUDY

Food education

We wanted to add further value to our national network of Breakfast Clubs and in 2022, the Greggs Foundation partnered with the food education charity 'Rethink Food' to educate children on the importance of making sustainable and healthy food choices.

Rethink Food aims to equip young people with the knowledge and practical skills they need to eat well for life. The 'Agents of Change' food education programme they devised for Greggs Foundation Breakfast Clubs teaches children about the importance of physical activity and healthy diets, while building their understanding of sustainability.

During 2023, we rolled the programme out to over 27,000 children in 322 schools. Our intention is to have 600 schools signed up by 2025, reaching up to 50,000 school children across the UK.

Tracy Lynch, Greggs Foundation manager, says: "We couldn't be prouder of the impact we have had just one year since launching the 'Agents of Change' programme with Rethink Food. It's been a great addition to our growing Breakfast Club programme, which we saw early on as being increasingly important in addressing wider issues of hunger and poverty in the UK."

External partners

Almost half of the schools with a Greggs Foundation Breakfast Club receive funding from a network of external partners. There are now over 150 organisations – big and small, national and local – who recognise the impact and value of the scheme and choose to support at least one school. Many of them give more than just money: they also give their skills and time to support the schools in a variety of other ways, such as delivering careers workshops or supporting specific projects with their expert knowledge.

Colleague fundraising

Breakfast Clubs are also funded by colleague fundraising in our manufacturing and distribution sites, shops and Greggs House. For instance, the team at our bakery in North Lakes raised £11,334 for charitable causes in 2023 through a range of activities including raffles, barbecues and cake sales. A portion of the money raised goes to the three school Breakfast Clubs in their local community, which provide breakfast to 198 children every day.

Our colleagues also choose to support the Greggs Foundation through payroll giving, donating a percentage of their pre-tax income directly to the charity, which is then matched by the Company. In 2023, payroll giving contributed over £71,000 for charitable causes and the Greggs Foundation.

The Greggs Foundation Hardship Programme

In many cases, the relationship with a school extends beyond our Breakfast Club. One notable benefit of joining the Breakfast Club network is that schools can access Greggs Foundation Hardship grants for families in financial crisis. For many families, the rise in the cost of living has put real pressure on already-tight budgets, turning minor troubles into major worries: a child growing out of their school uniform; the fridge breaking down or struggling to keep the heating on.

In 2023, the Foundation provided more than £1.4m in small grants to individuals and families in financial crisis. These grants were specifically for essentials such as household appliances, beds and bedding, clothing, food, or utility vouchers. Almost half of the grants were for families in the Foundation's school network.

27,000

children accessed Rethink Food's 'Agents of Change' programme in 2023

AN END TO FOOD WASTE

LINKED SDG GOALS

2 ZERO HUNGER

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

COMMITMENT 2

25%

less food waste than in 2018 and continue towards 100% of surplus food going to those most in need by the end of 2025

32%

In 2023, food waste from our manufacturing sites was down 32% compared to 2018 and we redistributed 41.9% of our unsold food

OUR COMMITMENT

By the end of 2025, we will create 25% less food waste than in 2018 and will continue to work towards 100% of surplus food going to those most in need.

In our manufacturing sites, we have reduced food waste by 32% since 2018, exceeding our target of a 25% reduction. Our challenge now is to keep food waste at this level as production levels increase.

Our ambition is to redistribute all the unsold food from our shops at the end of every day. During 2023, we managed to save nearly 42% of our unsold food from going to waste — an increase of 4% on 2022 — but there is still some way to go before we hit our ambition of all of our unsold food going to those who need it most.

Reducing food waste in our manufacturing sites

During 2023, food waste from our manufacturing sites was less than 0.2% of our total sales, demonstrating that our colleagues are running a very tight ship. In 2023, food waste from our manufacturing sites was down 20% compared to 2022.

Efficiency is our watchword, and we are always looking for ways to make things work better and create less waste, as we steadily increase production to meet customer demand. Sometimes this is about cementing good habits, and sometimes it is about changing how we do things. For instance, the team at our site in Manchester altered how we produce sandwich fillings. Now, instead of stopping the line to change sandwich fillings several times a day, we run each machine for longer resulting in less waste being created through changeovers. We estimate we are wasting 60% less sandwich filling as a result.

In 2023, for the first time, each site was working towards a specific food waste reduction target, making the best use of our SAP system. We tracked progress using a waste dashboard that allowed us to spot trends and discuss what was working well, and where we could make improvements.

However hard we work, our quality standards mean there will always be a little bit of food waste, but we work hard to ensure no food waste goes to landfill. Some of the product from our savoury production line is now collected and sold in local Greggs Outlet shops. All other waste is put through a number of channels, such as animal feed or anaerobic digestion, ensuring nothing goes to landfill. This is the process at all of our production facilities across the UK.

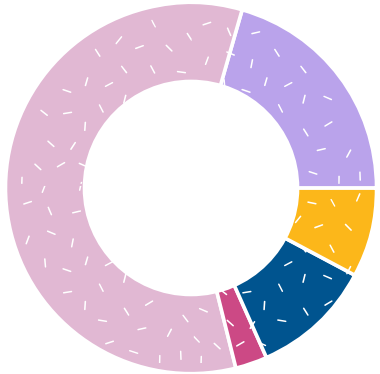
Reducing surplus food in our shops

Our shop colleagues have a tricky job on their hands balancing the availability of product with surplus: we don't want to let our customers down when they come in for their favourite treat, but anything we don't sell by the end of the day is, effectively, potential waste.

Forecasting demand is key to our success here. Our colleagues use sophisticated ordering systems that help us to anticipate what our customers will want. Our teams then work hard to manage stock levels in the shop, refilling fridges and restocking our counters little and often with freshly baked goods all day, as customer demand fluctuates.

When a shop is getting ready to close for the day, we assess the likely surplus and begin to make plans to redistribute it.

No food goes to landfill



We now have 35 Outlet shops around the country selling day-old Greggs products at a big discount.

During 2023, we passed around 2,600 tonnes of surplus food to this network of shops which, is around 44% more than 2022. This included over 2.6 million sandwiches, over 2.2 million savouries and over 2.6 million sweet products.

As part of our plans for 2024, we intend to trial the addition of a smaller van to our fleet in one UK town, providing a dedicated and responsive delivery service. These vans will travel around a local area and ensure that our shops' surplus food is delivered to a nearby Outlet shop.

If product cannot get to our Outlets, we also donate it to charities located in our communities. We have a network of 956 local charities which pass our surplus food on to people in need. We gave away over 1,000 tonnes of food this way in 2023.

Over 1,000 shops now feature on the 'Too Good To Go' app which gives us another channel to redistribute unsold food. Through the app, we sell 'Surprise Bags' of Greggs goodies worth around £8 for just £2.59.

During 2023, we sold 1.3 million discounted Surprise Bags to customers, an increase of almost 20% compared with 2022. To help our colleagues in Retail with the cost of living, we have extended our 'Magic Bag' scheme to them, giving them big discounts on any unsold product at the end of each trading day. We estimate that the Too Good To Go app helped us redistribute over 1,300 tonnes of food in 2023.

Anything that we can't redistribute through these channels is sent back to our manufacturing sites and sent to an anaerobic digestor. No food goes to landfill. Although we are proud of our progress to date, our ambitious goal is to ensure all of our unsold food ends up being consumed by someone who needs it.

44%

more unsold food donated to Outlets than in 2022

956

local charities receive a donation of unsold food from us to pass on to people in need.

The Bay Foodbank, North Tyneside

The Bay Foodbank collects unsold food from our shop on Whitley Road, Newcastle four times a week. It is one of the largest independent foodbanks in the UK, and the only one in North Tyneside.

The foodbank supports up to 200 people every day with emergency food parcels, which are designed to mirror a weekly shop. They try to fill the parcels with items that the recipients will be familiar with and would purchase themselves if they were able to.

The charity told us: "Including Greggs items in parcels is an important part of this, after all it's something everyone is familiar with. They are a welcome comfort to them in their time of crisis. We recently ran a client survey, and the number one piece of feedback was that they wanted more Greggs!"

SUPPORTING OUR COMMUNITIES

COMMITMENT 3

50

Greggs Outlet shops and to increase opportunities for unsold food redistribution by the end of 2025

35

Greggs Outlet shops which, between them, redistribute 20% of all our unsold food

LINKED SDG GOALS

2 ZERO HUNGER

OUR COMMITMENT

By the end of 2025, we will have 50 Greggs Outlet shops providing affordable food in areas of social deprivation, with a share of profits given to local community organisations.

We opened five new Greggs Outlets in 2023, all in areas where social deprivation is high. Each week, this network of shops redistributes around 50 tonnes of day-old products at a big reduction, allowing families on a tight budget to enjoy Greggs goodies.

On track to open 50 Greggs Outlet shops

We set ourselves a target to open 38 by the end of 2023, but didn't quite make it due to challenges finding the right sites. However, we remain committed to having 50 Greggs Outlet shops open by the end of 2025 and are confident that we will achieve this.

Incredible value

Any fresh products that we haven't sold by the time our shops close is taken off our shelves. Historically, these products were treated as waste, but our 35 Greggs Outlet shops help us reduce the amount wasted. In fact, a fifth of all our unsold food now goes to an Outlet shop — a proportion that we hope to grow as we open more Outlets in more regions.

Our ten manufacturing sites also send their surplus to Outlet shops when we misjudge demand for our Greggs shops.

We transport this surplus or unsold food to our Outlet shops, offering them for sale the next day at a fraction of the original price. For example, a pack of four sausage rolls retails for just £1.85 in an Outlet shop.

During 2023, we sold over 2.6 million sandwiches at an average price of £1.22 — that's 61% less than a customer would have paid for it the day before. We also sold over 2.2 million savoury products and over 2.6 million sweet treats.

Greggs Foundation Community Grants

In 2023, The Greggs Foundation continued to support communities with grants of up to £20,000 per year via The Community Hubs and North East Core Funding programmes.

Both programmes have been incorporated into one community grant programme for 2024.

We understand different locations face a range of challenges and give priority to organisations supporting people to access a range of effective community services to widen networks, reduce isolation and build knowledge, confidence and opportunities.

The Greggs Foundation Community Grants programme is part-funded by a portion of the profits from the Greggs Outlets. This helps to ensure profits generated in Outlet locations are channelled back into addressing the issues affecting those communities. In 2023, the total donated by the Greggs Outlets was almost £650,000.

In total over £1.3million was distributed to support community organisations addressing needs in their local area. From homelessness, to youth engagement we support charities trying to build stronger healthier communities.

Although funding is available for organisations all over the UK, we prioritise those close to Greggs Outlets and in areas of social deprivation.

£20,000

donated to The Ascension Community Trust in Newham in 2023 from the Greggs Community Grant Fund.

BUILDING STRONGER, HEALTHIER COMMUNITIES

CASE STUDY

Supporting East London families

The Ascension Community Trust in Newham recognises that sustainable change requires a collaborative effort and is therefore committed to 'enabling the whole community to make the community whole'. It does this by working with people, not problems, and promoting social integration.

The Trust delivers a range of services, including running a food bank, holding community events and providing affordable after-school childcare options to support working parents.

In 2023, we were proud to donate £20,000 to the Trust from the Greggs Community Grant Fund. Project manager, Tom Booker, said: "The Greggs Community Grant funding helps us to deliver our community outreach programmes such as social events, neighbourhood engagement programmes, and other activities that help to foster greater social cohesion and strengthen the bonds that hold the community together."

LINKED SDG GOALS

HEALTHIER CHOICES

COMMITMENT 4

30%

of our range will be healthier choice by the end of 2025

+30%

exceeded our ranging principles in 2023

OUR COMMITMENT

By the end of 2025, 30% of the items on our shelves will be healthier choices and we will attract customers through education and promotions.

We may have made our name with Sausage Rolls and sweet treats, but our customers also love our salads, soups, fruit pots and sandwiches and flatbreads. Their enthusiasm for eating a healthier diet gives us the confidence to continue introducing new menu items as part of our new product development ('NPD') strategy which are healthier choices and contain more fruit and veg.

Award-winning!

We won the healthy eating award at the 2023 Sandwich and Food to Go Industry Awards for our Sweet Potato Bhaji and Rice Salad Bowl.

We also continue to review any opportunities to reformulate our core range and to improve the nutrition content of our hugely popular savouries and sweet treats. That way, even if they aren't asking us to, we're helping all our customers to eat a better diet.

A healthier range on offer

In 2023, we far exceeded our target for 30% of the items on our shelves to be healthier choices. In fact, 40% of our range was a healthier option. We define a healthier option as one that contains fewer than 400 calories and with no red traffic lights, based on the UK Government's voluntary nutrition labelling scheme.

Our range of healthier choice fruit pots, fruit juices, sandwiches and salads will be improved in 2024 with the addition of more lines to the range, such as a new seasonal fruit pot, which will offer our customers more healthier choice when wanting a healthy sweet treat.

Many of our recipes that we use today have been exhaustively reworked to ensure that they taste just as good, but are better for our customers.

Nutrition optimisation

For several years now, we've been on a mission to reduce the salt, fat, and sugar content of the items in our core range without altering their taste or texture. In 2023, we estimate that we removed around 2.5 billion calories and 38 tonnes of salt from our customers' collective diets by making alterations to the recipes of our products.

Helping people to make informed choices

We are passionate advocates for clearer food labelling so that customers know exactly what they're buying.

Our customers can find all of the allergen and nutritional information of our products by reading the packaging or shelf-edge ticket in our shops, or looking on our App and website. We use the traffic light labelling system to make it as easy as possible to make informed choices.

The Veg Pledge

We are proud to support the Food Foundation's campaign which encourages people to eat an extra portion of fruit or veg every day. From Spring last year, all our soups and rice boxes contain one portion of veg and 50% of our own brand cold sandwiches provide half a portion of vegetables. In 2024, we have already reformulated our pasta salads, so they also include half a portion of vegetables. In 2023, we purchased 30% more vegetables than we did in our base year of 2019. We were also runners-up in the Food Foundation's 2023 Peas Please Awards for Innovation in our commitment to offering affordable and healthier options that include a serving of veg.

30%

In 2023, we purchased almost a third more vegetables than we did in 2019

Our vegan and vegetarian products

Whether our customers come to us for breakfast, lunch, dinner or just a snack, we always have at least one great vegetarian or plant-based product on offer — and usually several.

We want to grow this range further and, during 2023, launched several exciting new plant-based savoury bakes, introducing a new flavour three times during the year, which helped to build excitement around the range. This included our Spicy Vegetable Curry Bake and our Mexican Chicken-Free Bake.

We also added a limited edition healthy choice, vegetarian flatbread to the range, Veg Bhaji. This delicious flatbread offers customers a diverse flavour profile with a real punchy flavour, whilst also being a healthy choice. We also reintroduced our Vegan Turkey and Stuffing Baguette.

In 2024, we are adding a new vegetarian pasta salad to the menu, meaning that half of our salads will be vegetarian.

Striving to achieve UK Government targets

We share the UK Government's ambition to reduce the salt, sugar, fat, and calories in the nation's diet and use its targets to guide our new product development and reformulation programme.

The recipes we use today have been reworked to ensure that they taste just as good, but are better for our customers.

In 2017, the UK Government published new recommended limits on salt and calories, and we considered what was possible and set out to work towards achieving 92% of them by 2025. Today, we are at 85%.

Wherever possible, we will improve the nutrition content of our products, but not to the detriment of our product quality, taste and value. We recognise that some of our products won't be able to be nutritionally improved; however, we strive to always ensure we have choice for customers, whatever their balanced lifestyle, and wherever they require food on-the-go.

CASE STUDY

NET-ZERO CARBON

COMMITMENT 5

100%

by the end of 2025, we will be on our way to achieving carbon neutrality, by using 100% renewable energy across all of our operations

97.1%

of our electricity usage was from renewable sources in 2023

LINKED SDG GOALS

OUR COMMITMENT

By the end of 2025, we will be on our way to carbon neutrality by using 100% renewable energy across all of our operations.

We have a clearly defined pathway to our goal of becoming a net-zero business by 2040. We are taking big steps to reduce our direct and indirect carbon emissions and are supporting our suppliers to reduce theirs too.

We have strong governance processes in place and are committed to being transparent about every step of this critically important journey.

Targeting net-zero

We are on track to becoming a net-zero business by 2040 — ten years ahead of the UK Government's goal.

In 2023, we reduced our absolute Scope 1 and 2 emissions by 4,112 tCO_2e and cut the carbon intensity of our business by 9.13% (2023 reduction in gross location-based intensity impact, (tonnes CO_2 per £m turnover).

Our journey to net-zero

We have adopted the targets of the British Retail Consortium's 'Climate Action Roadmap':

- Scope 2 — Net-zero by 2030
- Scope 1 — Net-zero by 2035
- Scope 3 — Net-zero by 2040

As part of this, we have set near-term science-based emissions reduction targets based on a 1.5°C pathway which have been approved by the Science Based Targets initiative ('SBTi'):

- To reduce absolute Scope 1 and 2 GHG emissions by 46.2% by 2030 from a 2019 base year; and
- To reduce absolute Scope 3 GHG emissions from purchased goods and services by 46.2% within the same timeframe.

Scope 1: Our direct emissions

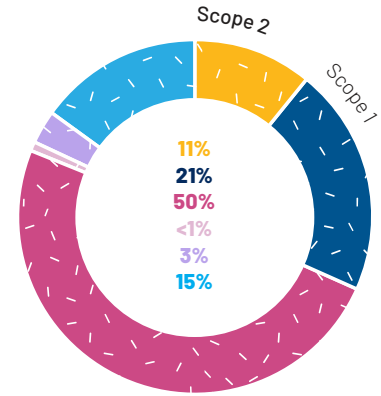
The majority of our Scope 1 emissions come from three sources: diesel and petrol for our vehicles, gas for cooking and heating water, and refrigerant gas. We are taking steps to reduce the carbon impact of all three.

We continue to migrate our company car fleet to electric or hybrid vehicles and are building a charging network into our manufacturing and logistics sites, as well as at Greggs House. We intend to move away from diesel and petrol to power our logistics fleet too, and plan to use electric or hydrogen powered vehicles in future.

Certainly, by 2035, we want to have a net-zero fleet. In the meantime, our focus is on efficiency to reduce usage.

We no longer install gas boilers when we open a new shop or refit an existing one, with the intention of going entirely electric over time. In the meantime, we have increased the amount of renewable gas we purchase by 30% and are on track to get to 100% by 2025.

Scope 1 and Scope 2 Carbon Footprint 2023 (tonnes of CO_2e)



2,981	Electricity
9,145	Gas
23,776	Diesel (including gas oil)
57	LPG
1,346	Petrol
5,505	Refrigeration

As for our fridges, we now use low impact refrigerant gas as standard across our Retail estate and we continue to work with our refrigeration contractors to minimise gas losses.

Scope 2: our indirect emissions

All our Scope 2 emissions come from electricity. When we buy it directly, we choose 100% renewable electricity. However, 4% of our shops are in serviced locations, meaning that someone else is the decision-maker.

In 2023, we created a Landlord Recharge Group tasked with liaising with individual landlords to ascertain what sort of electricity they are buying and whether they would agree to switch to renewable energy if they weren't already using it.

Of our 136 serviced locations, we now know that 79 use green energy. We are now in conversation with the remainder, encouraging them to make the switch.

This means that, in total, 97.1% of the electricity we use is from renewable sources. We remain committed to achieving 100% by the end of 2025.

Scope 3: engaging with our supply chain

Our modelling work with the Carbon Trust revealed that at least 90% of the total carbon footprint of our business comes from our value chain — the majority of which is the ingredients we need to make our products.

Although we cannot fully control how our ingredients are grown or prepared, we can choose who we buy from and encourage our existing suppliers to adapt their approach to reduce carbon emissions.

Many of our suppliers have net-zero carbon reduction targets of their own and are fully engaged with the mission of decarbonising the food industry. Others may need a greater level of support. In 2023, we began to collect carbon intensity data from our biggest suppliers to provide greater accuracy for our Scope 3 calculations. In 2024, our Net-Zero Steering Group will engage with our key suppliers directly, starting with those supplying the products responsible for the highest emissions.

Driving energy efficiency

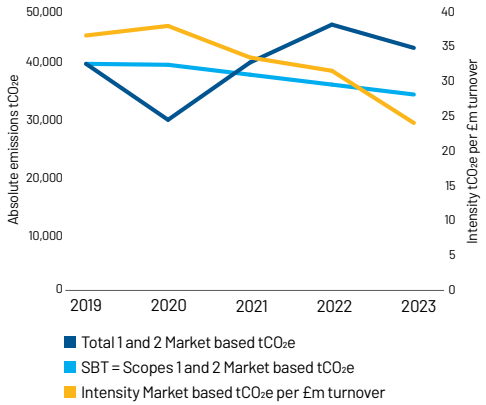
In 2023, the energy intensity of our business dropped by another 10%, demonstrating that our ongoing focus on energy efficiency is working.

In 2020, we trialled and purchased our first double-deck trailers and were so impressed with the results that we now have 34, with a further 18 arriving by 2025.

9.13%

2023 reduction in gross location-based intensity impact (tonnes CO_2 per £m turnover)

Market-based Scopes 1 and 2 absolute emissions



We use trailers on our articulated vehicles to transport product across the country and the double-deck version allows us to carry 56% more payload, meaning we need to make fewer journeys. This reduces our use of fuel and, consequently, has a positive impact on our Scope 1 carbon footprint.

Our work to identify the most efficient equipment possible for our shops is ongoing. See Commitment 6 about our Eco-Shops to learn more.

Sharing progress

We publish our carbon footprint in our Annual Report each year, as part of our Task Force on Climate-related Financial Disclosures ('TCFD') report.

We also participate in the Carbon Disclosure Project ('CDP') and in 2023, maintained our rating of B in the Climate Change category.

CDP have also published their carbon-related Supplier Engagement rating for 2023. Greggs scored an A- (B in 2022). Our score now places us within their Leadership banding showcasing the implementation of best practice and outperforming the industry average at B-.

Governing our carbon targets

We have a Net-Zero Steering Group which is responsible for driving our carbon reduction programme. It is comprised of four members of our Operating Board and four senior managers from relevant departments, ensuring it has the right level of influence and expertise to drive progress at speed.

We also have a group responsible for our TCFD reporting which has worked with an external climate expert to model the physical risks of climate change across our major site operations and assess the key transition risks and opportunities (more information can be found in the TCFD report in our Annual Report).

The output of this activity is helping to inform the shape of our transition plan.

We report our Scope 1 and 2 emissions to our Operating Board and Heads of Function team each month. To ensure that our carbon targets receive the focus that they require, we have set reduction targets for Scope 1 and 2 and built them into a three-year long-term incentive programme for our senior management team.

Working with others

The UK Government aims to achieve net-zero by 2050 and created the Transition Plan Taskforce ('TPT') in 2022 to help organisations meet their climate goals. Greggs participated in TPT's Food and Beverage Working Group, helping to shape the development of their transition plan framework and guidance.

Greggs Sustainability Challenge

We partnered with our waste services provider, Biffa, to support the creation of the Greggs Sustainability Challenge. The Sustainability Challenge invited our colleagues from across the business to come forward with their own ideas of how we could make a difference. Any ideas were welcomed, whether it was an internal business change or a new project to help the local community. No matter how big or small, we encouraged participation across all departmental areas. Finalists were selected and presented to a panel of senior leaders from both businesses and we are now implementing the winning ideas.

One example is the restoration of the school pond at Lawnspark Primary School in Leeds which is already completed. This initiative focuses on promoting biodiversity, allowing teachers to take a more proactive, hands-on approach to nature and sustainability education. It aligns perfectly with our Greggs Pledge strategy by fostering a safer planet and building stronger, healthier communities.

Engaging colleagues

Following on from the 'Climate Reality' sessions delivered by our sustainability team for colleagues in 2022, this year we launched an internal learning session for all colleagues.

Our ambition was to give colleagues a good understanding of the jargon around sustainability – helping them to understand the difference between carbon and greenhouse gases for example – as well as an overview of the positive changes we are making to the business.

We also wanted to empower them to make a difference in their personal lives – and save money – by showing them how they could reduce their energy bills and avoid waste. Ideas included washing laundry at 30 degrees, switching appliances off rather than leave on standby, and cutting down on meat consumption.

By the end of the year, 85% of all colleagues had completed the module.

CASE STUDY

SHOPS OF THE FUTURE

LINKED SDG GOALS

7 AFFORDABLE AND CLEAN ENERGY

COMMITMENT 6

25%

of our shops will feature elements from our Eco-Shop 'shop of the future' design by the end of 2025

OVER 500

Greggs shops now feature one or more green initiatives

OUR COMMITMENT

By the end of 2025, 25% of our shops will feature elements from our Eco-Shop 'shop-of-the-future' design.

We challenged ourselves to introduce ideas from our Eco-Shop into over 500 shops in 2023 and we achieved it, meaning that 21% of our estate now features some form of resource-saving technology. We will meet our 2025 target of 25% at least a year ahead of schedule.

Building the shops of the future

We opened our first Eco-Shop in Northampton in 2022, testing 20 different green initiatives which, between them, cut energy use by a fifth compared with a standard shop.

All the items of equipment are metered and compared with robust control-group data to verify efficiency savings. If a technology works well here, it gets added to our standard fit-out and added into all new shops and refits. In this way, we have now introduced over 6,000 items of kit to our wider estate, which are helping us to save water, create less waste, and use less energy.

We plan to build a second Eco-Shop in due course and are now reviewing the best building materials, the most sustainable way to fit it out, and the most innovative technologies to test within it. Continuous improvement is crucial in maintaining a sustainable, competitive edge as the field of eco-friendly practices evolves, so we will continue to look for ways to help us stay abreast of new technologies and changing environmental standards.

Testing new technologies and solutions

Unisan bins

We want to ensure that as much as possible of our waste is being recycled or composted and this requires using the right bin. We have now introduced the Unisan bin in all our shops which allows us to segregate our waste on-site. We use colour-coded bin bags to help make it easier for our waste contractor to send the contents to the right place.

Lower impact refrigerant gases

Transitioning to lower Global Warming Potential ('GWP') refrigerant gases is crucial for mitigating climate change. Gases with lower GWP contribute less to the greenhouse effect. We have swapped the gas we use in our upright fridges, freezers, and preparation benches and use R290 as standard now, which has a Global Warming Potential ('GWP') of just three.

Self-selector fridges

We use upright display fridges which allow our customers to see and then select our chilled drinks and products.

In 2022, we purchased and tested Genova Overview fridges, the first display refrigeration cabinet to achieve Ecodesign Energy Class A. During 2023, we discovered that the model is around three times as energy efficient as the model we were buying previously, and this has now become our standard model.

We are now looking for a double-sided self-selector for our ever-changing shop formats. We have collaborated with our supplier to design the first B-rated version. We plan to trial this in our drive-thru in Colchester, before rolling out to a further five shops to trial in 2024.

CASE STUDY

Marren microwaves

We have switched to a new model of microwave that has an anticipated lifespan twice that of our previous choice. We ran the numbers to better understand the opportunities to use the microwave for making our soup production processes more energy-efficient and have ditched our soup kettles, heating soup to order instead, which is around 20 times more energy efficient.

For every microwave we purchase, the supplier, Marren, donates £5 to the World Land Trust, which plants a tree on our behalf, helping to connect fragmented habitat and sequester carbon as they grow.

20 times

more energy efficient

USING LESS PACKAGING

COMMITMENT 7

LESS PACKAGING

By the end of 2025, we will use 25% less packaging, by weight (as a % of sales) than in 2019 and any remaining packaging will be made from material that is widely recycled

87%

of our own brand packaging can now be more easily recycled

LINKED SDG GOALS

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

OUR COMMITMENT

By the end of 2025, we will use 25% less packaging by weight (as a percentage of sales) than in 2019 and any remaining packaging will be made from material that is more easily recycled.

We want to minimise our environmental footprint by making our packaging the best in the industry. That means looking for opportunities to make it more sustainable or recyclable and always using as little as possible.

We are pushing the boundaries of innovation to find solutions that are both environmentally responsible and operationally efficient.

Making our packaging more easily recyclable

Our aim is for all our packaging to be easily recyclable. That means using materials that most local authorities accept in their household recycling schemes.

Helping our customers to recycle

100% of Greggs branded printed packaging now carries a simple, recognisable recycling icon, helping our customers to get our packaging into the correct bins. We are members of the On-Pack Recycling Label ('OPRL') scheme, and follow their guidance on labelling.

We made design changes to four pieces of packaging this year (see case study) to bring them within the OPRL's 'recyclable' criteria, meaning that we can now proudly say that 87% of Greggs-branded products now come in packaging that can be more easily recycled.

Now, we are working on meeting the OPRL's guidelines for the last few pieces of packaging. These include our Oval Bite bag, our Baguette wrapper, our Gingerbread Biscuit bag, our film front bag and our hot drinks lids.

Our final packaging challenge is to find an alternative for the unrecyclable polystyrene lids we still use on our hot drinks cups. In 2024, we are testing three recyclable plastic lids as well as a design of cup that has a fully integrated lid. If we can make one of these work in our operations, we will achieve our ambition to completely remove polystyrene from our operations.

Using less packaging

We have tackled single-use plastics, eradicated unnecessary packaging, and reduced our use of things like stretch-wrap film and plastic trays, but we will carry on looking for ways to use even less.

Optimising the amount of packaging used is complex – using too much is a waste of resources, but remove too much and the product is more likely to get damaged and wasted; we are always looking for that perfect balance.

In 2023, we saved 14 tonnes of cardboard by reducing the weight of the lids on our two-pack sweet treats and Belgian Bun box.

Reducing the plastic content in our packaging

CASE STUDY

We began 2023 using 13 items of packaging that were classed as non-recyclable and, by the end of the year, had found potentially viable recyclable alternatives for all but seven of them.

The four pieces of packaging that we replaced with easily recyclable alternatives in 2023 are:

- Two sweet treat boxes;
- Our Cookie bag; and
- Our Children's Sandwich bag.

Through clever design, we successfully reduced the amount of plastic in these pieces of packaging from over 15% to below 10% – in strict adherence to the OPRL Guidelines.

We also started to trial potentially viable alternatives for our Oval Bite sandwich bag and our Baguette wrapper.

We worked in collaboration with our key suppliers to identify and implement these alternatives. They had to work technically and practically – keeping a product stable and safe, as it travelled through our supply chain – but they also had to work from a brand perspective and look good. Following rigorous testing, and design work from our colleagues in marketing, we switched to the new materials.

Using more sustainable materials

We are always looking for packaging alternatives that are more environmentally responsible and take a proactive approach to new developments.

We stand ready to make the switch when we identify a material that can meet our stringent requirements and is commercially viable. When we find something we like, we run tests and trials before introducing it.

All the paper and card that we use in our branded packaging are sourced from Forest Stewardship council ('FSC') — or Programme for the Endorsement of Forest Certification ('PEFC') — accredited sustainable sources, as part of our commitment to responsible resource management.

We are taking a significant stride forward by launching retail bags that are entirely free from poly — and perfluoroalkyl substances ('PFAS'). These substances, now recognised as 'forever-chemicals,' have the propensity to persist in the environment and accumulate in living organisms, making our PFAS-free retail bags an environmentally conscious choice.

Our 2025 target is for all our plastic packaging to be made from 50% recycled material but some direct food contact plastics, such as flow-wrap films, still lack a certified alternative at a commercial scale.

100%

All Greggs-branded packaging now carries a recognisable recycling logo

EMBRACING DIVERSITY

LINKED SDG GOALS

COMMITMENT 8

BETTER REPRESENTATION

By the end of 2025, our workforce will reflect the communities we serve

2023

We published our Ethnicity Pay Gap Report

OUR COMMITMENT

By the end of 2025, our workforce will reflect the communities we serve.

What makes Greggs so special is our culture: the way we behave and the way we support each other. We call it 'Being Greggs'. It means being friendly, inclusive, honest, respectful, hard-working, and appreciative.

We want our colleagues to feel welcome and to be able to be themselves at work, whatever their background, preferences, or beliefs. We recognise that difference is good.

Welcoming diversity

Not only does greater diversity make our business stronger, but it also makes us a more welcoming place. If our colleagues are representative of the communities we serve, we can better understand our customers and make sure they have a great experience when they visit us.

In 2022, we set out our intention to publish our ethnicity pay gap and it was included in our 2023 Annual Report, published alongside this report in Spring 2024.

We continue to improve the levels of diversity data we hold for our colleagues, much of which is being driven through improved data capture during the recruitment process, and we continue to encourage our existing colleagues to check and update their data in our People system. We are proud to hold the ethnicity data for almost 93% of our colleagues. Twice a year, we review our data with the Board and Operating Board.

We have started to analyse the available 2021 Census data to understand the extent to which our workforce reflects the communities we serve. We will continue this work during 2024.

Developing diverse talent

We are providing enhanced support for colleagues from an ethnic minority background to progress their career.

We identified two key programmes which offer the greatest opportunity for diverse representation across our colleague base: Aspiring Leaders — for colleagues aspiring to be in a management role, and Future Shop Leaders — for shop supervisors who have the potential to become a Shop Manager.

We actively encouraged colleagues from an ethnic minority background to apply to these programmes and provided support to overcome any real or perceived barriers. This included delivering engagement sessions with Line Managers to encourage great career conversations.

We tracked progress by analysing the diversity data for the applicant pool to ensure the programmes are representative.

Another area of focus is succession planning. We now include gender and ethnicity data to support our inclusion commitments.

We welcomed a further 39 women to our women's development programme which has been running since 2018. We hold regular workshops to help women build a support network at work, with topics led by the group and featuring guest speakers.

Giving people a Fresh Start

Our Fresh Start programmes supports people who might face challenges with getting a job. Through our programme we offer training and work experience to people who are coming back into work; carers, long-term unemployed, and those leaving the armed forces or prison.

Since the inception of Fresh Start in 2013, we have over 330 colleagues from these programmes in permanent roles, with 15 Fresh Start candidates having moved onto a management or supervisory role.

15

Fresh Start candidates now in management roles

Colleague inclusion networks
Our Diversity and Inclusion Steering Committee is chaired by our Commercial Director and includes functional representation at senior management level.

We have three colleague networks where they can discuss ideas and share experiences. We have continued to develop these during 2023, including creating stronger identities for each group, with new names and purpose statements. Each network has an Operating Board sponsor.

> I knew from the minute I came for the interview that it was a completely different place to work from anywhere that I'd been before. To work somewhere that has people at the forefront of what it does just makes it such an amazing experience.

Ash Akram
People Support Team Leader

ENABLE
(Equality, Nurture, Adjustments, Barriers, Learning, Everyone)

ENABLE

We exist to make sure Greggs is an inclusive workplace for colleagues living (directly or indirectly) with disabilities, mental or physical illness, neurodiversity and/or caring responsibilities. We want to enable a great career at Greggs.

Our Disability network supported our communications relating to deaf awareness week with a 'sign a day' campaign. The network is currently working on the development of an action plan to support colleagues living with or impacted by disability, long-term ill-health, or caring responsibilities.

PRIDE
(Protect, Represent, Impact, Develop, Engage)

PRIDE

We exist to make sure Greggs remains a great place to work, no matter your gender identity or sexual orientation.

This year, our LGBTQ+ network supported the development of our Transitioning at Work policy and has worked on our uniform ordering processes to improve choice and ensure all options are available to all colleagues regardless of gender. The network also supported the development and delivery of digital messaging to recognise Pride in seven of our city centre shops.

REACH
(Race, Ethnicity, and Cultural Heritage)

REACH

We exist to work together to share knowledge and spread awareness on race, ethnicity, and cultural heritage.

Our Ethnicity network supported the development and delivery of colleague guidance to support our 'Zero Tolerance' poster campaign which highlights our position on harassment and inappropriate behaviour toward colleagues in our shops. It also played an important role in the development of our online learning module about our zero-tolerance approach.

Building awareness and understanding

We acknowledge and celebrate key dates throughout the year via our 'Being Inclusive' calendar, encouraging colleagues to share their own stories and experiences.

To support in educating our colleagues and nurturing a welcoming and inclusive environment at Greggs, we now have four training modules:

- Gender Identity
- Disability Inclusion, Neurodiversity and Race
- Ethnicity and Challenging Assumptions
- Being Inclusive Every Day.

All new starters, as part of their 'Greggs Welcome' induction complete these four modules and we provide time for existing colleagues to access these as a refresher. The four modules have reached over 85% of our current colleagues.

The 'Being Inclusive – Taking a Zero Tolerance Approach' module was also delivered in 2023. This e-learning sets out our expectations that colleagues treat each other with respect. We are proud that this has been completed by over three-quarters of our workforce.

Partnerships

We continue to be signatories of the British Retail Consortium's Diversity & Inclusion Charter, and Business in the Community ('BITC') Race at Work Charter. We are also a proud members of the Valuable 500.

The BITC delivered face-to-face training for our procurement team to further explore the importance and value of supplier diversity and supported them to develop a supplier diversity and inclusion strategy.

Our Inclusive Management Workshops

Following the success of our Inclusive Leadership programme for managers, in 2023 we committed to deliver Inclusive Management training to our Shop Managers, Supply Supervisors and Greggs House Team Leaders.

The aim of this programme is to provide a safe and encouraging learning space for our colleagues to:

- gain a greater understanding of the importance of diversity and inclusion at Greggs;
- appreciate what can impact an inclusive workplace;
- understand what they can do to be an inclusive manager; and
- provide an opportunity to consider what they and their teams can do to be more inclusive of each other.

In total 1,575 (73% of eligible colleagues) attended a workshop successfully facilitated by Managers, supported by the People Team.

> It was very good to bring awareness and to share stories with the team, creating a good bit of conversation and the space for the team to feel safe to say "well, I didn't know the correct term for that, but now I do and I'm going to make sure I use it". We found it really relevant especially for the environment we live and work in.

Kieran Dickson
Area Manager, Retail North

SUSTAINABLY SOURCED

LINKED SDG GOALS

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

15 LIFE ON LAND

COMMITMENT 9

2025

By the end of 2025, we will have a robust, responsible sourcing strategy in place and will report annually on progress towards our targets

2023

We joined EcoVadis, allowing us to request a sustainability rating for all of our suppliers

OUR COMMITMENT

By the end of 2025, we will have a robust, responsible sourcing strategy in place and will report annually on progress towards our targets.

We know that we can make a meaningful difference through what we choose to buy. We want to work with suppliers that share our values so that, together, we can improve the sustainability of everything we procure.

Transparent and accountable

Greggs is listed on the Corporate Ethics Register of the Chartered Institute of Procurement and Supply. This demonstrates that over the past year we have taken proactive steps to safeguard against unethical conduct in procurement and supply management.

CIPS CORPORATE ETHICS
0995 / VALID TO 05.03.2025

Clarifying our expectations

We rely on a large global network of suppliers to provide us with all the ingredients, services, and materials that enable us to make, transport and sell our products.

We have clear environmental and social standards and requirements that these suppliers must meet if they want to do business with us. Examples include our Modern Slavery Policy which ensures that sound social and ethical practices are upheld, the Greggs Farm Animal Welfare Strategy which sets out how we expect animals in our supply chain to be treated (see Commitment 10 for more information), and ingredient-specific standards for commodities such as soy, palm oil, beef, and cocoa contained within our Responsible Sourcing – Deforestation Policy.

These are in addition to ongoing workstreams on specific environmental targets which require supplier support such as reducing our Scope 3 carbon footprint (see Commitment 5) or increasing the recycled content and recyclability of our packaging (Commitment 7).

Improving transparency

As a responsible business, we need to have oversight of how our suppliers – and their suppliers – look after their workers and the environment. In 2023, we partnered with EcoVadis, the world's largest and most trusted provider of business sustainability ratings. The partnership provides Greggs with a platform that we can use to invite our suppliers to take part in an assessment which then produces a sustainability performance rating, giving us a detailed view of any areas where they may need clearer guidance or support to improve. This rating is useful to our suppliers and their other customers too, reducing the administrative burden of having numerous customers asking the same questions and giving them insight into potential improvement areas. Greggs will also be completing the assessment during 2024.

In preparation for implementing EcoVadis, we created the Sustainable Procurement Strategy, setting out our vision and how our procurement team is supporting The Greggs Pledge commitments.

CASE STUDY

Wildfarmed

Wildfarmed is an end-to-end supply chain that works directly with over 100 farmers across the UK and France, helping them to grow wheat in a regenerative system that prioritises plant diversity through the use of companion plants and cover crops, which promotes carbon sequestration.

Wildfarmed crops are grown without applications of pesticides (fungicides, insecticides, or herbicides), and their nutritional program significantly reduces CO_2 emissions.

Wildfarmed's soil focused approach increases biodiversity, minimises river pollution, mitigates against floods and builds resilience against droughts.

Their supply chain is 100% traceable and, outside of Organic, Wildfarmed growers are the first group of Regen arable farmers in the UK working to 3rd party audited Regenerative standards.

We now use this wheat in a number of our bread products – including our classic ham and egg roll and the bread we use to make children's sandwiches and provide to our Breakfast Clubs every morning – furthering our commitment to doing good as we continue to explore new ways to source more sustainable wheat.

During 2024, the procurement team is focusing on driving improvements in how we consider ethical risks in our procurement processes. This will involve bringing together information gleaned from Supplier Ethical Data Exchange ('SEDEX'), EcoVadis, and our own audits, to decide where we are most exposed to risk, enabling us to take quick and incisive action to implement improvements.

Other ways we ensure transparency are by publishing our Modern Slavery Statement online every year explaining what we are doing to avoid slavery in our business and supply chain, and our ongoing listing on the Corporate Ethics Register of the Chartered Institute of Procurement and Supply; this demonstrates that we continue to safeguard against unethical conduct in procurement and supply management.

A more diverse supply chain

In 2023, we began exploring what more we can do to increase the diversity of our suppliers. With the support of Business in the Community ('BITC'), we have created a Supplier Diversity and Inclusion Strategy which sets out targets for the next three years.

Treating our suppliers well

We have high expectations of our suppliers and they, in turn, expect to be treated fairly by us. The Greggs Procurement Code of Conduct includes a commitment to pay invoices promptly and offers reduced payment terms of 30 days to our smallest suppliers. We avoid transferring excessive risks and costs onto our suppliers.

Choosing sustainable commodities

In 2023, we maintained our commitment to only purchase Roundtable on Sustainable Palm Oil ('RSPO')-certified palm oil, Fairtrade-certified tea and coffee, and paper and cardboard from certified sustainably managed forests.

During the year, we purchased 31 different ingredients or products that contained cocoa, all of which were certified sustainable. This means that we achieved our 2025 target two years earlier than expected.

Soy is a more challenging commodity because it is a common ingredient in animal feed, so although all the soy we buy directly is certified as sustainable, we have less control over our indirect purchases. In 2023, we purchased 42 materials that contained declared soy – only two of which we bought directly. We conducted a mapping exercise which established that almost 92% of the volume of our indirect purchases are certified as sustainable and are now working with the relevant suppliers to achieve our target of using 100% certified sustainable soy.

We also undertook a mapping exercise of the land used to rear the beef that we procure, both directly and indirectly. During 2023, we purchased beef from six different suppliers/sources, five of which were confirmed as coming from cattle reared on land that is deforestation and conversation-free. By 2025, we aim to achieve 100%.

Fairtrade

In addition to buying Fairtrade tea, coffee, and cocoa, we also procure Fairtrade orange juice and sugar. Over the last 18 years, our Fairtrade purchases have paid a premium to producers of more than £7.6 million.

£7.6m

Fairtrade premium paid to farmers over 18 years

COMMITMENT 10

TIER 1

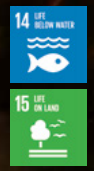
By the end of 2025, we will secure and maintain Tier 1 in the BBFAW Animal Welfare Standard

65%

of the chickens we buy are stocked at a maximum stocking of 30kg/m² (and the remainder do not exceed 38kg/m²) in 2023

ANIMAL WELFARE

LINKED SDG GOALS



OUR COMMITMENT

By the end of 2025, we will achieve and maintain Tier 1 in the Business Benchmark on Farm Animal Welfare.

We continue our mission to improve the welfare of animals in our supply chain and are working closely with our suppliers to meet the requirements of the Greggs Farm Animal Welfare Standards.

The Greggs Farm Animal Welfare Standards

We expect our suppliers to strive to meet the eight goals of the Greggs Farm Animal Welfare Standards. Some of these have already been achieved and we are maintaining them, while others remain targets. We monitor our suppliers' progress through questionnaires, third-party accreditations, site visits, trace audits, and farm animal welfare audits.

	Greggs Farm Animal Welfare Standard
1	**EVERY** animal* is stunned before slaughter
2	**NO** animal is transported for over eight hours
3	**NO** animal is kept in close confinement
4	**NO** pigs are reared using sow-stalls
5	**NO** animals are reared using growth promoting substances
6	**NO** animals are genetically modified or cloned
7	**NO** dairy cow** is tethered
8	**NO** dairy cow** has its tail docked

Sow-stall free pork

As stated in our fourth standard, we want to buy pork from farmers who do not use stalls to restrict the movement of their pregnant sows but instead allow them to express their natural behaviour, move around, and socialise.

In 2022, 72% of the pork we purchased was from pigs reared without the use of sow-stalls and we were pleased to increase this significantly to 92.1% in 2023. This was achieved by working in close partnership with our existing suppliers to encourage them to adapt their approach, rather than by switching suppliers. Pepperoni is the last pork product we use that is not from sow-stall free farms, but we have that in focus for 2024 and expect to achieve 100% this year.

We achieved our target of 100% of our pork coming from farms which provide species-specific environmental enrichment (cognitive stimulation), stun pigs pre-slaughter, and avoid routine surgical interventions like tail-docking.

Lunch Sandwiches

We are proud that in October 2023 we moved our sandwich bacon and ham to RSPCA-assured outdoor bred pork. This means that the pigs are reared without farrowing crates and sow-stalls. We continue to work with our suppliers to extend this to more of our pork supply.

* providing meat. Milk powders typically use pooled materials and we are unable to verify these.

** providing milk and dairy products. Milk powders typically use pooled materials and we are unable to verify these.

The Business Benchmark on Farm Animal Welfare ('BBFAW') is the leading global measure of how 150 of the world's largest food companies are managing and reporting on farm animal welfare as an integral part of the transition to a sustainable food system.

Greggs have been assessed annually as part of the BBFAW since the first benchmark in 2012. Over that time, the Company has demonstrated a commitment to continuous improvement on farm animal welfare and has been ranked amongst the top-performing companies in the benchmark in recent years.

BBFAW
Business Benchmark on Farm Animal Welfare

65%

of the chickens we buy are stocked at a maximum density of 30kg/m² (and the remainder do not exceed 38kg/m²)

Business Benchmark on Farm Animal Welfare
The Business Benchmark on Farm Animal Welfare ('BBFAW') is the leading global measure for farm-animal welfare management, policy commitment, performance, and disclosure in food companies. Greggs has participated since it was set up in 2012.

During 2022, BBFAW paused its annual benchmarking cycle to revise the criteria that it had used to assess companies for a decade. From 2022, it published a revised standard with much more stretching requirements.

We are committed advocates of farm-animal welfare and welcome BBFAW's decision to make its tiers harder to achieve, accelerating the pace of change. In a pilot benchmark of the new standard conducted in 2022, Greggs was placed in Tier Three, well ahead of average.

This means that we do not expect to achieve Tier One of the more demanding standard by 2025, as targeted. Instead, we will work towards the new requirements over the longer term, as part of our continuous journey of improvement.

Better chicken

All of our eggs (including the liquid-egg used) are from free-range hens. We are proud to have held the Good Egg Award from Compassion in World Farming ('CiWF') since 2014.

We are signatories to the European Chicken Commitment ('ECC') which means that, by 2025, we want to transition to slower growing breeds that typically have better welfare outcomes. Availability continues to be a challenge, but we are working with our suppliers to overcome obstacles.

Given the supply challenges of meeting all the criteria of the ECC, we took the decision to create the Greggs Broiler Standard which focuses on the two areas of the ECC which we believe have the greatest impact on chicken welfare: stocking density and mobility. We will introduce this during 2024.

Stocking density indicates how much space and freedom a chicken has to move around in: the lower the percentage, the more space the chickens have. We want to reduce the stocking density of all broiler chickens supplied to us to 30kg/m² or less. We increased this from 49% in 2022 to 65.2% in 2023 and hope to achieve 75% in 2024, and 100% by 2026. Again, in 2023, none exceeded a stocking density of 38kg/m².

Mobility is defined by a gait score — a measure of how well a chicken moves. Poor health such as skin and foot conditions affect a chicken's gait, so it is a proxy measure for how well they are treated. By requiring that the chicken we procure meets a Bristol Gait Score of less then two, we are encouraging our suppliers to prioritise better welfare measures.

CASE STUDY

GREGGS

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Visit us at **emperor.works**