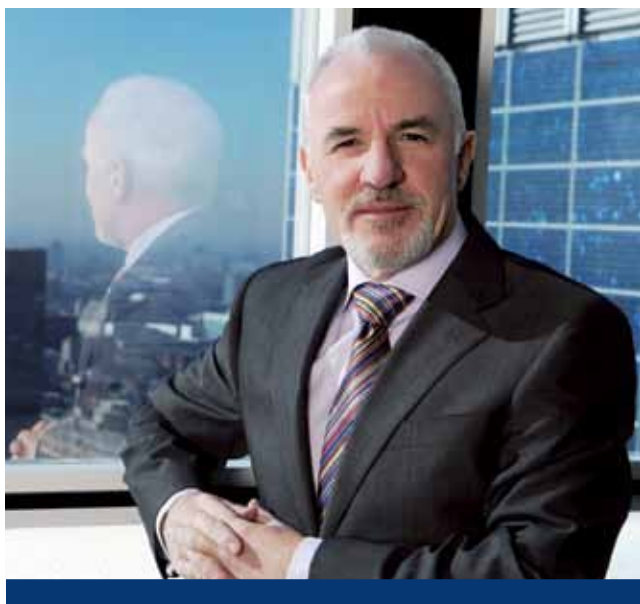


## EXECUTIVE SUMMARY 2010



“In 2011, the new Ethical Plan sets out our ambition to reinforce our position as the UK’s most socially responsible business.”

### CHIEF EXECUTIVE’S OVERVIEW

The Co-operative’s history is characterised by moments when vision, innovation and ethics come together to drive bold ideas that rewrite the rules of the game. Be it the creation of the co-operative business model in the 19th century; our pioneering approach to Fairtrade; or the launch of the bank’s Ethical Policy in 1992, The Co-operative has a rich history of leadership and innovation in the field of corporate ethics.

Now, in 2011, the new Ethical Plan sets out our ambition to reinforce our position as the UK’s most socially responsible business, and our ‘Join the Revolution’ campaign calls on our customers and members to take action and help change their world. I believe that, in years to come, we will look back on this point in time and judge it to be yet another defining moment. The Plan injects a new radicalism into our business, with some 47 commitments signalling our intent to bring about step changes in a raft of sustainability impacts. As a result, ethical targets and performance will now be fully integrated into three-year financial planning, and the way in which we measure our success. This move codifies the long held view of The Co-operative, that our business exists to do so much more than create profit, and seeks to raise the bar for our peers.

The last five years have marked a period of expansion that is unprecedented in our recent history, seeing mergers with United Co-operatives and Britannia, and the acquisition of Somerfield. Throughout, we’ve remained true to our heritage and continued to lead the way in sustainability. While sales have gone up, environmental impact has significantly reduced, with absolute reductions made in areas such as waste and carbon emissions. We’re now able to bring ethical offerings to more customers than ever before; ensuring these are affordable to shoppers on a range of budgets. Customers who previously shopped at Somerfield now have widened access to Fairtrade and higher animal welfare products, and in 2009, the bank’s Ethical Policy was rolled out across Britannia.

Our performance in 2010 further supports our contention that putting sustainable development at the heart of our strategy is simply good for business – and good for everyone. Against the backdrop of a challenging economy, The Co-operative has once again returned record profits, whilst delivering on its key sustainability commitments. The Executive Summary, which opens this report, highlights the most notable examples of performance, such as the launch of a flagship programme to inspire young people, the investment of 4% of pre-tax profits to support communities at home and abroad, and a record share of profits earned by members of £70.5m. Last year, I had the privilege to see first-hand the difference our Fairtrade projects make to communities in Africa; as such, I’m especially proud to say we’ve tripled Fairtrade sales over the last three years.

This impressive performance is only made possible by the considerable efforts of many colleagues and members. Their contributions were also central to The Co-operative receiving a host of prestigious accolades – not least The Co-operative Financial Services winning the Financial Times Sustainable Bank of the Year Award, and The Co-operative Food being named both the Responsible Retailer of the Year, for the fourth year running, and the RSPCA’s People’s Choice Supermarket for the second consecutive year.

This report details our performance across 17 areas in a candid and balanced way, and does not shy away from disclosing performance that has fallen short of our expectations. The Ethical Plan heralds a new era for sustainability reporting at The Co-operative, which takes the guiding co-operative values of openness and honesty, and our determination to continue to push the boundaries of corporate disclosure, to a new level.

I would personally like to invite all our customers, members, and staff to join the revolution and help us build a better society.

**Peter Marks**

Group Chief Executive



“Corporate Sustainability has become just too comfortable a notion over the last few years. It needs more edge, more grit, more challenge. And that’s what The Co-operative gives us.”

## EXPERT COMMENTARY

I get a lot out of reading this report every year – even though it makes me work harder than any other report I have to read! And the principal reason for that is simple: The Co-operative “is an organisation that is owned not by investor shareholders, but by over six million consumer members”.

That just puts a different stamp on things. With the best will in the world, a conventional plc turning over more than £13bn (as The Co-operative does) can hardly conceal the fact that their shareholders come first, and that all other ‘stakeholders’ come a long way down the pecking order.

There’s nothing wrong with that in itself (depending on how intelligently those plcs interpret the interests of their shareholders over time), but it does make for some pretty anaemic ‘stakeholder engagement strategies’. With The Co-operative, it’s rather more full-blooded. For instance, its Board has decided that it will commit 4% of pre-tax profits for community investments. That’s four times as much as most of the best performing plcs.

It isn’t just that The Co-operative has an interesting mission (“to be the UK’s most socially responsible business”), but that it interprets this in terms of ‘building a better society’. How many plcs today set out to do that? Not just to improve people’s lives through better products and services, but explicitly to help make the world a better place.

After 35 years of doing this stuff, I’ve come to the conclusion that most companies’ interpretation of ‘Corporate Responsibility’ is completely vacuous – and one of the principal reasons why so many people are now deeply sceptical about the role of business in society.

So The Co-operative’s ‘most critical stakeholder group’ is its members – numbering over six million today, with an ambition of getting to 20 million by 2020. All members have an opportunity to get involved if they want to, and from a conventional corporate perspective, the governance systems required to make that possible must all look pretty geeky – with seven regional boards, 48 area committees, a Member Engagement Index and so on. There is of course a cost involved in this, but the real value to The Co-operative as a whole is enormous.

Interestingly, The Co-operative is more upfront than most companies about the fact that sustainability does sometimes cost money rather than save money. It’s not all whizzy ‘win-wins’ – good for the business and good for the world. For instance, take a look at the stuff on financial inclusion (pages 51–53), helping credit unions, providing banking services for deprived communities, or bank accounts for prisoners. Almost by definition, margins on these products are going to be lower than margins on mainstream products, and sometimes they don’t make any money at all.

This is all bread and butter stuff for The Co-operative. But 2011 will, I suspect, be even more special with the launch of the new Ethical Operating Plan in February at which I had the privilege of speaking. There’s no other Plan quite like this, not least because of the 47 commitments on which the Plan is based, but because it is driven primarily by the idea of fairness and social justice – and too many companies today pay lip service to that side of the wider sustainability agenda.

And sometimes that means you have to make a few enemies. The last of the 17 sections covered in this Report is on Public Policy, which isn’t just about what The Co-operative is lobbying the politicians on, but the campaigns it is engaged in around issues as diverse as the tar sands in Canada, votes at 16, on Third World debt, or the use of neo-nicotinoids in farming today. A just and sustainable world is a world that has to be fought for; it won’t just happen of its own accord.

Corporate Sustainability has become just too comfortable and reassuring a notion over the last few years. It needs more edge, more grit, more challenge about what it is that is still going so badly wrong in the world today. And that’s what The Co-operative gives us.

**Jonathon Porritt**

Jonathon Porritt is Founder Director of Forum for the Future  
[www.forumforthefuture.org](http://www.forumforthefuture.org)

## EXECUTIVE SUMMARY 2010

### THE CO-OPERATIVE AT A GLANCE

The Co-operative Group (The Co-operative) stands apart from other major businesses in the UK as an organisation which is owned, not by investor shareholders, but by over six million consumer members.

### The co-operative

#### Family of businesses

Throughout this Report, 'Trading Group' is used to describe all parts of The Co-operative's businesses, with the exception of The Co-operative Financial Services (CFS).

#### The co-operative food

The fifth largest food retailer in the UK, with over 17 million customers served each week. In 2010, it successfully integrated Somerfield, and rebranded and upgraded 778 stores. As of 2010, The Co-operative Food includes The Co-operative Farms, the UK's largest farmer.

Employees: 79,809

Stores: 2,883

Total sales (inc VAT): £8.2bn

#### The co-operative pharmacy

The third largest pharmacy chain in the UK, and the largest in Wales, with over 65 million prescriptions dispensed per year.

Employees: 6,747

Branches: 769

Sales: £771.3m

#### The co-operative estates

One of the largest and most diverse land owners in the UK, with interests that span retailing, property investment and land development.

#### The co-operative financial services

The UK's most diversified mutual, following the merger with Britannia. Comprises The Co-operative Bank and its internet bank, **smile**, Britannia, The Co-operative Insurance, The Co-operative Investments and The Co-operative Asset Management.

Employees: 11,349

Branches: 339

Customer deposits: £34.2bn

#### Specialist Commercial Businesses

##### Sunwin Services Group

A support services business offering managed security, IT services, cash management, and fire and security solutions.

##### Motors

One of the top 50 car dealers in the UK, with over 23 sites across the Midlands and the North of England.

##### E-Store

Online electrical store, including The Co-operative Electricals and The Co-operative Beds.

##### Corporate Clothing

Designs, manufactures and distributes business wear and uniforms.

#### The co-operative funeralcare

The UK's leading funeral director, carrying out over 100,000 funerals each year. It operates over 850 funeral homes, as well as two crematoria and two woodland burial grounds.

Employees: 3,855

Funeral homes: 865

Sales: £316m

#### Specialist Retail Businesses

##### Legal Services

The Co-operative Legal Services is at the forefront of regulatory changes that will enable a wide range of consumer-friendly legal services.

##### Life Planning

The Co-operative Life Planning offers funeral planning and will-writing services.

##### Travel

The Co-operative Travel offers the widest choice of holidays on the high street, with more than 400 UK stores.



More information on The Co-operative's businesses and subsidiaries can be found at: [www.co-operative.coop/corporate/groupoverview](http://www.co-operative.coop/corporate/groupoverview)

**109,614**

employees

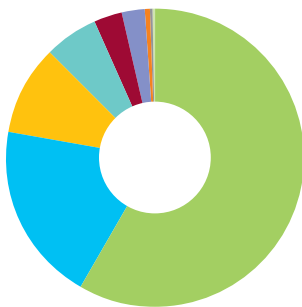
**6m+**

members

**5,000**

trading outlets

Contribution to net revenue



- Food 58.4%
- CFS 19.4%
- Membership and Federal 9.9%
- Pharmacy 5.9%
- Specialist Commercial Businesses 3.0%
- Funeralcare 2.4%
- Specialist Retail Businesses 0.5%
- Estates 0.3%
- Farms 0.2%

**£625m**

operating profit

**£13.7bn**

gross sales

Timeline 2010–2011

<b>JANUARY 2010</b>	Site preparations begin for construction of new Head Office, set to be one of the UK's most sustainable buildings.	63
<b>FEBRUARY 2010</b>	Votes at 16 campaign to lower the voting age launches.	59
<b>MARCH 2010</b>	Plan Bee campaign to save the honeybee relaunched, and includes urban beekeeper workshops across the UK.	86
<b>MAY 2010</b>	Highest ranking retailer or financial services business in Sunday Times Best Green Companies list.	64
<b>JUNE 2010</b>	CFS named the Financial Times Sustainable Bank of the Year.	43
<b>JUNE 2010</b>	The Co-operative Food wins The Grocer Green Supermarket of the Year Award.	65
<b>JUNE 2010</b>	'Inspiring young people' strategy launches.	55
<b>JULY 2010</b>	The Co-operative Pharmacy Ethical Strategy launches.	13
<b>OCTOBER 2010</b>	The Co-operative Enterprise Hub completes its roll out across England and Wales.	98
<b>NOVEMBER 2010</b>	500th former Somerfield store rebranded.	115
<b>JANUARY 2011</b>	Official launch of The Co-operative's Charity of the Year partnership with Mencap takes place.	20
<b>FEBRUARY 2011</b>	Landmark Ethical Operating Plan unveiled.	13
	The Co-operative has a food store in every UK postal area.	50
<b>MARCH 2011</b>	The Co-operative Funeralcare Ethical Strategy launches.	13
	Join the Revolution launches.	12

➤ Social responsibility
 ➤ Environmental sustainability
 ➤ Delivering value

Chief Executive's overview

The Co-operative at a glance

Performance summary

Looking ahead

Sustainability management

# EXECUTIVE SUMMARY 2010






## SOCIAL RESPONSIBILITY

Taking a responsible approach to business has been a guiding principle of The Co-operative since its inception. Co-operative values and principles – such as concern for the community and equality – date back to the 19th century, and resonate with contemporary ideas of corporate responsibility.

PERFORMANCE AT A GLANCE		Page
<b>COMMUNITY INVESTMENT</b> 	<ul style="list-style-type: none"> <li>The Co-operative is amongst the most generous of UK businesses, providing 4% of pre-tax profits for community investment.</li> <li>In addition, £1.7m was given to 1,691 community projects, funded by members donating some, or all, of their share of profits.</li> <li>Over 8,400 employees took part in community activities in 2010, equivalent to 12,571 days.</li> </ul>	<b>4%</b> of pre-tax profits invested in the community <b>17</b>
<b>INTERNATIONAL DEVELOPMENT AND HUMAN RIGHTS</b> 	<ul style="list-style-type: none"> <li>The Co-operative was the first major retailer to champion Fairtrade, and today sells Fairtrade products in every one of its 2,900 Food stores.</li> <li>Fairtrade sales increased 37% in 2010.</li> <li>The Co-operative is committed to improving working conditions in its supply chain and continues to support supplier training to help build capacity to manage labour standards. In 2010, The Co-operative's capacity building activities provided around 2,300 person hours of training, delivered in six key sourcing countries.</li> <li>One million people in the developing world benefited from international development activity in 2010. This will be given a further boost in 2011 with new initiatives, including The Co-operative Pharmacy's affinity handwash.</li> </ul>	<b>Fairtrade sales value</b> <b>2010</b> <b>£97m</b> <b>2009</b> £71m <b>22</b>
<b>ANIMAL WELFARE</b> 	<ul style="list-style-type: none"> <li>The Co-operative was the first retailer to adopt the RSPCA Freedom Food scheme, and today sells 73 accredited products.</li> <li>The Elmwood higher-welfare standards were launched in 2007, and were extended to cover a total of 140 product lines in 2010.</li> <li>Sales of BUAV-accredited (not tested on animals) products increased 48% to £26.9m.</li> </ul>	<b>RSPCA Freedom Food and Elmwood sales</b> <b>2010</b> <b>£174m</b> <b>2009</b> £111m <b>32</b>
<b>DIET AND HEALTH</b> 	<ul style="list-style-type: none"> <li>Healthier choices continue to be made available at accessible prices and across product ranges. The nutritional content of value items remains at least as good as standard equivalent lines.</li> <li>A third of all food promotions in 2010 were for healthier products. Green Dot labelling was extended to nearly 100 new products, with 35% of own-brand sales featuring the symbol.</li> </ul>	<b>Number of Green Dot products on sale</b> <b>2010</b> <b>938</b> <b>2009</b> 840 <b>37</b>
<b>ETHICAL FINANCE</b> 	<ul style="list-style-type: none"> <li>2010 was a significant year for The Co-operative Financial Services (CFS) with the establishment of the Social Banking Unit; recognition as the Financial Times Sustainable Bank of the Year; a commitment to provide £1bn to fund green energy and – a world first – the extension of the bank's Ethical Policy to home and motor insurance products.</li> <li>The Co-operative Asset Management continues to be recognised as one of the most active and assertive institutional investors, and in 2010, opposed 10% of UK management resolutions.</li> </ul>	<b>£1.2bn</b> in finance declined since 1992, in line with The Co-operative Bank's Ethical Policy <b>41</b>
<b>SOCIAL INCLUSION</b> 	<ul style="list-style-type: none"> <li>With an outlet in every postal area, basic services continue to be made available to diverse communities.</li> <li>The number of basic bank accounts provided increased by 29%.</li> <li>In 2010, some 12,000 young people benefited from CFS' Skills4Schools programme to improve skills such as financial literacy and numeracy.</li> </ul>	<b>Basic bank accounts provided</b> <b>2010</b> <b>234,677</b> <b>2009</b> 181,874 <b>50</b>
<b>INSPIRING YOUNG PEOPLE</b> 	<ul style="list-style-type: none"> <li>108 Co-operative Trust Schools have been established, and Co-operative Academies have opened in Manchester and Stoke-on-Trent.</li> <li>StreetGames Young Volunteers has helped over 30,000 young people from disadvantaged areas.</li> <li>The Votes at 16 campaign launched in early 2010, calling for the voting age to be lowered.</li> </ul>	<b>330,000</b> inspiring young people beneficiaries 2010 <b>55</b>

# ECOLOGICAL SUSTAINABILITY




There are physical limits to the resources of the Earth, both in terms of generating materials, and absorbing waste. Any business activity that exceeds these limits is, by definition, unsustainable in the long run. The Co-operative takes an evidence-based approach to policy making, and is committed to making absolute reductions in emissions, but never at the expense of the world's poorest.

PERFORMANCE AT A GLANCE		Page
<b>CLIMATE CHANGE</b> 	<ul style="list-style-type: none"> <li>Greenhouse gas emissions reduced by 15% in 2010, contributing to an overall reduction of 35% compared with 2006.</li> <li>Energy consumption reduced by 12%.</li> <li>98% of electricity is procured from renewable sources, and The Co-operative continues to build its own capacity for renewable energy generation.</li> <li>Emissions from refrigerant gas leaks reduced by 35% in 2010, contributing to an overall reduction of 58% since 2006.</li> <li>272,700 tonnes of CO<sub>2</sub> were offset.</li> <li>The Toxic Fuels campaign continued, and in early 2010, The Co-operative Asset Management led shareholder resolutions at the AGMs of BP plc and Royal Dutch Shell plc, calling on them to report on the risks associated with tar sands developments. 15% and 11% of shareholders voted for, or abstained on, the BP and Shell resolutions respectively.</li> </ul>	<b>35%</b> reduction in gross direct greenhouse gas emissions since 2006 <b>61</b>
<b>WASTE AND PACKAGING</b> 	<ul style="list-style-type: none"> <li>Waste arising reduced by 4% (4,500 tonnes) in 2010, contributing to a decrease of 26% since 2006.</li> <li>A reduction of 9% in the weight of total primary packaging was achieved, contributing to a reduction of 26% since 2006.</li> <li>The number of single use carrier bags distributed is down by 66% since 2006, representing over one billion carrier bags avoided.</li> </ul>	<b>Waste arising (tonnes)</b> 2010 <b>119,429</b> 2009 124,293 <b>73</b>
<b>WATER</b> 	<ul style="list-style-type: none"> <li>Water consumption across the estate (excluding The Co-operative Farms) decreased by an estimated 10% in 2010.</li> <li>Sales of Fairbourne Springs own-brand water enabled the installation of 160 play pumps being funded, with beneficiaries in the region of 400,000 people.</li> <li>A further 50,000 people benefited as a result of water and sanitation projects in the supply chain, and a further 50,000 were supported through water-related carbon offset projects.</li> </ul>	<b>Total water consumption (estimated million m<sup>3</sup>)</b> 2010 <b>2.0</b> 2009 2.2 <b>78</b>
<b>BIODIVERSITY</b> 	<ul style="list-style-type: none"> <li>All own-brand fish is sourced according to a Responsible Fish Sourcing Policy.</li> <li>The vast majority of wood and paper products (94%) at The Co-operative Food are certified by the Forest Stewardship Council® (FSC®), with a further 5% sourced from recycled waste.</li> <li>The Co-operative Funeralcare has doubled the amount of FSC-certified wood used in the coffins it produces.</li> <li>The Plan Bee campaign continues apace, and in early 2011 relaunched, to include other 'at risk' pollinators, such as butterflies and moths.</li> <li>Since the launch of Plan Bee, 900,000 packets of bee friendly wildflowers have been distributed to customers and members.</li> </ul>	<b>94%</b> FSC-certified wood and paper products, with a further 5% from recycled waste <b>81</b>
<b>CHEMICALS</b> 	<ul style="list-style-type: none"> <li>The Co-operative Food is recognised as being amongst the leading retailers for addressing issues of concern on pesticide use, and lists a number of pesticides as banned, prohibited or monitored.</li> <li>The Chemicals Strategy identifies 38 chemical types for removal from own-brand products, including 19 added during 2010.</li> </ul>	<b>443</b> pesticides listed as banned, prohibited or monitored <b>88</b>

# EXECUTIVE SUMMARY 2010

## DELIVERING VALUE

Using co-operative values and principles to optimise profits, value to stakeholders is delivered in a number of ways. The Co-operative has one of the UK's most generous profit-sharing schemes, is one of the largest private sector employers in the UK, and delivers an ambitious programme of social goals and campaigning activity. The business promotes the co-operative model to help build a more sustainable and diversified economy in the UK and beyond.

PERFORMANCE AT A GLANCE		Page
<p><b>DEMOCRATIC CONTROL AND SUPPORTING CO-OPERATIVES</b></p> 	<ul style="list-style-type: none"> <li>Numbering over six million, one in 10 of the UK adult population is a member of The Co-operative. In 2010, 95% of members earned a share of profits, and 29% traded with more than one Co-operative business.</li> <li>2010 saw record levels of democratic participation, with 81% of area committee elections contested.</li> <li>256 projects were supported by The Co-operative Enterprise Hub, including consultancy and grants.</li> </ul>	<p><b>Share of profits earned by individual members</b></p> <p><b>2010</b> £70.5m</p> <p>2009 £50.4m</p> <p><b>93</b></p>
<p><b>ECONOMIC IMPACT</b></p> 	<ul style="list-style-type: none"> <li>Despite the economic downturn, record financial results were delivered, and the Return on Capital Employed was 13.5%, against a target of 11.2%.</li> <li>The amount contributed to wider society, by way of tax paid, staff wages and member payouts, increased by 7% to £2.8bn.</li> <li>All shell eggs, milk, fresh and frozen poultry, beef and pig meat are sourced from the UK.</li> <li>The Co-operative Farms' 'Grown by us' range was extended in 2010, to include Scottish porridge oats and Tillington 1000 apple juice.</li> </ul>	<p><b>Gross sales</b></p> <p><b>2010</b> £13.7bn</p> <p>2009 £12.5bn</p> <p><b>100</b></p>
<p><b>EMPLOYEES AND DIVERSITY</b></p> 	<ul style="list-style-type: none"> <li>The Co-operative is one of the UK's largest private sector businesses, employing 110,000 people.</li> <li>Following the acquisition of Somerfield and merger with Britannia, high levels of colleague engagement have been maintained within both the Trading Group and CFS.</li> <li>In 2010, the Trading Group improved its ranking in the Stonewall Workplace Equality Index, and was the highest ranked retailer.</li> </ul>	<p><b>Trading Group employee engagement index<sup>1</sup></b></p> <p><b>2010</b> 77</p> <p><b>CFS employee engagement index<sup>1</sup></b></p> <p><b>2010</b> 78%</p> <p><b>103</b></p>
<p><b>CUSTOMERS</b></p> 	<ul style="list-style-type: none"> <li>Measurement of customer satisfaction was updated in 2010, to better evaluate what matters most to customers, and assess levels of customer advocacy.</li> <li>The Trading Group extended its customer engagement programme and launched a dedicated service for travellers with a disability.</li> <li>CFS outperformed its peers in terms of both customer satisfaction (by 7.5%) and resolution of customer complaints.</li> </ul>	<p><b>Stores rebranded under one identity</b></p> <p><b>2010</b> 4,900</p> <p>2009 4,030</p> <p><b>113</b></p>
<p><b>PUBLIC POLICY</b></p> 	<ul style="list-style-type: none"> <li>Uniquely among large businesses in the UK, The Co-operative uses its influence to campaign for a more sustainable world, press for change in public policy, and engage its members on ethical issues.</li> <li>Two campaigns continued in 2010 – Toxic Fuels and Plan Bee – and two further campaigns were launched – Votes at 16 and Unfinished Business.</li> </ul>	<p><b>16</b></p> <p>issues identified as focus for major sustainability-related public policy interventions in 2010</p> <p><b>119</b></p>

<sup>1</sup> Due to differing methodologies, these scores are not directly comparable.

## LOOKING AHEAD

In 2011, The Co-operative took a great leap forward with the launch of a new Ethical Operating Plan, and the aim to be clearly recognised as the UK's most socially responsible business.

This three-year rolling plan aligns, for the first time, long-term sustainability investment priorities with the business' forward-looking commercial strategy. The plan's ambitious targets are listed throughout the Report with the symbol **EOP**, and a selection of highlights are outlined below.

Over the next three years, this approach will enable investment in the most extensive Fairtrade conversion ever seen, considerable reductions in carbon emissions, more extensive investment in UK communities, and a dramatic increase in funding to help UK businesses go green.



To deliver these radical goals, The Co-operative aims to triple its membership over the next decade, and launched a bold new marketing campaign encouraging others to 'Join the Revolution'. The campaign reflects its purpose beyond profit and brings to the fore the role that The Co-operative and other co-operators play in promoting a fair and progressive society. Customers, members and other stakeholders are encouraged to take part in the campaign via the website [www.jointherevolution.coop](http://www.jointherevolution.coop)

### SOCIAL RESPONSIBILITY



- Ensure that 10% of the profits available for distribution is made available for community investment by 2013, with £5m deployed per annum to tackle UK poverty around stores and branches
- Stores and branches will act as a focus for 10,000 community initiatives per annum
- If a primary commodity from the developing world can be Fairtrade, it will be by 2013. A unique range of products and initiatives that benefit producers and go 'Beyond Fairtrade' will be developed (pictured)
- Extend commercial lending for energy efficiency and renewables from £400m to £1bn, and kick-start a revolution in community-owned renewable energy generation
- Provide £30m for the inspiring young people programme by 2013, and establish a Co-operative Apprenticeship Academy that will create 2,000 apprenticeships.

### ECOLOGICAL SUSTAINABILITY



- Generate the equivalent of 25% of electricity needs from renewable sources by 2017
- Render operations carbon neutral by 2012, with carbon offset solutions provided by a programme of international and co-operative projects
- Construct a new head office (pictured) by 2012 that will set new standards in sustainable design, construction, and operation in the UK
- Ensure the vast majority of operational waste is diverted from landfill by 2013
- Move palm oil and soy to a sustainable footing by 2011 and 2015 respectively, while maintaining leading edge work on wood and paper
- Extend the Plan Bee campaign and seek to address the decline of 'at risk pollinators', and broaden the campaign against unconventional fossil fuels to encompass solutions such as community energy.

### DELIVERING VALUE



- Aim to have 20 million members by 2020, and continue a profit sharing scheme that is amongst the broadest and most generous of any major UK business
- Invest £11m to support the growth and development of co-operatives, most significantly via The Co-operative Enterprise Hub (pictured). By 2013, develop a £20m international Co-operative Development Loan Fund, and act as the primary funder of co-operative encouragement bodies
- Continue to use influence to campaign for a better society, engage with 500,000 members per annum, and always be open about lobbying and its outcomes.