



# TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES REPORT

# TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

**Greggs understands the significance of climate change and that we must reduce our own impact and take action to mitigate against climate risk. We believe that improved governance and reporting across all industries and sectors will contribute to the reduction of carbon emissions and assist in the transition to a low-carbon future. This TCFD Report describes our actions during 2025 and demonstrates how we continue to refine our transition activity.**



## Introduction

The Task Force on Climate-related Financial Disclosures (TCFD) and other climate-related disclosures made in this TCFD Report form part of the Company's Annual Report and Accounts for the 52 weeks ended 27 December 2025 and are consistent with the TCFD recommendations and recommended disclosures. The following pages show our activity to date and our plans and expectations for the future, as required under Listing Rule 6.6.6(8) and as consistent with The Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022. We are fully compliant with the Listing Rule and for the first time have disclosed Scope 3 emissions for the year on which we are reporting.

Greggs has clear ambitions, as detailed in The Greggs Pledge, to be a net zero business by 2040 across Scopes 1, 2 and 3, and to actively support the British Retail Consortium's (BRC's) Climate Action Roadmap. The individual targets within this overall ambition and their timeframes are discussed in further detail in the metrics and targets section below.

In 2022, we set near-term science-based emissions reduction targets based on a 1.5°C pathway, which were approved by the Science Based Targets initiative (SBTi). These targets are:

- To reduce absolute Scope 1 and 2 greenhouse gas (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.

We have since repeated our Scope 3 emissions modelling, with the Carbon Trust providing independent assurance. To support our Scope 3 emissions reduction ambition, we continue to engage with the suppliers of our most carbon-intensive ingredients, e.g. meat and dairy products, to assess their alignment with our net zero target date and their approach to emissions reduction. Our key requests to suppliers were that they:

- Demonstrate a public commitment to achieving net zero, by no later than 2050; and
- Measure and publicly report their Scope 1, 2 and 3 emissions.

As part of our journey to address climate-related risks and opportunities, we have continued to engage with our supply chain partners, offering support and guidance to help them align with our requirements. This collaborative approach is critical to reducing emissions across our value chain.

Following this exercise, we identified a number of potential initiatives to further reduce Scope 3 emissions, which we are actively evaluating, including a review of opportunities to benefit from regenerative agricultural practices as a means to reduce emissions and enhance resilience.

During the year, we also completed the first phase of developing our long-term nature strategy in partnership with external consultants. This work has provided clear visibility of our nature-related dependencies, impacts, risks and opportunities (DIRO), forming a foundation for the next phase, which will be delivered in 2026. This strategy will underpin our approach to integrating nature considerations into climate-related decision-making and disclosures.

We have modelled the physical risks to our internal supply chain sites based on moderate (i.e. 1.5°C temperature increase by 2040) and high (4.4°C temperature rise by 2100) level impacts of climate change. Outputs from this exercise continue to be reviewed and updated to ensure risks to operations are mitigated.

We have also assessed the transition risks and opportunities based on three potential future scenarios:

- A disorderly transition.
- Societal shift.
- Agricultural impact.

The assessed risks and opportunities were presented to the Company's Risk Committee. Further detail has been included in the Risk management section of this Annual Report on pages 62 to 69.

In 2023, following our remuneration policy review, the Remuneration Committee agreed to include ESG performance targets in the long-term incentive awards made to Executive Directors and senior management for the three-year remuneration policy period following this review. The Remuneration Committee conducts regular reviews of all targets to confirm their alignment with future business objectives. Further details of these conditions

are given in both the metrics and targets section of this TCFD Report, the Directors' Remuneration Report on pages 95 to 119 and Note 23 to the Accounts in our 2025 Annual Report.

## Governance

### Board oversight of climate-related risks and opportunities

Our climate governance structure is set out below.

The **Board** has overall responsibility for climate-related risks and opportunities – our approach to climate change is governed at the highest level within our organisation.

The Board was updated on progress during the year on climate change matters, and there was regular reporting on our reduction activities related to our Scopes 1, 2 and 3 emissions footprint.

We continue to appraise climate risks and opportunities with our senior management to ensure ongoing climate knowledge and support for our transition. The Board receives updates at each meeting via the Audit Committee within the scope of our routine risk reporting.

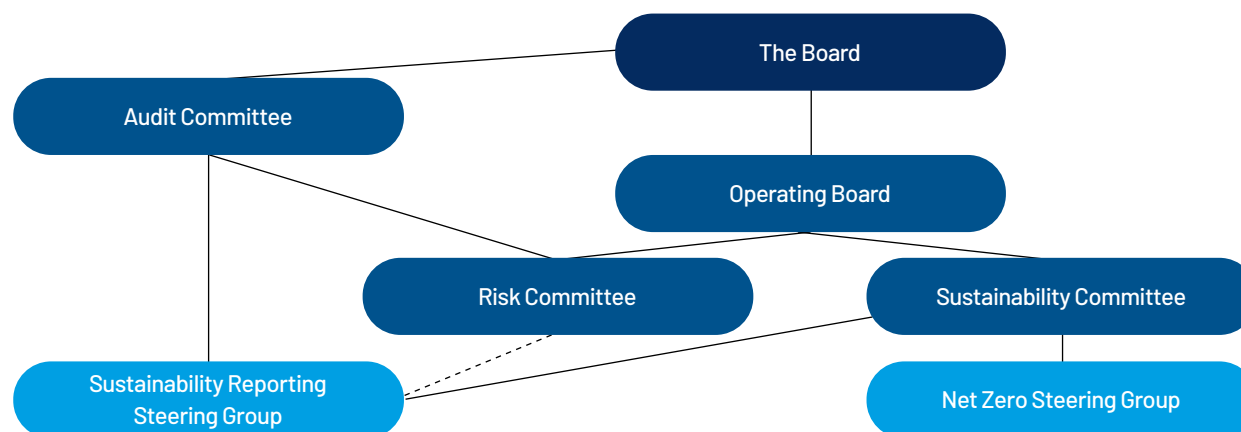
The Board will continue to oversee the development and delivery of our transition plan in the coming years.

### Management's role in assessing and managing climate-related risks and opportunities.

Our **Chief Executive** is ultimately responsible for our sustainability strategy, which includes climate-related risks and opportunities. Strategic progress against relevant targets and commitments is reported to the Board.

Our **Risk Committee**, chaired by our Company Secretary (the membership of which includes all our Operating Board members supported by key functional heads, including our Heads of Business Assurance and Sustainability) is responsible for the ongoing assessment of climate-related risks and mitigating actions. The Risk Committee meets four times a year and climate

## Our climate governance structure



## CASE STUDY

# ECO-SHOP 2 NOW OPEN

In June, we opened our second Eco-Shop, a new-build drive-thru, as part of our commitment under The Greggs Pledge to achieve net zero by 2040. Located in Winchester, this site builds on the success of our first Eco-Shop and continues to act as a testbed for sustainable design and operational practices.

The concept is designed to reduce carbon emissions through energy efficiency, renewable integration and low-impact materials. At this latest site, rooftop solar panels generate renewable electricity, reducing reliance on grid power and lowering Scope 2 emissions. Intelligent lighting systems, daylight harvesting and heat pump technology further optimise energy use, while heat recovery systems help maintain a balanced shop environment with minimal energy demand. Circular design principles have also been embedded, with recycled cladding, outdoor furniture, and flooring that can be reused or recycled at end of life. Water-saving initiatives, including rainwater harvesting and sensor-controlled taps, support resource efficiency and reduce indirect emissions.

To measure impact, we have partnered with ZED-UK to undertake thermal modelling, energy optimisation, and carbon life cycle assessments. Early modelling suggests this shop could achieve up to a 25% reduction in energy consumption compared to a standard format, equating to an estimated annual saving of 3-4 tonnes of CO<sub>2</sub>e. Insights from this site are being used to inform future property standards and accelerate the roll out of proven low-carbon solutions across our estate, helping us move closer to our net zero ambition.

change is a standing agenda item. Outputs from the Risk Committee are reported into the Company's **Audit Committee**. The Risk Committee Chair also provides an update to the Board following each meeting on key activity and discussions.

We continue to include 'failure to respond effectively to climate-related impacts on our business' as a strategic risk within our strategic risk register. During 2025, we continued to review and update our physical and transition risks and will do so on an ongoing basis to ensure the appropriate level of focus is applied.

Our **Sustainability Committee** is responsible for the delivery of our climate change strategy. Chaired by our Company Secretary, the membership of this Committee includes key members of our Operating Board and is supported by the Head of Sustainability, the wider sustainability team and relevant subject matter experts from across the business.

Our **Net Zero Steering Group** is responsible for identifying and proposing relevant actions to reduce carbon emissions. Chaired by our Commercial Director, membership of this steering group includes Operating Board members as well as senior representatives from our finance, sustainability and procurement teams. This group continues to drive our decarbonisation plan. Once proposals are agreed by the Sustainability Committee, they are formally included in business plans as well as in the personal objectives of relevant senior managers. This ensures a business-wide focus on delivering the required activity.

The **Sustainability Reporting Steering Group** is responsible for all sustainability reporting. This group is chaired by our Head of Sustainability and includes members of our finance, sustainability, risk and corporate communications teams. It will continue to support the ongoing development of our net zero transition strategy in 2026.

## Strategy

### Climate-related risks and opportunities and their impact

We continue to strengthen our understanding of material

climate-related risks and opportunities that could impact our business over the short, medium and long term. These risks fall into two categories: **physical risks** and **transition risks**.

- **Physical risks** may affect our operations and value chain through extreme weather events such as flooding or droughts, acute and chronic temperature changes and rising sea levels.
- **Transition risks** arise from the shift to a low-carbon economy and could include changes in consumer preferences, climate-related regulation (e.g., carbon taxes), renewable energy availability and the adoption of carbon reduction technologies.

Climate change also presents **opportunities** to enhance business resilience and efficiency, create products with a reduced environmental impact for our customers and invest in innovative carbon reduction technologies.

We consider a material climate-related risk to be one that could significantly affect or threaten the resilience of our operations, strategy, or financial planning if not managed appropriately, based on our assessment of likelihood and impact. This approach aligns with our broader risk management framework, detailed in the Risk management section on pages 62 to 69 in our 2025 Annual Report.

We have categorised the potential impacts of climate risk and associated time horizons as follows, and consider all severe and major impacts to be material:

### Financial impact ranges

Impact	Financial range
Severe	>£20 million
Major	£10 million – £20 million
Moderate	£5 million – £10 million
Minor	£1 million – £5 million
Insignificant	<£1 million

We plan to refine these definitions further as part of our transition plan development.

## Time horizons

Time period	Years	Reason
Short	2026–2027	In line with our strategic business plan
Medium	2028–2030	In line with our near-term science-based targets
Long	2031 onwards	Reflecting long-term climate scenarios

## Progress and scenario analysis

In 2023, the Sustainability Reporting Steering Group and Net Zero Steering Group worked with external advisers to deepen our understanding of climate-related risks. In 2025, we have continued to embed these risks into our ERM framework (see Risk management section on page 64 in our 2025 Annual Report).

### Physical risks

We have modelled physical risks to our manufacturing and distribution sites, office locations, and a sample of shops under two scenarios, chosen as being the most relevant and plausible to the business:

- **Moderate** 1.5°C temperature increase by 2040.
- **High** 4.4°C temperature increase by 2100.

This analysis used a narrative-based mixed-method approach which included a detailed analysis of data published in climate science literature and government resources, an analysis of publicly available physical risk tools and a statistical analysis of raw climate data outputs from the UK Climate Projections 2018 data. This approach was adopted due to a lack of downscaled data for all scenarios, model disagreement and uncertainties, and the high-level nature of input data for the supply chain. Current findings suggest limited material financial impact from physical risks in the short to medium term, due to geographic diversification. However, these risks remain under active monitoring.

Flood risk has been assessed in detail for sites with above-average exposure, and additional mitigations are under review. Climate risk is also a key consideration for new site development.

## CASE STUDY

# ACCELERATING LOW-CARBON LOGISTICS

In 2025, we accelerated our transition to lower-carbon transport solutions, by expanding the use of HVO across our logistics network.

HVO is now deployed across our Enfield, Clydesmill and Manchester logistics sites, taking us close to our 2025 target of 30% HVO usage in our fleet. This transition represents a significant step forward and is already delivering an estimated saving of 7,155 tonnes of CO<sub>2</sub>e. Building on this progress, we are exploring opportunities to expand HVO usage across our Leeds and Kettering logistics sites in 2026, aiming, where viable, to support increased adoption and further reduce emissions.

Complementing our fuel strategy, we continue to invest in fleet efficiency. The deployment of double-deck trailers has increased, and in 2025 we introduced 25 urban artics, essentially a shorter, more manoeuvrable version of a standard artic, enhancing load capacity and reducing the number of journeys required.

These measures directly support our commitment to operational efficiency and emissions reduction.

Additionally, the roll out of vehicle telematics is delivering significant benefits. Real-time visibility and data-driven insights are enabling us to optimise routing, improve driver performance and enhance fuel efficiency. This technology also strengthens safety compliance and underpins our ability to make informed decisions that reduce environmental impact.

# 7,155 tonnes

CO<sub>2</sub>e savings delivered in 2025

# 28%

HVO usage achieved in 2025



### Transition risks

We assessed transition risks and opportunities under three potential future scenarios:

- **A disorderly transition:** Strong global legislative action driving widespread carbon pricing.
- **Societal shift:** Significant consumer move to low-carbon diets and circular economy principles.
- **Agricultural impact:** Global climate effects disrupting supply chains through extreme weather and temperature changes.

### Climate-related risks, mitigations and opportunities

Our scenario analysis and embedded risk management processes (see Risk management section on pages 62 to 69 in our 2025 Annual Report) have identified key risks and opportunities set out on pages 6 to 8 which inform our strategic planning and investment decisions. These include:

- **Risks:** Regulatory changes, supply chain disruption and increased input costs.
- **Opportunities:** Low-carbon product innovation, energy efficiency, and investment in renewable technologies.

### CASE STUDY

## CLIMATE ACCOUNTABILITY ACROSS OUR SUPPLY CHAIN

Recognising that most of our emissions lie within our value chain, we have set clear expectations for suppliers who contribute most to this footprint. We ask these suppliers to report on two key climate measures:

- Publish their Scope 1, 2 and 3 emissions footprint.
- Commit to a net zero target date of no later than 2050.

To support this, we have established the Supplier Climate Working Group and continue to monitor progress through engagement sessions and quarterly reporting. We also measure the proportion of our Scope 3 emissions covered by suppliers meeting these requirements.

In 2025, we completed supplier engagement days with oil and fats suppliers. Reporting has now been extended to packaging, suppliers who provide goods and services we use internally, and capital expenditure suppliers who provide long-term assets like equipment, supported by quarterly in-house Scope 3 reporting for food, drink and packaging categories.

We are pleased to report strong progress against our targets:

- 4% above our stretch target for suppliers publicly reporting Scope 1, 2 and 3 emissions.
- 9% above our stretch target for suppliers committing to net zero by 2050.



Risk overview	Impact	Mitigation	Time horizon	Nature of risk	Related scenario	Financial impact, assuming mitigation action taken
<b>The impact of extreme weather events on our own operations and that of our value chain.</b>	We have assessed our own manufacturing and distribution sites and identified six locations with a low to medium risk of riverine flooding. We have also identified three sites where there is a low to medium risk of exposure to spells of extreme heat. In addition, we have identified one site with a risk of longer-term surface flooding.	<p>The geographical diversity of our operations is a key mitigation.</p> <p>We are working closely with our insurers and risk management team to identify and implement flood risk mitigation measures in sites where risks have been identified.</p> <p>We continue to work with our engineering teams to ensure that cooling and refrigeration systems are maintained and remain able to operate in the event of extreme heat.</p>	Short, medium and long term	Physical	Moderate and high	Minor
	Our global supply chain presents a supply risk in the event of more frequent extreme weather events, in terms of product quality, availability and price volatility.	<p>Our procurement team consider climate-related impacts during their routine processes when selecting new suppliers and working with existing ones.</p> <p>We work with our key suppliers to develop more climate-resilient ingredients as well as reviewing our sourcing regions.</p> <p>In addition, we continue to invest in sustainable agricultural practices.</p>				
<b>Acute and chronic changes in temperature.</b>	Higher temperatures can impact food safety and quality, particularly for perishable items. This can lead to increased spoilage and food waste, affecting both our bottom line and our sustainability goals. Changes in climate patterns can affect agricultural yields, impacting the availability and cost of key ingredients such as wheat, dairy and meat.	<p>To address this, we have implemented advanced cooling systems and temperature monitoring technologies across our shops and warehouses. These systems ensure that our products are stored at optimal temperatures, reducing the risk of spoilage and maintaining food safety standards.</p> <p>We are working with our key suppliers to develop more climate-resilient ingredients as well as reviewing our sourcing regions. In addition, we continue to invest in sustainable agricultural practices.</p>	Medium to long term	Physical	Moderate and high	Minor
<b>Physical impact on our retail estate as a result of rising sea levels.</b>	Coastal shops and supply routes are increasingly at risk from rising sea levels, which can lead to flooding and erosion. This poses a long-term threat to our operations in these areas.	<p>Longer-term review of shop locations and relocation as and when appropriate.</p> <p>Inclusion of flood risk assessment in new shop development process.</p>	Long term	Physical	High	Minor
<b>Changes to climate-related regulations, including the introduction of carbon taxes.</b>	Higher production costs would need to be offset or passed on to consumers, potentially impacting the value proposition of our products with higher carbon footprints.	We have a varied product range including a number of plant-based products which offers choice for consumers looking for lower-priced or lower-carbon products.	Medium to long term	Transition	Disorderly transition	Moderate

Risk overview	Impact	Mitigation	Time horizon	Nature of risk	Related scenario	Financial impact, assuming mitigation action taken
<b>The reliance on animal protein in our products increases the financial risk in the event of an animal protein or carbon tax. Profit margin may be eroded as a result of moving to low-carbon products.</b>	Increased ingredient costs and margin pressure, with potential implications for pricing, competitiveness, and supply chain resilience.	Continued product development into vegetarian and plant-based protein products. Ongoing engagement with suppliers to identify lower-impact meat protein ingredients.	Medium to long term	Transition	Disorderly transition	Moderate
<b>Failure to respond to changes in consumer behaviour, driven by a rise in average national temperatures and leading to an increase in the need for more sustainable products.</b>	Inability to meet significant increased consumer demand for more sustainable or weather-appropriate products may lead to loss of sales and/or missed growth opportunities as customers switch to products that meet their needs.	We are already developing our range to offer vegetarian and plant-based options. Our reputation for being a responsible business provides a solid platform from which to communicate our message.	Medium to long term	Transition	Societal shift	Moderate
<b>The ongoing availability of sufficient amounts of renewable energy as demand increases.</b>	The energy dependency of our shop and supply chain operations may cause issues in the event of energy rationing/energy availability challenges.	We continue to focus on improving the energy efficiency of our operations and monitoring developments in low-emission technologies.  We have invested in self-generation to cover base loads in our supply sites.	Medium to long term	Transition	Disorderly transition	Moderate
<b>Failure to adopt changes in technologies designed to support improvements in relation to climate change mitigation, carbon reduction and sustainability impacts.</b>	The need to adopt new technologies to reduce emissions and improve sustainability can be costly and complex.	Investment in energy-efficient equipment, renewable energy sources and sustainable packaging solutions. To ease this transition, we are investing in research and development, collaborating with technology providers and piloting new technologies. This approach allows us to stay at the forefront of technological advancements and ensure that we are adopting the most effective solutions.  Our Eco-Shop allows us to trial the effectiveness of new technology in shops.	Short to medium term	Transition	Societal shift	Moderate
<b>Climate and carbon management strategy is poorly developed, implemented or communicated.</b>	Our approach to climate change results in an inability to attract new colleagues.	To attract new talent, we emphasise our commitment to sustainability, which is integrated throughout the organisation and reflects our proactive stance on tackling climate change. This commitment is featured in our recruitment processes.	Medium to long term	Transition	Disorderly transition and Societal shift	Minor

Risk overview	Impact	Mitigation	Time horizon	Nature of risk	Related scenario	Financial impact, assuming mitigation action taken
<b>Failure to deliver effective implementation of ESG strategy.</b>	Failure to deliver an effective ESG strategy results in damage to investor relations and damage to reputation resulting in erosion of brand.	The sustainability team conducts ongoing reviews of investor ESG ratings to monitor performance and identify improvement opportunities. We report against key ESG rating indices to maintain accountability and demonstrate progress. To ensure alignment with customer expectations, we run bi-annual insight surveys across our core and wider food-on-the-go customer base, with findings presented to the Sustainability Committee for strategic consideration and action.	Short, medium and long term	Physical and Transition	All	Minor

## Opportunities

We have identified the following climate-related opportunities:

### Consumer behaviours

- We constantly review the market for changes in consumer behaviour and have good insight into consumer trends which allows us to be agile in our future product development.
- Our reputation for offering great value and alternatives to animal protein products puts us in a good place to evolve our offer in line with demand.
- Leading in sustainability can differentiate us from competitors, enhancing brand value and customer loyalty. We continue to show leadership in sustainability through visible and impactful initiatives, helping to continue to build a strong and loyal customer base.

### Energy efficiency

- Implementing energy-saving measures, such as energy-efficient appliances, and renewable energy sources, can further reduce operational costs and emissions.
- We continue to monitor developments in technologies that support improvements in efficiency.

### Value chain resilience

- Collaborating with suppliers to improve sustainability practices, such as reducing emissions and enhancing resource efficiency, can strengthen our supply chain and reduce risk.
- We continue to work closely with our key strategic suppliers to identify potential improvement opportunities.

## Resilience

Although our scenario analysis will be repeated in future years, we are continuing to discuss the issues already highlighted at the highest levels of the organisation. For example, when examining the results of our physical climate risk assessment, the outcomes have pointed to climate risks in certain parts of the world where some of our suppliers are based, such as Indonesia, Thailand and Brazil. As a consequence of this, we continue to engage with suppliers in these areas, to understand their adaptation/mitigation plans. We also engage with investors through ESG briefings, customers via sustainability campaigns, and employees through internal climate awareness programmes.

The Transition Plan Taskforce (TPT) published guidance in 2023 on how to develop credible and robust climate transition plans. We are in the process of developing our transition plan, in line with the TPT guidance. To date we have established a clear transition programme for Scopes 1 and 2 and continue to review Scope 3 reduction opportunities. We also continue to monitor the development of the International Sustainability Standards Board disclosure standards and their potential adoption by UK regulatory bodies.

## Risk management

### Identifying and assessing climate-related risks

We have an established risk process for the whole business, as described in the Risk management section on pages 62 to 69. Climate-related risks are integrated into our ERM process, so that all our risks are identified, assessed and managed consistently.

### Managing climate-related risks

Climate-related risk evaluation forms part of the Risk Committee's activity and is now included as a standing agenda item.

### Integration of climate-related risks into overall risk management

As above, we treat our climate-related risks in the same way as all other risks and manage them in line with our ERM framework.

Date award granted	Performance condition	% of award subject to this condition	Measurement period	Vesting date
May 2023	Based on the absolute reduction in Scope 1 and 2 emissions over the three-year vesting period in line with the reductions required to meet our science-based targets by 2035 from a 2022 base.	10%	2023-2025	May 2026
March 2024	A Scope 3 metric based on encouraging suppliers to improve public reporting of their net zero commitments and to commit publicly to a net zero date.	10%	2024-2026	March 2027
March 2025	Based on the absolute reduction in Scope 1 and 2 emissions over the three-year vesting period.	10%	2025-2027	March 2028

By integrating climate-related risks into our overall risk management framework, we ensure that they are appropriately managed and mitigated. The Sustainability Reporting Steering Group reviews these risks at least every six months and provides updates to the Risk Committee, providing oversight of our climate strategy. This approach ensures that we remain resilient and responsive to the evolving climate landscape.

## Metrics and targets

### Metrics used to assess climate-related risks and opportunities

We have reported on our Scope 1 and 2 GHG emissions in our Annual Report each year since 2013 and have set out our emissions reduction targets. We now report this data internally on a monthly basis and in more granular detail which we use to monitor performance against our reduction targets. In 2023 our near-term science-based targets were approved by the SBTi. Our environmental management system is certificated to ISO 14001:2015 and we disclose our emissions through the CDP.

We regularly report on the proportion of Scope 1 and 2 energy which comes from renewable sources and set targets each year that align with our science-based targets.

In 2023, following our remuneration policy review, the Remuneration Committee agreed to include ESG performance targets in the long-term incentive awards made to Executive Directors and senior management for the three-year

remuneration policy period following this review. Details of the ESG condition for each award are given in the table above.

## GHG emissions and the related risks

We report on our Scope 1 and 2 GHG emissions each year and during the year we have updated our processes for collecting and verifying our Scope 3 emissions data which has allowed us to include the Scope 3 emissions for 2025 in the GHG data disclosed at the end of this report. The detailed disclosures and methodology can be found in the following section titled 'Our carbon footprint'. In 2024 we modelled our Scope 3 emissions for 2023 using the GHG Protocol Corporate Standard, World Resources Institute guidance for the land sector as the basis for our calculation. The calculations were reviewed and verified by the Carbon Trust. Our 2023 TCFD Report contains more detail on the methodology that we adopt for modelling Scope 3 emissions and how we apply it.

### Targets used to manage climate-related risks and opportunities and performance against targets

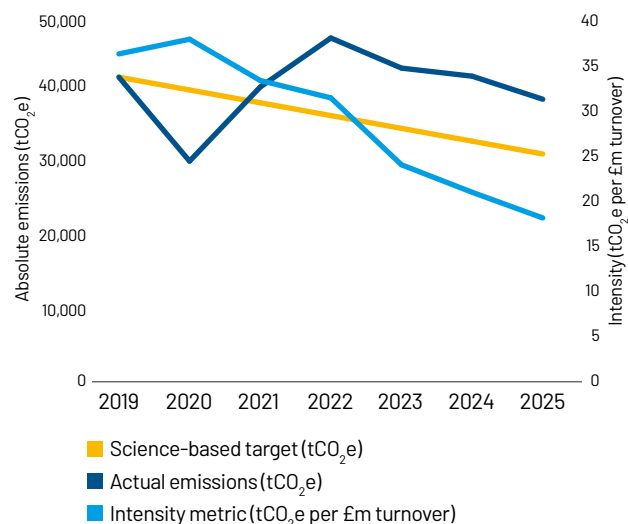
As part of our strategy to manage climate-related risks, we have committed to becoming a net zero carbon business by 2040 in line with the BRC Climate Action Roadmap:

- Scope 2: Net zero by 2030.
- Scope 1: Net zero by 2035.
- Scope 3: Net zero by 2040.

As noted above we have also set science-based targets to give us a clearly defined pathway to emissions reduction that is aligned to climate science. The commitment to the BRC's roadmap is a

more ambitious target – we always strive to achieve the more stretching target.

### Market-based Scopes 1 and 2 absolute emissions



In 2022, we set near-term science-based emissions reduction targets based on a 1.5°C pathway which were approved by the SBTi in 2023. These targets are:

- 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.

Performance against these science-based targets is our primary metric at present although we are introducing additional metrics and targets. The data is presented in the Streamlined Energy and

# 13.4%

**2025 reduction in gross market-based intensity impact (tonnes CO<sub>2</sub>e per £m turnover)**

Carbon Reporting section below. Progress against the 2019 science-based target baseline for Scopes 1 and 2 is shown in the graph to the left, along with the intensity measure.

We measure and report regularly on the proportion of Scope 1 and 2 energy that comes from renewable sources. Our targets for 2025 were that:

- 100% of the electricity that we buy comes from renewable sources, which was achieved.

We have some shops where we are not responsible for purchasing the electricity and in those situations we are encouraging our landlords to change to renewable electricity.

- 60% of the gas we use is from renewable sources, an increase from 30% in 2024.

Following our external audit, the verified figure for 2025 was 47.1%. While this fell short of our target, the variance reflects updated supplier data rather than a change in our operational approach.

- We would trial HVO in our logistics fleet as an alternative to diesel, supporting our target for 30% HVO usage.

During 2025, we introduced HVO at three logistics sites, going beyond the scope of a single-depot trial. This expansion contributed to meaningful emissions reductions and helped mitigate the impact of the shortfall in renewable gas.

We continue to report Scope 1 and 2 footprints in our monthly reporting pack and, on a quarterly basis, we review the proportion of suppliers meeting our public reporting target. This ensures our senior management has ongoing visibility of the delivery of our reduction strategy.

Long-term incentive awards made to Executive Directors and senior management included ESG performance targets as noted on the previous page.

In 2026 we will continue to consider and develop quantitative metrics and targets for material climate-related risks and opportunities and incorporate these into our business plan.

### Next steps for Greggs

In 2026 we will continue to deliver reductions in line with our science-based emissions reduction targets for our Scope 1 and 2 emissions while also delivering the third year of our supplier engagement programme to support our Scope 3 emissions reduction. We will review our scenario analysis process to ensure we identify any additional physical or transition risks or opportunities. In addition, we will continue the development of our net zero transition plan, in line with the TPT framework and guidance.

### Our carbon footprint

We disclose our GHG emissions through CDP. We continue to drive efficiencies to further reduce our carbon footprint as we work towards our net zero ambition. In 2025, we reduced our gross location-based intensity (tonnes per £million turnover) impact by 15.6% (compared to 2024, or 51.3% compared to 2019).

Our market-based carbon footprint for the 2025 financial year was 38,567 tonnes of carbon dioxide and equivalent gases (CO<sub>2</sub>e) (2024: 41,710 tonnes of CO<sub>2</sub>e), with an intensity of 17.93 tonnes of CO<sub>2</sub>e per £million turnover (2024: 20.71 tonnes of CO<sub>2</sub>e per £million turnover), which reflects our efforts in generating and purchasing low-carbon energy.

### Global GHG emissions data

In line with the Companies Act 2006 (Strategic Report and Directors Report) Regulations 2013, we are reporting our GHG emissions as part of our annual Strategic Report. Our GHG reporting year is the same as our financial year, from 29 December 2024 to 27 December 2025. We have reported on all the emission sources which we deem ourselves to be responsible for, as required under those Regulations. These sources fall within our operational control and financial boundaries and include emissions from manufacturing, retail and distribution sites and the operation of our distribution fleet, all of which are wholly based in the UK. We do not have responsibility for any emission sources that are outside of our operational control. The methodology used to calculate our emissions is based on the GHG Protocol Corporate

Accounting and Reporting Standard, Defra Environmental Reporting Guidelines and ISO 14064-3: 2019 – Greenhouse gases Part 3 – Specification with guidance for the verification and validation of GHG statements.

### Dual emissions reporting

Overall emissions have been presented to reflect location and market-based methodologies, affecting both Scope 1 and Scope 2 emissions.

### Streamlined Energy and Carbon Reporting

In line with Streamlined Energy and Carbon Reporting requirements, we have also reported on the underlying energy used to calculate our GHG emissions.

Where original data was provided in litres of diesel, gas oil or petrol it has been converted to kWh. The reporting boundary has been determined by operational control, whereby all emissions have been included within scope, i.e. Scope 1 and Scope 2.

### Energy efficiency initiatives

Greggs is committed to reducing the energy consumption and the carbon impact from its operations. We have set our target of net zero carbon emissions across the organisation by 2040 and have put in place a plan aligned to the BRC's Climate Action Roadmap.

We have moved to renewable electricity sources across approximately 97% of our estate. In 2025 we maintained the use of biogas as a replacement for natural gas at 47.1% (2024: 60%). This is covered by Renewable Gas Guarantee of Origin certificates. As the GHG Protocol does not recognise any differentiation between natural gas and biogas, the data reported in the table below makes no allowance for this. Using the UK Environmental Reporting Guidelines rather than the GHG Protocol would result in a reduction in Scope 1 emissions of 4,480 tonnes of CO<sub>2</sub>e (2024: 5,845 tonnes of CO<sub>2</sub>e), using market-based emissions calculations. We have rolled out energy efficient selectors into a significant number of shops, reducing our Scope 1 emissions due to refrigeration to 4,239 tonnes of CO<sub>2</sub>e (2024: 5,536 tonnes of CO<sub>2</sub>e), a 23.4% improvement. We continue to investigate other renewable energy sources for our remaining Scope 1 emissions.

In 2025 we measured both our 2025 and 2024 value chain emissions with the Carbon Trust and found that Scope 3 emissions account for 95.8% (2024: 95.6%) of all market-based emissions with emissions from Scope 3 purchased goods and services (products) having the biggest impact. We have set near-term company-wide emissions reduction targets in line with climate science which have been approved by the SBTi.

We continue to focus our internal teams on energy efficiency and carbon reduction programmes. Since the opening of our first Eco-Shop in 2022, 34% of our overall estate now has Eco-Shop initiatives in place. We continue to replace high Global Warming Potential (GWP) refrigerants in refrigeration and air conditioning systems with lower GWP refrigerants, and all new refrigeration equipment uses low GWP refrigeration gas as a specification requirement. We have successfully trialled electric refrigeration units on our delivery fleet, replacing diesel powered refrigeration and we continue to replace existing units with this technology.

## GHG emissions

Emission source	Location-based (tCO <sub>2</sub> e)			Market-based (tCO <sub>2</sub> e)			UK underlying energy consumption (kWh)		
	2025	2024	2019	2025	2024	2019	2025	2024	2019
Scope 1 Combustion of fuel and operation of facilities, including refrigerants	<b>34,014</b>	37,708	38,668	<b>34,014</b>	37,708	38,668	<b>157,861,066</b>	151,398,269	141,717,583
Scope 2 Electricity purchased for own use (including photovoltaic-generated and green tariff)	<b>52,441</b>	58,237	57,294	<b>4,553</b>	4,002	2,909	<b>297,319,431</b>	281,789,412	224,154,292
Total Scopes 1 and 2 CO <sub>2</sub> e emissions	<b>86,455</b>	95,945	95,962	<b>38,567</b>	41,710	41,577	<b>455,180,497</b>	433,187,681	365,871,875
Scopes 1 and 2 intensity measure Tonnes of CO <sub>2</sub> e per £m turnover	<b>40.19</b>	47.63	82.54	<b>17.93</b>	20.71	35.76			
Percentage change year-on-year	<b>(15.62%)</b>			<b>(13.42%)</b>					
Scope 3 CO <sub>2</sub> e emissions	<b>880,091</b>	913,769	522,453	<b>880,091</b>	913,769	522,453			

We have been awarded the Carbon Trust Route to Net Zero Standard in recognition of our work on carbon efficiency and reduction, and our environmental management system is certificated to ISO 14001:2015. In addition, we disclose our GHG emissions through CDP.