Group

Environment, Social and Governance (ESG) Report

2022

WHAT'S IN OUR REPORT

ESG REPORT 2022

DATA APPENDIX

See page 13

See page 23

See page 28

INTRODUCTION FROM CHAIRMAN

I LOOK FORWARD TO SEEING OUR BUSINESS CONTINUE TO THRIVE AS WE PROGRESS OUR JOURNEY TOWARDS BEST PRACTICE ON ESG AND SUSTAINABILITY.

Lord Stuart Rose

Last year we launched our inaugural ESG report, setting out our baseline performance and a clear strategy to deliver a positive impact across the markets in which we operate. We have put in place key structures and processes with a focus on ESG, hiring our first-ever Group Head of ESG and Sustainability, and developing an ESG strategy with targets to drive improvements.

One year on and colleagues across the entire business can be proud of the steps we have taken and the progress we have made. Despite a challenging economic background, we have started to make tangible progress against the majority of our targets, though we still have room to improve on those where we are behind schedule.

We have further embedded good practice on ESG into our culture in 2022, including working with the Cambridge Institute for Sustainability Leadership to provide ESG training for the Board and senior leadership. We have also started to expand our ESG team globally, to cover our key markets. We look forward to taking this work to the next level in 2023, and have plans to establish a Group-wide ESG forum to drive further progress against our targets.

As mandatory ESG regulations continue to increase at pace globally, we are aware of the importance of taking a proactive approach to ESG and sustainability. In our 2022 Annual Report, published earlier this year, we voluntarily disclosed detail around our climate-related risks and opportunities in line with climate disclosure regulations, one year ahead of this being required of EG.

Carbon reduction remains a key focus for EG, given the importance of a lower-carbon future and the nature of our business. We have worked with The Carbon Trust to develop a carbon roadmap for our own operations, which will help us progress towards our target to reduce emissions by 50% by 2030 (vs 2021). We now need to focus on implementing this through energy saving measures and further procurement of renewable electricity. As a sign of our commitment, we have linked progress against our carbon reduction target to senior leadership remuneration.

We recognise that we have a role to play in the energy transition which will, over time, see a reduction in our emissions from fuel sales. An important part of our ESG strategy is our approach to alternative fuels and transport, including the roll out of electric vehicle ("EV") chargers and investment into alternative fuels, such as hydrogen.

We continue to respond to our colleagues' needs, and in 2022 we invested in enhanced benefits to provide further support to our people through these challenging times. We've also increased the opportunities for training and development. For example, we launched the Learning Hub, an online learning portal accessible to all our colleagues in the UK, with plans to roll this out across Europe in 2023, and we have a wide range of learning resources in place for colleagues in the USA and Australia.

EG strongly believes in fostering a talent pipeline and supporting career growth, and to that end we have created over 500 apprenticeships since 2021. We are making good progress against our diversity and inclusion targets, and I am proud to say that there are now more women in senior leadership positions than ever before.

And finally, giving back has always been at the core of what EG Group does and 2022 was no exception. With the help and generosity of our customers and colleagues, we raised $1.8m for a wide range of causes across the global business, up from $1m in 2021, which is helping to support good causes across our markets.

It is positive to see progress across so many areas in the business. As ever, this is only made possible through the dedication of our colleagues, and I would like to thank all of them for their hard work. I look forward to seeing our business continue to thrive as we progress our journey towards best practice on ESG and sustainability.

Lord Stuart Rose
Chairman

INTRODUCTION FROM CO-CHIEF EXECUTIVE OFFICERS

WE UNDERSTAND THE IMPORTANCE OF ESG AND THE BENEFITS TO OUR BUSINESS, OUR COLLEAGUES, LOCAL COMMUNITIES AND THE ENVIRONMENT.

Zuber Issa CBE **Mohsin Issa CBE**

Our vision is to deliver a modern and compelling customer experience that satisfies multiple shopping missions in one convenient retail destination, and we aim to do this in the most responsible way possible.

As we set out in our first ESG report last year, we have performance improvement targets across three priority areas: planet, colleagues and communities.

PLANET

Over 70% of our carbon footprint is from customers' use of fuel sold. At EG, we are enabling the energy transition by scaling up our offering of EV charging. We now have over 470 EV charging points at our sites in the UK and Europe, and through "evpoint", our proprietary EV charging proposition, we have installed ultra-fast chargers at over 20 trial sites across the UK and Europe. In 2023 we plan to install a further 300 chargers across our estate in the UK and Europe as well as exploring opportunities to scale up our EV charging operations in the USA.

We are also working to reduce the carbon footprint from our own operations. In 2022, 7.7% of our total electricity use was generated from renewable sources, up from 1.8% in 2021. Additionally, we have installed solar panels at 341 sites, including 293 in the UK, which helped to save an estimated 1,519 tonnes of CO_2e over the year. These initiatives have helped to contribute to a 4% reduction in our operational carbon emissions from our 2021 baseline, putting us on track to halve these emissions by 2030.

COLLEAGUES

Our colleagues are at the heart of our success, and their skills and expertise will continue to drive the business forward in the future. We are committed to providing colleagues with the opportunity to develop and progress in an inclusive environment. We aim to implement diversity and inclusion plans across all our markets by 2024 to ensure we have locally led actions to drive progress.

We have worked hard to support colleague wellbeing, and to that end our Employee Assistance Programme provides counselling and support to colleagues whenever they need it. We also provide training on wellbeing-related issues across our markets.

In 2022, we had a focus on mental wellbeing, and delivered a range of activities including specialised mental health training in France, dedicated mental health communications and resources in the USA, and leadership training for Head Office leaders in the UK. Additionally, we delivered 2.7m training hours over the year, supporting colleagues to develop skills in their roles and to progress their careers with EG.

COMMUNITIES

Our colleagues are passionate about fundraising, and in 2022 we continued to support a wide range of good causes, including family and children's charities and health and wellbeing charities. In 2022 we raised $1.8m, benefitting a total of 15 charities. In addition, in early 2023 we raised £154,000 for the Red Cross appeal following the earthquake in Turkey and Syria, including a £100,000 donation from our business. Separately, the EG Foundation, an independent charity with EG Group acting as its corporate sponsor, distributed grants to 24 charities worth a total of $186,000.

LOOKING AHEAD

We understand the importance of embedding ESG into EG and the benefits this brings to our business, our colleagues, local communities and the environment. We recognise that we still have a lot of work to do, but we remain committed to achieving our ESG targets, and are confident in our collective ability to progress on this journey.

Zuber Issa CBE & Mohsin Issa CBE
Co-Founders and Co-Chief Executive Officers

ABOUT EG GROUP

EG Group is one of the world's leading independent convenience retailers, with an extensive network of sites across international markets in the United Kingdom & Ireland, continental Europe, Australia and the United States of America.

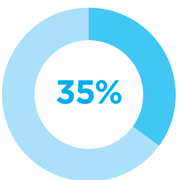
56,640 colleagues[1]

6,612 sites[1], [2]

10 markets

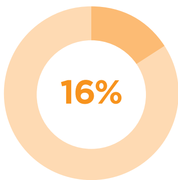
OUR KEY BUSINESS STREAMS

GROCERY & MERCHANDISE



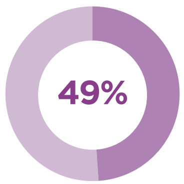
OF GROUP GROSS PROFIT

FOODSERVICE



OF GROUP GROSS PROFIT

FUEL



OF GROUP GROSS PROFIT

[1] As at December 31, 2022 and excludes any acquisitions that have been announced as at December 31, 2022.

[2] Total number of sites comprises of 5,829 Petrol Filling Stations ("PFS") locations and 783 standalone Foodservice/Grocery & Merchandise locations. Across these sites are 1,916 Foodservice outlets.

OUR PURPOSE

Our purpose is to deliver a modern and compelling retail experience that allows customers to achieve multiple missions in one convenient location.

We pride ourselves as a responsible operator with a commitment to delivering world-class convenience retail whilst improving the lives of others and delivering a positive impact on society.

OUR VALUES

- SUPPORT LOCAL COMMUNITIES WITH A VIEW TO EMPOWERING INDIVIDUALS TO GROW, CONTRIBUTE AND SUCCEED
- AWARENESS AND COMMERCIAL RESPONSIVENESS TO CONSUMER TRENDS AND DEMANDS
- COMMITTED TO INFRASTRUCTURE, PEOPLE AND SYSTEM INVESTMENT TO BUILD A SUSTAINABLE BUSINESS MODEL
- DELIVERING VALUE AND RESULTS CONSISTENTLY TO STAKEHOLDERS

ESG STRATEGY

Our ESG strategy sets out targets across our three priority areas: Planet, Colleagues and Communities. We are working to implement this strategy and have started to make progress towards our targets (see page 6). In 2023, we will continue to embed our strategy into our business and improve performance year on year.

STRATEGIC ESG PRIORITIES

PLANET

WE RECOGNISE THAT THE WORLD NEEDS TO ACHIEVE NET ZERO EMISSIONS BY 2050 AT THE LATEST.

We will play our part in tackling climate change by reducing emissions, scaling up products and services that enable lower-carbon mobility, and minimising our waste.

See our targets and progress on pages 13 to 22

COLLEAGUES

WE BELIEVE EVERYONE SHOULD HAVE THE OPPORTUNITY TO CREATE A BETTER FUTURE.

That's why, on top of creating job opportunities, we also aim to provide an inclusive culture where all our colleagues can develop, progress and share our success.

See our targets and progress on pages 23 to 27

COMMUNITIES

WE BELIEVE THAT WHERE YOU START IN LIFE SHOULDN'T DETERMINE WHERE YOU END UP.

That's why we aim to create a better future for our wider communities. We support disadvantaged, vulnerable communities, through health, education and infrastructure – to make a difference where it's needed most.

See our targets and progress on pages 28 to 31

ESG FUNDAMENTALS

In addition to our strategic priorities, we are also committed to taking a responsible approach on fundamental ESG issues applicable to our business.

Our ESG fundamentals include:

Environment: Water, Biodiversity, Sustainable Sourcing, Fuel Safety

Social: Employee Health and Safety, Food Safety, Diet and Health, Human Rights

Governance: Business Ethics, Data Protection, Tax, Public Policy, Compliance

See our progress on pages 32 to 35

PROGRESS AGAINST TARGETS

PLANET

TARGET	PROGRESS
Climate change	
Own operations: Reduce our Scope 1 and 2 carbon footprint by at least 50% by 2030 (vs 2021) and reach net zero by 2050. We will develop a reduction roadmap for this in 2022/23	**On track:** Our carbon footprint from our own operations (Scope 1 and 2 emissions) decreased by 4% from 2021, mainly due to grid decarbonisation and improvements to data collection methods. We have worked with The Carbon Trust to develop a carbon reduction roadmap that sets out how we will achieve our target.
Products and supply chain: Develop a Scope 3 carbon reduction target in 2023/24	**Plan to start work in 2023/24:** We plan to explore a carbon reduction target for our products and services (Scope 3) in 2023/24, taking into account external factors including changes in regulation (see page 20), our suppliers' approaches to carbon reduction, and our own plans to support the transition to a lower-carbon future via alternative fuels and electric vehicle ("EV") charging.
Expand our lower-carbon mobility offering, including electric vehicle charging	**On track:** We are working to scale up EV charging points across our network of sites. Across the UK and Europe, we have installed 470 EV charging points, up from 250 in 2021. Many hundreds of additional sites have been scoped for suitability to install EV chargers.
Waste	
Aim to increase our landfill diversion rate year on year	**Behind schedule:** Our recycling rate has decreased from 24% in 2021 to 23% in 2022. Our landfill diversion rate (which includes recycling and waste-to-energy) has fallen from 38% in 2021 to 32% in 2022. We will work with our waste contractors to develop waste reduction and recycling plans in order to improve performance.

PROGRESS AGAINST TARGETS CONTINUED

COLLEAGUES

TARGET	PROGRESS
Diversity and inclusion	
Implement a Diversity and Inclusion Plan in each of our operating markets by 2024	**On track:** We have plans and activity in place across a number of our markets as well as a Board-approved Diversity, Equality and Inclusion Policy.
Increase the percentage of women in senior leadership positions[1] from 23% in 2021 to at least 40% by 2025	**On track:** The proportion of women in senior leadership positions has increased from 23% in 2021 to 30% in 2022.
Employee engagement	
Improve our engagement score year on year, from 62% in 2021	**Behind schedule:** Our first Group-wide employee engagement survey took place in 2021, with an engagement score of 62%. We did not carry out a Group-wide survey in 2022, but intend to do this in 2023.
Training and development	
Ensure every colleague has access to development opportunities	**On track:** In the UK we launched the Learning Hub, an online learning portal accessible to all our colleagues, with plans to roll this out across Europe in 2023. In the USA and Australia we have a wide range of learning resources in place to support colleagues, and in 2023 we will ask colleagues for their views on our training and development programmes via our employee engagement survey.
Create 500 apprenticeships by 2025 (from 2021)	**Target achieved ahead of schedule:** We have created 519 apprenticeships since 2021, including 315 in the UK, 192 in Germany and twelve in France. In the UK, we plan to achieve 500 apprenticeships by 2025.

[1] This includes members of the Board, Group Executive, managers who report directly to any member of the Group Executive and senior leadership teams within each country who report to the country CEO/country manager.

PROGRESS AGAINST TARGETS CONTINUED

COMMUNITIES

TARGET	PROGRESS
Communities	
Extend our community programmes across all our operating markets	**On track:** We continue to engage in community activities across most of our markets, with a range of charitable partnerships, fundraising by colleagues and customers, and donations from EG. In 2022, we raised $1.8m for charitable causes, up from $1m in 2021.
Start to roll out our volunteering policy – allowing colleagues up to two paid days a year to volunteer for good causes	**Behind schedule:** Whilst colleagues are active in undertaking charitable activities across our markets, we have not rolled out a formal, paid volunteering scheme. In 2023, we will evaluate how we can progress this target.

PERFORMANCE SUMMARY 2022

4%
decrease in our own carbon footprint (Scope 1 and 2 emissions) since 2021
Target: 50% reduction by 2030

470
EV charging points across the UK and Europe (2021: 250)

£25m
investment in hydrogen commercial vehicles in 2022

23%
of waste recycled (2021: 24%)

341
total number of sites with on-site solar panels (2021: 300)

107
sites with heat pumps (2021: 107)

27%
of UK and USA colleagues declared they were from an ethnic minority[1] (2021: 19%)

50%
of our Board is from an ethnic minority background

30%
women in senior leadership positions[2] (2021: 23%)
Target: 40% by 2025

2.7m
colleague training hours delivered (2021: 2.3m)

519
apprenticeships created (2022: 211 and 2021: 308)
Target: 500 by 2025 (achieved)

$1.8M
raised for charities by our colleagues and customers (2021: $1m)

15
charities supported via fundraising (2021: 11)

24
charities received grants from the EG Foundation in the UK (2021: 11)

4M
meals donated to Feeding America since the start of our partnership

1.9m
'Magic Bags' of food saved from food waste since the start of our partnership with **Too Good To Go**

[1] This figure is based on voluntarily shared and self-declared data in our USA and UK markets only, who make up 75% of our total workforce. Data is unavailable in our other markets.

[2] This includes members of the Board, Group Executive, managers who report directly to any member of the Group Executive and senior leadership teams within each country who report to the country CEO/country manager.

KEY: Planet Colleagues Communities

GOVERNANCE – HOW WE MANAGE ESG

OVERSIGHT OF ESG

We have integrated ESG into our governance and management structures.

Our Co-CEOs, Mohsin and Zuber Issa, together with our Group Executive team, have overall responsibility for our ESG strategy and performance.

Our Group Board, which includes three Non-Executive Directors, has oversight of our ESG strategy and performance, and is updated and consulted throughout the year with a schedule of ESG updates. In 2022, key decisions taken by the Board included sign-off of our new ESG strategy and targets, and approval of our new ESG policy position statements.

We aim to ensure that our Board and senior leaders are well informed about sustainability issues. In September 2022, we held an ESG training session for our Board members, facilitated by an external expert from the Cambridge Institute for Sustainability Leadership ("CISL"), which covered global trends on sustainability issues, including climate-related risks and opportunities for EG. In January 2023, we also extended this training to 50 senior leaders across our markets, to ensure we embed awareness of sustainability across key functions, including Finance, Operations, HR, Legal and Property.

Our three Non-Executive Directors (below) are all business leaders with significant knowledge and experience of ESG matters.

Lord Stuart Rose

Lord Stuart Rose was knighted in 2008 for services to the retail industry and corporate social responsibility. He was CEO at M&S when it launched the award-winning Plan A sustainability strategy.

John Carey

John Carey has over 35 years' experience transforming large complex companies into sustainable and profitable businesses, including leadership roles at BP, Castrol and Unilever.

Dame Alison Carnwath

Dame Alison Carnwath has extensive experience in helping businesses prepare for a lower-carbon future, including leadership roles at BP, Land Securities and Zurich Insurance.

As well as the Board having oversight of our ESG approach, the following Board Committees also have a remit covering our ESG agenda:

- The **Audit & Risk Committee** is responsible for identifying risks. Our principal risks include a number of ESG-related issues including climate change, our people (talent, culture and capability), and compliance with regulation
- The **Remuneration Committee** oversees our remuneration approach and agrees KPIs that apply to incentive plans. We have started to embed ESG-related key performance indicators into remuneration (see next page for details on ESG-linked reward)

Our **Executive Risk & Disclosure Committee** is responsible for approving our ESG risks and disclosures, including this report as well as the ESG and climate-related disclosures in our Annual Report. For more on our governance structures, see pages 62 to 63 of our 2022 Annual Report.

GOVERNANCE – HOW WE MANAGE ESG CONTINUED

EMBEDDING ESG IN THE BUSINESS

Our Group Head of ESG and Sustainability reports into the Group Executive, and updates the Group Board regularly on our ESG strategy and progress. The Group Head of ESG and Sustainability also liaises directly with our Non-Executive Directors to review risks and shape ESG priorities.

We have identified our ESG priorities and set Board-approved performance improvement targets as part of our ESG strategy (see page 5). Our ESG policy position statements (see online at www.eg.group) set out our objectives across the wider range of ESG issues applicable to our business, and these will be regularly reviewed and updated.

We have teams across the business, at both Group and country level, responsible for managing specific ESG issues, including teams working in HR; Health & Safety; Utilities; and Legal and Governance. Within each country, we have a network of ESG data leads who are responsible for gathering our ESG data, including the data in this report. We are also working to raise awareness among colleagues of our ESG strategy, targets and policies through our internal communications channels. Our 2021 ESG Report was emailed to our colleagues, with an introduction from our Co-Chief Executive Officers.

We have started to expand our ESG team, so that we have a global team with locally led activity in the markets in which we operate.

In 2023, we plan to establish a Group-wide ESG Forum to drive progress on our planet, colleagues and communities targets and to share learning and best practice across our markets. We will also establish a senior level working group on climate-related risks, bringing together representatives from ESG, finance and property, to further drive our approach on the transition to a lower-carbon future. This will also help to inform our external reporting, as climate-related financial risk becomes an increasingly important topic for our business and our stakeholders.

ESG-LINKED REWARD

In line with good practice, we have started to embed ESG-related key performance indicators into colleague remuneration.

In 2022, we included metrics on climate change and colleague engagement in our UK Short-term Incentive Plan ("STIP"), which applies to UK head office colleagues and 'above store' leaders. There were two ESG-related metrics included:

- A climate change metric required us to set a Group carbon reduction target. A target was approved by the Board in 2022 (see details of our climate change targets on page 6)
- A colleague engagement metric required us to improve our colleague engagement scores compared with our 2021 score of 62%. We did not carry out a Group-wide engagement survey in 2022, this will instead be carried out in 2023

Whilst we recognise that awarding a bonus based on performance is important, we also recognise the particular circumstances and challenges faced by colleagues over the past year. In recognition of the challenges posed by rising inflation and the increased cost of living, a decision was made by the Remuneration Committee to award the STIP as if all metrics were 'on target', irrespective of performance in the year. The award for 2022 was paid out in 2023.

In 2023, we have again embedded ESG-related metrics into the UK STIP, but we have also extended this to cover our Long-term Incentive Plan ("LTIP") for senior leaders across some of our markets:

- UK STIP: 20% of this will be awarded based on meeting personal objectives, which includes an objective to complete an online ESG training module
- LTIP: 15% of this is linked to progress against our carbon reduction target covering our own operations. The LTIP covers senior leadership, including senior managers such as Heads of Functions and country managers

ESG RATINGS

Independent ESG Ratings can provide insights on a company's ESG risk and performance. Sustainalytics ESG Risk Ratings provide a rating for EG Group.

SUSTAINALYTICS

Our score has improved in the latest Sustainalytics ESG Risk Rating (updated February 2023), which reflects progress we made in 2022 to develop our ESG strategy and targets, publish our ESG Report, and to calculate our first Group-wide carbon footprint. In particular, our ESG Risk Management score has significantly improved from 16.8 (weak) in 2021 to 36.9 (average) in 2022 (on a scale of 0-100). We aim to improve our score over time.

RISK MANAGEMENT

Our ESG-related risks are incorporated into our overall risk management process.

The risk section of our 2022 Annual Report covers our approach to risk management and details of our principal risks. A number of our principal risks cover ESG-related issues, including:

- **Climate change and transition to a lower-carbon economy (strategic risk)**
- **Compliance with laws and regulation (compliance risk) – this includes laws relating to ESG issues**
- **Talent, culture and capability (people risk)**

For further details of our approach to risk management see pages 44 to 53 of our 2022 Annual Report. This covers long-term risks, as well as emerging and present-day risks, such as ongoing global trends presented by inflation and an uncertain economic backdrop, which pose challenges to all businesses.

CLIMATE-RELATED RISKS

Details of our climate-related risks and opportunities are covered in the climate-related financial disclosure within our 2022 Annual Report. This disclosure has been prepared in line with The Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022, which is based on the framework set out by the Task Force on Climate-related Financial Disclosures (TCFD). Whilst EG Group is not required to produce a climate-related financial disclosure until 2024 (for our 2023 calendar year), we have chosen to prepare a voluntary statement for 2022.

Our key climate risks are summarised below. These include physical risks to our sites and operations, and transition risks (as well as opportunities) for our business model and product offering, arising from changing legislation and regulation. Our Annual Report (pages 36 to 43) sets out the potential business impact of these risks under different climate change scenarios and time-frames. It also includes details of our resilience and risk mitigation strategy.

SUMMARY OF KEY CLIMATE RISKS

OUR OWN OPERATIONS

- Transition risk: Rising cost of energy
- Physical risk: Changing climate and more frequent extreme weather events

OUR PRODUCTS AND SUPPLY CHAIN

- Transition risk: Reducing demand for petrol and diesel as society shifts towards alternative, lower-carbon forms of transport
- Transition opportunity: Growth in demand for electric vehicle charging and lower-carbon forms of transport
- Transition risk: Reducing demand for meat and dairy as costs increase, and as consumer preferences evolve

See page 6 for details of progress against our climate change targets.

PLANET

We recognise that the world needs to achieve net zero emissions by 2050 at the latest.

We will play our part in tackling climate change by reducing emissions, scaling up products and services that enable lower-carbon mobility, and minimising our waste.

CLIMATE CHANGE Read more on page 14

WASTE Read more on page 22

CLIMATE CHANGE

OUR CARBON FOOTPRINT

We are committed to reducing our impact on climate change.

The diagram opposite shows our total carbon footprint across our value chain. In 2022, our Scope 3 emissions accounted for over 99% of our total climate footprint, including 24.9% from upstream emissions and 74.3% from downstream emissions from customer use of fuel.

We measured our Group-wide carbon footprint for the first time in 2021 and use this as our baseline to track progress over time.

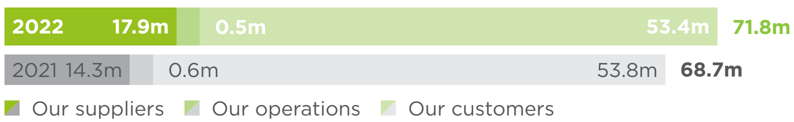
We report emissions in line with the Greenhouse Gas Protocol ('GHG Protocol') which covers three categories:

- Scope 1 – Emissions directly from our own operations
- Scope 2 – Indirect emissions from purchased electricity, steam or heating
- Scope 3 – Indirect emissions from our upstream and downstream value chain

SUMMARY OF PROGRESS

- Our carbon footprint from our own operations (Scope 1 and 2 emissions) decreased by 4% from 2021, mainly due to grid decarbonisation and improvements to data collection methods. We have worked with The Carbon Trust to develop a carbon reduction roadmap which sets out how we will achieve our target to reduce emissions by 50% by 2030 from 2021
- Our carbon footprint across our value chain (Scope 3 emissions) increased by 5% from 2021. This was mainly due to a 25% increase in emissions from purchased goods and services (due to a combination of higher costs across our supply chain linked to inflation, and in particular, movements in oil prices throughout 2022). The litres of fuel sold in 2022 remained level with 2021, and therefore there was no significant change in our downstream emissions from customer use of fuel. We plan to explore a Scope 3 carbon reduction target in 2023/24
- See Data Appendix (page 39) for a full breakdown of our carbon emissions

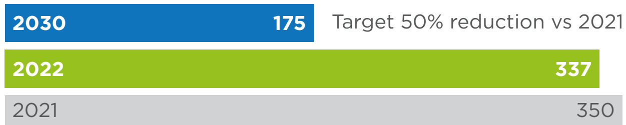
Total carbon emissions (Scope 1, 2 and 3)
Tonnes CO_2e



CLIMATE CHANGE CONTINUED

OUR OPERATIONS

Carbon emissions – own operations (Scope 1 and 2)
Thousand tonnes CO_2e



Our carbon footprint from our own operations includes Scope 1 and 2 emissions from energy consumption at our sites, company-owned and leased vehicles, and fugitive emissions (i.e. refrigerant leaks) and Scope 3 emissions arising from waste, water use, fuel and energy-related activities (i.e. electricity transmission and distribution losses and well-to-tank emissions), and business travel in employee vehicles.

Our carbon footprint from our own operations (Scope 1 and 2 emissions) decreased by 4% from 2021 due to grid decarbonisation and improvements to data collection methods.

7.7%
electricity from renewable sources

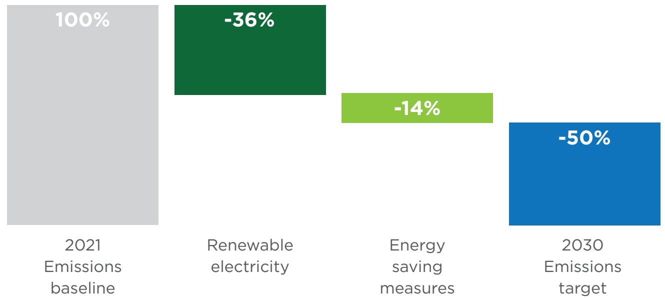
341
sites with on-site solar panels, saving 1,519 tonnes of CO_2e

CARBON REDUCTION ROADMAP

We have set a target to reduce our Scope 1 and 2 carbon footprint from our own operations by at least 50% by 2030 (vs 2021) and reach net zero by 2050. This target aligns with the level of decarbonisation required to achieve the Paris Agreement goal to limit global warming to 1.5°C above pre-industrial levels by the end of the century. In 2022, we worked with The Carbon Trust to develop a carbon reduction roadmap. This work has identified the carbon reduction initiatives we need to implement to achieve our target and the investment required – from purchasing renewable electricity to installing solar panels and reducing fugitive emissions from refrigerants.

The chart shows a summary of how we plan to cut our Scope 1 and 2 emissions by 50% by 2030 through procurement of renewable electricity and energy saving measures. Our carbon reduction plan also takes into account grid decarbonisation forecasts and anticipated changes in our business. In 2023, the roadmap was reviewed and approved by the Board.

Carbon reduction roadmap (Scope 1 and 2 emissions)
Forecasted change in carbon emissions from 2021



CLIMATE CHANGE CONTINUED

OUR OPERATIONS

A SUMMARY OF OUR 2030 CARBON REDUCTION ROADMAP

1 ENERGY EFFICIENCY

- All lighting to be LED by 2030
- New equipment to meet high standards of energy efficiency

2 RENEWABLE ELECTRICITY

- Increase electricity from renewable sources by 2030
- New sites to have on-site solar panels where feasible

3 CLIMATE-FRIENDLY HEATING

- New sites to have heat pumps where possible

4 CLIMATE-FRIENDLY COOLING

- New cooling equipment to have zero global warming gases

5 ELECTRIC VEHICLES FOR OUR OWN FLEET

- New company cars and fleet vehicles to phase in hybrid or fully electric vehicles

CLIMATE CHANGE CONTINUED

OUR OPERATIONS

RENEWABLE ELECTRICITY

Renewable electricity accounted for 7.7% of our total electricity use in 2022 (1.8% in 2021). We continued to buy 100% renewable electricity at all LEON sites in the UK where we are responsible for purchasing the energy, and all sites in Luxembourg and the Netherlands. In 2023 we plan to switch to a renewable electricity contract to cover around 40% of our UK electricity consumption for our UK stand-alone food sites. This will be procured under a Power Purchase Agreement, which enables us to secure electricity from renewable sources at agreed prices. In 2022 we also set up an Energy Committee to review our approach to energy procurement, including renewables, in the UK and Europe, as we look to take a longer-term approach to energy procurement. We also generate electricity from on-site solar panels at 341 sites, up from 300 in 2021 (see further details in the case study).

COOLING AND REFRIGERATION

Emissions from our cooling and refrigeration systems ('fugitive emissions') account for 23% of our Scope 1 carbon footprint, and 3% of our total Scope 1 and 2 footprint.

We have started to extend use of a Smart Cool system, CUBE, for refrigeration units. The technology has been installed at our sites in Germany and three sites in the UK, and we plan to extend this to other sites in the UK, France and Benelux. The CUBE sensors, which are fitted into existing refrigeration units, increase energy efficiency of the units by up to 30% by regulating the food temperature rather than the air temperature. They also reduce the number of cooling cycles, which prolongs the life of the equipment and reduces service and maintenance costs.

ENERGY EFFICIENCY

We continued to roll out energy-efficiency measures, including improved energy monitoring systems and the rollout of LED lighting across our sites.

- In the UK, all of our petrol filling stations ("PFS") have been upgraded to LED lighting and work is in progress at our stand-alone Foodservice sites
- In France, Benelux and Italy, around 70% of our sites have now had an LED lighting upgrade
- In the USA, around 60% of sites now have LED lighting and 90% of locations have timers or sensors
- In Australia, around 56% of sites have been upgraded to LED lighting

We aim to decarbonise our heating by installing heat pumps at new-to-industry sites in the UK and Europe and for major refit projects, where feasible. So far, we have installed heat pumps at 107 sites (2021: 107 sites).

We also aim to incorporate energy efficiency and sustainability considerations into the design and construction of new stores. For example, at our new store in Meillac, France (due to open later in 2023), we are following the HQETM (Haute Qualité Environnementale – High Quality Environmental) building standard which sets criteria on energy, environment, health and comfort.

COMPANY CARS

We have company cars for selected individuals across several of our markets. In the UK, we offer hybrid electric cars to all new drivers (and current drivers when their lease is due for renewal). We currently have 138 hybrid vehicles in use Group-wide. In 2023, we will trial a small number of fully electric vehicles for our head office employees in the UK. In Australia, we are planning to switch to hybrid vehicles when vehicle leases are renewed. And in France, we are working to comply with local regulations for zero emission and low emissions zones.

ON-SITE SOLAR

EG Group benefits from power generated by solar panels installed at 341 sites, including 293 sites in the UK, 32 sites in Europe, 15 in Australia and one site in the USA. These helped to save an estimated 1,519 tonnes of CO_2e in the year (1,466 tonnes of CO_2e in 2021).

In the UK and Europe, we install solar panels wherever possible at new-to-industry sites including petrol filling stations and all suitable Foodservice sites. Our Group headquarters in Blackburn also has more than 1,000 solar panels, which were installed in October 2020, and we added our first battery storage unit in early 2023 to provide us with solar energy even when the sun is not shining. In 2022, our solar panels in the UK generated almost 7 million kWhs of electricity (5.7 million kWhs in 2021). We will continue to explore battery storage at other sites.

In 2023 we plan to install solar panels at a further 40 sites in the UK, and will carry out a feasibility study at our Cooplands food production sites. We are also developing plans for solar panels in Italy.

CLIMATE CHANGE CONTINUED

OUR CUSTOMERS

17.6BN

litres of fuel sold in 2022
(2021: 17.7 billion litres)

53.4M

tonnes of CO_2e from customer use of fuel sold, representing 74.3% of our total carbon footprint

Customer use of fuel from our fuel sales accounts for 74.3% of our total carbon footprint. We aim to scale up our lower-carbon mobility offering, including electric vehicle charging. We also plan to explore a carbon reduction target for our products and supply chain (Scope 3 emissions) in 2023/24.

CARBON EMISSIONS FROM CUSTOMER USE OF FUEL

We sold 17.6 billion litres of fuel in 2022 (17.7 billion litres in 2021). We calculate the carbon emissions from customer use of fuel using average emission factors for petrol and diesel (see further details of our carbon methodology on page 51). In 2022, our Scope 3 emissions from customer use of fuel remained similar to the previous year, since there was no significant change in the fuel volumes sold.

We plan to explore a carbon reduction target for our products and services (Scope 3) in 2023, taking into account external factors including changes in regulation (see page 20), our suppliers' approaches to carbon reduction, and our own plans to support the transition to a lower-carbon future via alternative fuels and electric vehicle charging.

BIOFUEL AND ALTERNATIVE FUELS

Biofuel or renewable transport fuel regulations in many markets mandate minimum biofuel content in transport fuel. Biofuels help reduce carbon emissions from transport, since they are commonly derived from crops that absorb carbon dioxide when they grow. We now offer E85 biofuel (a fuel that contains 85% of the biofuel ethanol) in France and the USA and also offer customers Neste MY Renewable Diesel™ (a biodiesel) in Belgium and the Netherlands; see case study on page 19.

In some of our markets, for example in Benelux and the USA, we are a wholesaler of fuel as well as a retailer. Where relevant, we comply with biofuel regulations through physical blending of biofuels and/or by trading biofuel certificates in line with legal requirements. In the Netherlands for example, the certificates we purchased in 2022 saved 148,000 tonnes CO_2e.

In our fuel retail operations, we ensure we meet government specifications for the type of fuels sold. For example, UK regulation requires that all standard petrol is E10 (which contains up to 10% of the biofuel ethanol) and standard diesel is B7 (which contains up to 7% biofuel).

We are also actively considering how compressed natural gas ("CNG"), liquefied petroleum gas ("LPG") and hydrogen could sit alongside traditional transport fuels, with a particular focus on the potential for hydrogen to power light and heavy-duty vehicles.

- We invested £25m in Hydrogen Vehicle Systems ("HVS") in 2022, following an initial investment of £5m in 2021. HVS has developed one of the UK's first medium-sized commercial hydrogen vehicles and work is underway to develop a Heavy Goods Vehicle. This partnership provides us with a unique insight into the market for hydrogen commercial vehicles and potential market opportunity for EG to provide hydrogen refuelling. HVS plans to have hydrogen trucks on motorways by 2025, and we are starting to explore options for hydrogen refuelling infrastructure.
- In Germany, following our acquisition of OMV, we took a minor stake (1.2%) in H2 Mobility, which provides hydrogen filling stations in Germany for fuel-cell vehicle drivers. This will provide insight into the market for hydrogen refuelling.

"We are committed to driving sustainability across our extensive UK and global fuel forecourt network by investing in hydrogen trucks. EG has the potential to provide hydrogen refuelling infrastructure whilst HVS offers cutting-edge hydrogen vehicles for the commercial transport sector."

Ilyas Munshi, Group Commercial Director, EG Group

CLIMATE CHANGE CONTINUED

OUR CUSTOMERS

470

EV charging points across the UK and Europe

ELECTRIC VEHICLE CHARGING

We are working to scale up electric vehicle ("EV") charging points across our network of sites. Our multi-service sites are well-suited to EV charging, since customers can buy their groceries or enjoy our Foodservice while charging their vehicles.

We were an early adopter of EV charging, with our first charger installed at one of our sites near Heathrow Airport more than ten years ago. We continue to develop our EV charging offer, and have already installed 470 EV charging points (2021: 250) across the UK and Europe. In 2023, we plan to install a further 300 chargers across our estate in the UK and Europe, and to explore the scale up of EV charging in the USA.

We have a proprietary branded ultra-fast EV charging proposition called evpoint. At our flagship site at Frontier Park in Blackburn, UK, we installed six ultra-fast chargers in August 2022, and we have since installed chargers at over 20 trial sites across the UK and Europe. With between two and six charging points per site, and innovations in charging hardware, the latest load-balancing technology means several customers can use a single point simultaneously. We believe evpoint has the potential to become one of Europe's leading charge point operators. We have earmarked a broader rollout across our site network through to 2026, with many hundreds of sites having already been scoped for suitability to install EV chargers.

Our current software provider, ChargePoint, are the back-office operator for evpoint, which allows customers to find EG locations and pay for usage through the ChargePoint app or on site with a tap of a payment card. As part of the trials of our proprietary EV charging, we are tracking the kilowatts customers use to charge their cars, and use industry-accepted averages to translate that into the amount of carbon emissions saved. In addition, all evpoint charging points are supplied by 100% renewable electricity with guarantee of origin ("REGO") certificates.

In the USA we successfully applied for 43 EV subsidy awards, as we continue to explore the rollout of EV chargers there. And in Germany, we're working with Jolt Energy to offer our customers high power EV charging in major cities.

RENEWABLE DIESEL

More than 50 of our filling stations in the Netherlands now offer customers Neste MY Renewable Diesel™, which is a diesel replacement made from vegetable oils (such as used cooking oil) and fats. It reduces carbon emissions by around 75-95% compared to fossil fuel diesel. EG Fuel, our wholesale supply business, also distributes it to business customers, such as transport, postal and construction companies.

In 2023, EG Fuel partnered with KLM Equipment Services ("KES") to supply Neste MY Renewable Diesel™ for its vehicle fleet at Amsterdam's Schiphol airport, to be used across the airport fleet of around 1,900 vehicles.

EG Fuel manages the entire supply chain of Neste MY Renewable Diesel™ in house, including distribution of the fuel from depots to the customer, and also supports customers with documentation on carbon savings for their carbon reporting.

"As part of EG Group's ESG strategy, we're committed to play our part in tackling climate change by scaling up products and services that help our customers to cut their carbon emissions. That's why we are proud of our partnership with KES to supply its operations at Schiphol with Neste MY Renewable Diesel™. This will make an important contribution to their goal to achieve zero carbon emissions across the airport's ground operations by 2030."

Rob Wemekamp, B2B Sales Manager at EG Group

CLIMATE CHANGE CONTINUED

OUR CUSTOMERS

FUTURE OF FUEL RETAIL

We recognise that climate change and the transition to a lower-carbon economy will significantly impact the future of fuel supply, distribution and retail. In order to gain a better understanding of the potential risks and opportunities for our business, we have worked with The Carbon Trust to carry out desk-based research into different climate scenarios and their impact on fuel retail, including growth in demand for electric vehicle charging and reduction in oil demand for transport. The key findings are included in our climate-related financial disclosure in our 2022 Annual Report. While climate change has not yet materially impacted our forecourt operations, we recognise that the development of lower-carbon mobility solutions will be a key driver of value for EG over the medium to long term.

The pace of decarbonisation of the road transport sector will largely depend on government legislation and incentives, as well as market innovation on electric vehicles and low carbon fuels, and the cost of electric vehicles. The table opposite provides a summary of government aims in our key markets. The International Council on Clean Transportation ("ICCT") estimates that the purchase price to consumers of battery-electric passenger cars will reach parity with conventional internal combustion engine ("ICE") vehicles in the next four to eight years, and will eventually be cheaper than conventional cars.

CLIMATE LEGISLATION – ROAD TRANSPORT

	Vehicles[1]	Electric Vehicle ("EV") charging[1]	Renewable electricity targets[2]
UK	Ambition: ban sale of new petrol and diesel cars from 2030	Aim for 300,000 public charging stations by 2030	100% by 2035
Europe	Ambition: ban sale of new petrol and diesel cars from 2035. Aim for at least 30 million passenger zero emission vehicles by 2030 (i.e. electric or hydrogen fuel cells)	Aim for 1 million public charging stations by 2025 and 3 million by 2030 (up from around 290,000 charging points today)	Target under negotiation but estimated at 40% by 2030
USA	Ambition: 50% share of electric vehicles in passenger light duty vehicle sales by 2030	Target set in 2021 to have 500,000 charging stations (250,000 in California by 2025)	44% by 2050 (US EIA)
Australia	None	Target set in 2021 to deploy charging stations in over 400 businesses and 50,000 households, and 1,000 public fast chargers	Varies by state between 40% to 100% by 2030

(1) Source: IEA – Global EV Policy Explorer: https://www.iea.org/data-and-statistics/data-tools/global-ev-policy-explorer

(2) Source: IEA Renewables 2022 https://www.iea.org/reports/renewables-2022

CLIMATE CHANGE CONTINUED

OUR SUPPLY CHAINS

17.9M

tonnes of CO_2e from purchased goods and services, representing 24.9% of our carbon footprint

2.1M M²

of rainforest protected in 2022, through the World Land Trust

We estimate our upstream carbon footprint from purchased goods and services based on the cost of goods sold and different carbon emission factors for Foodservice, Fuel and Grocery & Merchandise (see details of our methodology on page 51). In 2022, our emissions from purchased goods and services increased by 25% from 2021. This is due to inflation and movements in oil prices in 2022 which has led to higher costs across our supply chain.

We recognise the importance of engaging with our fuel and food suppliers on environmental issues, including climate change, to understand how these are factored into their products and services. In 2022 we participated in sustainability meetings and forums organised by a number of our food partners including Burger King, Starbucks and Subway. We also attended a sustainability event organised by our fleet leasing company in the UK, Volkswagen.

We have developed a sustainability assessment questionnaire for our key suppliers in 2022 and plan to start to roll this out in 2023. This will provide information on our suppliers' approaches to sustainability, which will allow us to evaluate gaps and areas for improvement, as well as highlighting areas where we can collaborate with our suppliers for greater impact.

FUEL SUPPLIERS

In 2022, our carbon emissions from our upstream fuel supply chain accounted for 19% of our total carbon emissions, which reflects the carbon intensity of extracting fossil fuels. We buy fuels from suppliers including well-known brands such as BP, Chevron, ExxonMobil and Shell. A number of our fuel suppliers have set targets to reduce their carbon intensity, which will help to reduce emissions in our upstream supply chain over time.

FOOD SUPPLIERS

The most significant climate change impact in our food supply chain is from the production of meat and dairy, due to livestock emissions. Many of our Foodservice partners have set carbon reduction targets for their products. And some have started to broaden their range of vegetarian and plant-based alternatives, to promote both low-carbon and healthier choices (including, for example, the Gregg's vegan sausage roll and Burger King's plant-based burger). At LEON, our proprietary food brand, a significant amount of the menu is vegan or vegetarian.

TASTES GOOD. DOES GOOD

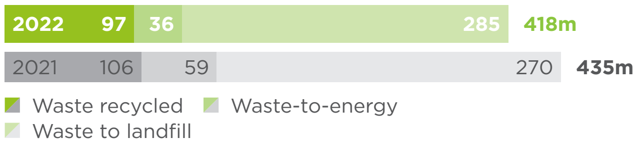
LEON's mission from day one has been to serve food that tastes good, does you good and is kind to the planet. And that's definitely the case for LEON's coffee. Every bean we use is triple-certified – that's organic, Fairtrade and World Land Trust.

We buy the best beans from smallholder-farmer cooperatives in Peru and Honduras, who pick the beans at high altitude and dry them in the sun. It's all Fairtrade, which means we guarantee a fair price to the farmers. And we work with the World Land Trust to preserve some of the world's most biologically distinct and threatened habitats. Currently we're funding a project to protect the unique and threatened biodiversity of Tanzania's coastal forests through a donation from every cup of coffee we sell.

Mariam French, LEON Marketing Director, states that "for every seven cups of coffee LEON sells – whether at a LEON restaurant, an EG forecourt self-serve, or the retail packs we sell elsewhere – we save a square metre of rainforest." The coffee sold has helped to protect 2.1 million m^2 of rainforest in 2022 and around 11 million m^2 since the partnership began.

WASTE

Operational waste
Thousand tonnes



32%
of waste diverted from landfill

23%
of waste recycled

We aim to minimise waste and maximise waste recovery and recycling – not only is this good for the planet but it also reduces our operational costs at the same time.

OPERATIONAL WASTE

Our total waste decreased by 4% from 2021. We recycled 23% of waste in 2022, down from 24% in 2021. Our landfill diversion rate (which includes recycling and waste-to-energy) has fallen from 38% in 2021 to 32% in 2022. We will work with our waste contractors to develop waste reduction and recycling plans in order to improve performance in line with our target to increase our landfill diversion rate year on year.

Waste regulations differ across our markets. We work with waste contractors to manage all our waste, and we plan to consolidate the number of contractors we work with. We also minimise stock loss through optimised stock management and ordering.

In Europe, we are working to comply with new regulations on waste and recycling. For example, in France, we have put in place new recycling bins to improve segregation of different waste streams and we will be working in 2023 to comply with new regulation on elimination of single-use cutlery and tableware at Foodservice sites. In 2023, we plan to review and update our waste and recycling procedures in Belgium and the Netherlands. We also operate a plastic bottle return scheme in the Netherlands in line with regulation.

FOOD WASTE

Every year across the globe, one-third of all food produced for human consumption is wasted. As a food retailer we have a role in ensuring food doesn't go to waste. In the UK and Europe, we partner with Too Good To Go ("TGTG"), an organisation which seeks to prevent food waste. Their app allows anyone to buy unsold, surplus food in 'magic bags' at a discount at the end of the working day. Since the start of the partnership, we have sold 1,857,057 magic food bags (967,499 bags in 2022) from almost 1,500 EG sites, helping to avoid an estimated 4,639 tonnes of CO_2e (2,418 tonnes CO_2e in 2022).

In the USA, we are working with Feeding America, the largest charity working to end hunger in the United States, serving over 46 million people through its network of food banks, pantries and meal programmes. The partnership with Feeding America began in 2017 with just a handful of pilot stores in Vermont, as we searched for a scalable opportunity to reduce food waste and fight hunger in our communities. Following the success of the pilot, we have since expanded the programme to hundreds of stores across the country, and we continue to add more participating stores each year. We have donated more than four million meals to the Feeding America network since the start of the partnership. During 2022, we donated 264 tonnes of food to Feeding America food banks (equivalent to 490,000 meals).

4m
meals given to "Feeding America"
FEEDING AMERICA

1.9m
'Magic Bags' of food sold via "Too Good To Go"
Too Good To Go

COLLEAGUES

We believe everyone should have the opportunity to create a better future.

That's why, on top of creating job opportunities, we also aim to provide an inclusive culture where all our colleagues can develop, progress and share our success.

COLLEAGUES CONTINUED

56,640
colleagues as at end of 2022

30%
women in senior leadership

2.7M
training hours

EMPLOYEE SATISFACTION

Our colleagues' skills and expertise make a significant contribution to EG. Having engaged colleagues who feel valued and connected to EG is vital to our continued success.

We measure colleague engagement and experience through our Group-wide colleague survey 'Better Together'. In our inaugural survey carried out in 2021, our engagement score was 62%. We did not carry out a survey in 2022, but intend to do this in 2023.

Our analysis shows that there are a number of key issues that influence engagement scores and drive our colleagues' everyday experiences at EG, including wellbeing, communications, pay and benefits. We use the results of the survey to create action plans. We conduct listening sessions with colleagues, and implement improvements to workplace policies and processes. In addition, HR leads conduct quarterly colleague engagement reviews and report this into the Remuneration Committee. Our approach to themes raised via the survey, such as learning and development, and reward and wellbeing, are covered below.

Our employee turnover rate (including voluntary and involuntary leavers) is reported by country in our Data Appendix on page 44. Whilst a high turnover rate is common in the retail sector, some of our markets experienced significant turnover in 2022, and our Remuneration Committee continues to monitor this data. Our focus on employee satisfaction – responding to the issues our colleagues tell us are important – will enable us to improve this over time.

PAY AND REWARD

At EG, our Remuneration Committee oversees workforce pay and reward. In 2022 the Committee recognised the increasing impact on colleagues from ongoing challenges including high food and energy prices, resulting from global inflationary pressures and an uncertain economic backdrop. We want to ensure our colleagues are rewarded appropriately for their contribution to our business, and we review pay and benefits to ensure these remain fair.

Throughout 2022 we have been focused on providing colleagues with targeted, additional support at a time when many are feeling constraints on basic household spending. Our support includes, for example: increases in pay and bonus payments; an enhanced life assurance policy; 24/7 access to a GP and employee assistance; employee recognition schemes; discounts at EG brands and partner brands; and access to tailored benefits such as vouchers and rewards. We also launched a colleague discount card in the UK, giving 10% off grocery shopping at Asda stores for colleagues and their wider households.

SUPPORTING COLLEAGUE WELLBEING

We offer a range of resources to support and enhance colleague wellbeing. Our Employee Assistance Programme provides counselling and support to colleagues whenever they need it. We also provide training on wellbeing-related issues across our markets, to ensure colleagues are supported by their line managers. In 2022, we had a particular focus on mental health issues, and we delivered a range of activities, from mental health training in France, to dedicated mental health communications and resources in the USA, to leadership training for Head Office leaders in the UK, which covered issues such as wellbeing, team management, resilience and diversity and inclusion.

SUPPORTING COLLEAGUES IN TIMES OF GREATEST NEED

In the USA, the 'Hope Fund' is an emergency financial resource fund for team members to apply for financial assistance due to unforeseen catastrophic hardship or loss, or an economic hardship or loss. The Hope Fund programme is funded by voluntary donations from team members, which the Company matches. Since 2012, the Hope Fund programme has donated over $1m to more than 480 team members, offering support in their time of greatest need.

COLLEAGUES CONTINUED

DIVERSITY, EQUALITY & INCLUSION

We are committed to being a diverse, equitable and inclusive business, reflecting the diversity of our colleagues, customers and wider communities. We aim to create a culture where all colleagues are respected, valued and feel safe to be their authentic self. We have a Diversity, Equality & Inclusion ("DE&I") policy which sets out our approach and activities for supporting our diverse workforce.

MONITORING PROGRESS

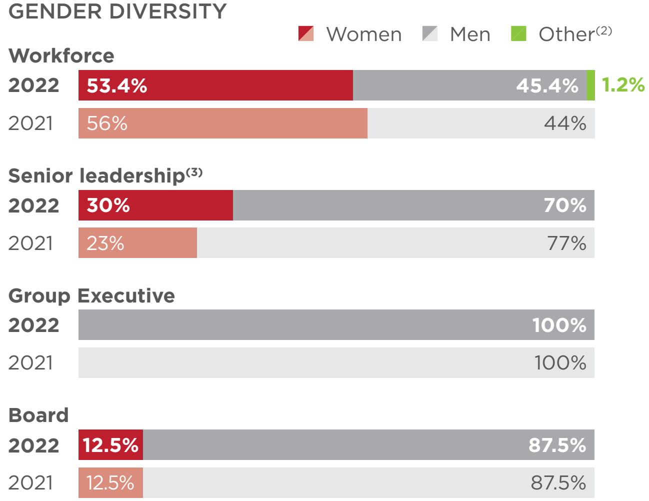
Gender: We measure data on gender diversity across all our markets (see charts). We have a target to increase the proportion of women in senior leadership positions to at least 40% by 2025. During 2022, we made good progress against this target, with women in senior leadership positions increasing from 23% in 2021 to 30% in 2022. This reflects measures we have introduced, including: management positions are advertised internally before they go live externally; job adverts are checked for language neutrality by specialist software; and we have also started advertising pay ranges for many of our roles. We also continue to advocate for women in senior leadership across the retail industry through our membership of networks such as Diversity in Retail (see next page).

We report our Gender Pay Gap (the average difference between remuneration for women and men) for our UK entities as required under UK legislation. In 2022 across all entities in scope (Eurogarages Ltd, LEON, Cooplands and ScotCo) our mean hourly pay gap was 2.6% and the median hourly gap was 0.7%. We are actively working on actions to close our gender pay gap. This includes monitoring the impact of our recruitment, succession planning and reward processes. To read more, see our 2022 **UK Gender Pay Statement** on our website.

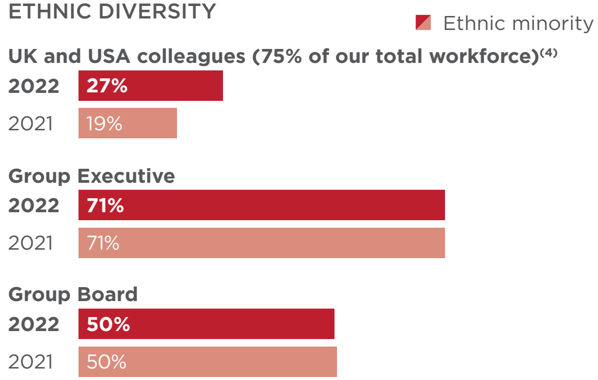
Ethnicity: We track data on ethnicity in the UK and USA and we will look to expand this to other markets where possible and where local legislation allows. 27% of colleagues in the UK and USA declared they were from an ethnic minority in 2022 (2021: 19%). The increase reflects a communications initiative in which we requested colleagues to provide their demographic details to allow us to understand our workforce better. In addition, a significant proportion of our Group Executive and Board come from ethnic minority backgrounds, reflecting the origins and heritage of EG which has grown from a family business in the North West of England into a global business.

Disability: In 2022, 513 employees declared a disability (2021: 390)[1]. As far as possible, we ensure the training, career development and promotion of disabled persons is the same as that of other colleagues.

GENDER DIVERSITY



ETHNIC DIVERSITY



[1] This is based on self-declared and voluntarily shared data. Data on disability is collected across all markets except for Australia (where data is not monitored) and Benelux (where regulation does not allow data to be collected).

[2] Colleagues who do not wish to declare their gender, or do not consider themselves defined as male or female.

[3] This includes members of the Board, Group Executive, managers who report directly to any member of the Group Executive and senior leadership teams within each country who report to the country CEO/country manager.

[4] Data on ethnic diversity is collected in the USA and UK (which represents 75% of our total workforce); data is unavailable in our other markets.

See page 43 of our Data Appendix for more detailed data on diversity, equality and inclusion.

COLLEAGUES CONTINUED

CO-CHAIRS OF OUR 'WOMEN IN LEADERSHIP' GROUP

Stacy Sirkissoon and Andriana Stefak

LOCALLY-LED ACTIONS

All our markets will be implementing diversity and inclusion plans by 2024 to ensure we have locally led actions to drive progress. A key focus is on increasing the proportion of women in senior leadership, and we will be working to understand some of the barriers to progression in the workplace, and putting in place relevant actions in response. For example, in the UK, we are a founding member of Diversity in Retail ("DIR"), an organisation devoted to increasing women's and ethnic minorities' representation at all levels and in leadership positions across the retail sector. A number of our colleagues are involved in its partnering and mentoring schemes.

In the USA, our Inclusion and Diversity Council is dedicated to enhancing diversity in the workplace. The Council is focused on engaging with colleagues on diversity issues through events, launching and supporting resource groups, and training for all colleagues on diversity. In a survey of USA colleagues, the majority of the respondents (84%) said they feel they can be their authentic self at work, without fear of discrimination.

In addition, in the USA we launched Women in Leadership, our newest employee resource group. Its mission is to empower women at all levels to develop their natural abilities to their fullest potential and equip them to excel as leaders at work, in their communities, and across all aspects of their lives.

VALUES AMBASSADOR RECOGNITION PROGRAM

In April 2022, we launched a Values Ambassador Recognition Program in the USA to acknowledge and celebrate the contribution our colleagues make in the workplace to living our values. Team members are encouraged to nominate colleagues and these nominations are then reviewed by our Engagement and Values Council. Five winners from across the Company are recognised each quarter. During 2022, we received more than 2,000 team member nominations.

Randy Sartori (left), store manager in the USA, recognised through our Values Ambassador programme

SOCIAL INCLUSIVITY IN THE NETHERLANDS

In the Netherlands we have achieved certification to the 'Prestatieladder Socialer Ondernemen' ("PSO"), a Dutch quality mark which recognises companies that are committed to social inclusion by providing employment opportunities to vulnerable groups in society. We achieved 'aspirant' status – the first of four levels of the PSO ladder. The mark is a recognition of what we do as an employer for people who may otherwise be marginalised or excluded from the workplace.

"We are proud to achieve the PSO 'aspirant' level, which demonstrates our commitment to social inclusivity. PSO is a valuable tool and we have developed a concrete plan of action to further improve on social inclusion and progress up the PSO ladder."

Anne-Marie Donkers, Head of HR Benelux

COLLEAGUES CONTINUED

TRAINING AND DEVELOPMENT

We aim to ensure all of our colleagues have access to development opportunities. Across all our markets we offer a comprehensive learning and development programme, ranging from induction for new starters, mandatory training courses, career development opportunities, issue-specific training and upskilling, and professional development schemes. In 2022, employees completed a total of 2.7 million hours of training (2021: 2.3 million hours). This includes compliance and operational training.

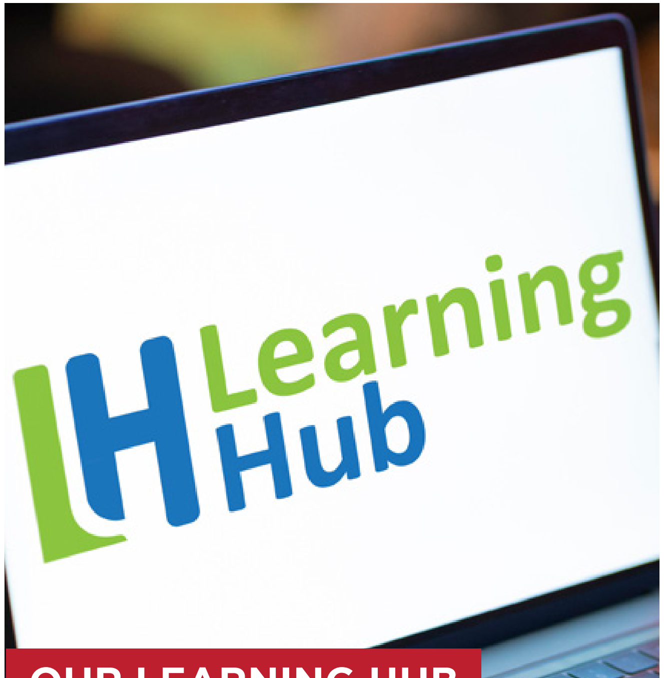
We provide sponsorship opportunities for colleagues working towards professional qualifications, helping them to develop important skills for their current and future roles. Not only does this benefit our colleagues, it also ensures we have a steady pipeline of talent in key business functions. In Australia, we launched our 'Hidden Gem' survey – giving colleagues the opportunity to share with us which areas of the business they are interested in and could add value to (through prior experience or study). As a result, many of our team members were appointed to new roles and projects, enabling these colleagues to take up new opportunities and develop their career with us.

We invest significantly in apprenticeships, which offer colleagues the opportunity to develop skills and knowledge while gaining practical experience. Last year we set a Group-wide target to create 500 apprenticeships by 2025. We have already achieved the target, with 519 apprenticeships created Group-wide since 2021. This includes 315 in the UK, 192 in Germany and twelve in France.

In the UK, we plan to increase the total number of apprentices from 315 to 500 by 2025. The UK apprenticeship programme covers opportunities at our head office (including HR, finance, legal, property and insurance), our proprietary brands LEON and Cooplands, as well as site level, including courses in retail and hospitality.

OVER £1.7M

committed to apprenticeships over the next few years



OUR LEARNING HUB

In 2022 we launched the Learning Hub for all UK colleagues, with plans to roll this out for colleagues in Europe in 2023. The Learning Hub is an online resource centre, with an extensive course library, supporting every step of our colleagues' careers. From business skills to digital and leadership skills, the portal is accessible from any device 24/7, and makes learning free and accessible to our colleagues.

APPRENTICESHIPS IN THE UK

In the UK, we have invested significantly in the development of career pathways through apprenticeships funded by the UK government's Apprenticeship Levy. We are committed to investing over £1.7m on apprenticeships over the next few years. In 2023, we won the 'Large Business Employer award' at the Lancashire Apprenticeship Awards, in recognition of the success of our apprenticeship programme.

"The best thing about my apprenticeship was that it gave me the opportunity to understand basic finance principles which apply to my day-to-day role. I gained experience, knowledge and practical skills from colleagues, as well as achieving the qualification.

The apprenticeship has made me better at my job with the knowledge gained and the practical skills I used. I have been promoted to a Functional Leader whilst doing the apprenticeship."

Yaqoob Hafejee, EG Group apprentice

COMMUNITIES

We believe that where you start in life shouldn't determine where you end up.

That's why we aim to create a better future for our wider communities. We support disadvantaged, vulnerable communities, through health, education and infrastructure – to make a difference where it's needed most.

CHARITABLE ACTIVITY Read more on page 29

COMMUNITIES CONTINUED

Fundraising ($ million)

2022	**1.8**
2021	1.0

15

charities benefited from our fundraising across our markets

£154K

donated to the British Red Cross for the earthquake appeal in Turkey and Syria

Across all our markets, our colleagues are passionate about fundraising and give their time to good causes in the communities where they live and work. Whether it's via formal charity partnerships, one-off donations, events or sponsorships, our colleagues actively contribute to charitable causes. Below is a selection of activities we take part in across our markets.

EG FOUNDATION IN THE UK

The EG Foundation was established in 2019 as an independent charity, with EG Group as its corporate sponsor – aiming to create 'a brighter tomorrow' by supporting education, children and young people, and health and wellbeing.

In 2022, 24 charities received grants from the EG Foundation, worth a total of $186,000 (2021: eleven charities received $299,000). Beneficiaries included hospices, educational organisations, emergency services, and children and mental health charities.

EG Foundation – number of grant beneficiaries

2022	**24**
2021	11

INTERNATIONAL DISASTER RELIEF

The British Red Cross was selected as one of our charity partners for 2023, meaning colleagues and customers in the UK raise funds in support of their projects for part of the year. Following the earthquake in Turkey and Syria in 2023, we took the decision to ensure all funds raised in January and February 2023 would be committed solely to the British Red Cross's ongoing relief efforts in the aftermath of the earthquake. We donated over £154,000 to the earthquake appeal, including a £100,000 donation from our business, in recognition of the devastation caused by the disaster and the need for emergency funds to support those affected.

SUPPORTING LIFE-SAVING PROCEDURES

In 2022, the EG Foundation supported the Kent, Surrey and Sussex Air Ambulance charity. Donations went towards blood and plasma that is used for life-saving blood transfusions in emergency procedures.

COMMUNITIES CONTINUED

IN 2022, WE CONTINUED TO SUPPORT A WIDE RANGE OF CHARITIES, INCLUDING FAMILY AND CHILDREN'S CHARITIES AND HEALTH AND WELLBEING CHARITIES.

BARNARDO'S THE UK'S LARGEST CHILDREN'S CHARITY

"The money raised by EG Group has been used to support the children, young people and families that we work with, helping to provide a safe and positive future for all children, no matter their background or circumstance. Thanks to EG Group's generous donation we can continue to make sure we reach those most in need." Barnado's

VILLA PARDOES OFFERS A UNIQUE HOLIDAY EXPERIENCE

EG Group provides support by covering the cost of transport fuel for families travelling to the Villa Pardoes. Renewable diesel is used, which has lower carbon emissions. The charity offers a unique holiday experience for ill children and their families in the Netherlands.

SINCE OUR PARTNERSHIP BEGAN, WE'VE RAISED OVER $2 MILLION FOR DISABLED AMERICAN VETERANS

American Veterans provides support to more than one million veterans, and their families, each year. They receive no federal funding, and our partnership is critical in enabling them to carry out their mission free of charge. We were recognised as their Partner of the Year in 2021.

WE'VE BEEN THE MAIN SPONSOR OF THE RONALD MCDONALD CAR RALLY SINCE 2012

Funds raised are donated to Ronald McDonald Houses, which provides accommodation for parents of sick or disabled children in hospital, meaning they can remain close to their child without having to travel long distances.

RONALD MCDONALD RALLY ZWOLLE

THE FIRE FIGHTERS CHARITY

offers specialist, lifelong support for members of the UK fire services community.

"The donation from EG Group has helped to fund our vital health and wellbeing services, enabling our members to live healthier and happier lives."

The Fire Fighters Charity

COMMUNITIES CONTINUED

WE'VE RAISED OVER $1 MILLION FOR THE AMERICAN CANCER SOCIETY

Since the start of our partnership in 2020, our point of sale fundraising campaign asks customers to 'Fuel the Fight' against cancer. The funds raised are supporting people with cancer and their caregivers, including a 'home away from home' at their Hope Lodge communities when travel is required for treatment, and free access to information via their 24/7 helpline.

THE LARGEST SINGLE-SITE CANCER CENTRE IN EUROPE

THE CHRISTIE CHARITABLE FUND

"We help to provide enhanced services over and above what the NHS funds. The generous donations from staff and customers of EG Group have made a huge difference. Without this, The Christie Charity would not be able to continue to deliver the highest quality of cancer care alongside world-class research and excellent education. So, on behalf of all our patients and their loved ones – thank you!" The Christie Charity

FONDAZIONE ANT 1978 ONLUS
Assistenza Nazionale Tumori

PROVIDES FREE OF CHARGE CARE

EG IN ITALY IS SUPPORTING AND FUNDRAISING FOR ANT ITALIA FOUNDATION, A SPECIALIST HOME CARE CHARITY FOR CANCER PATIENTS

Every year over 10,000 people are assisted free of charge in their homes by ANT. Around 500 professionals work for the foundation, including specialist doctors, nurses and psychologists, supported by over 2,000 volunteers.

UNITED WAY IS ONE OF THE LARGEST NON-PROFIT ORGANISATIONS IN THE USA

United Way helps communities to thrive by promoting health, education, youth development, and economic mobility. Funds raised are used to support youth development and educational resources across communities in the USA.

United Way®

ESG FUNDAMENTALS

In addition to our strategic priorities, we are also committed to taking a responsible approach on fundamental ESG issues applicable to our business. Our commitment to take a responsible approach across our ESG fundamentals is part of how we do 'business as usual'.

ENVIRONMENT

WATER

In 2022, we used over 11 million cubic metres of water in the business (2021: over seven million). Our lower consumption in 2021 was partly due to the impact of the pandemic, which was not a significant factor in 2022. In 2023, we will be looking at ways to reduce our overall water consumption. In the UK, we have introduced a number of initiatives to reduce water consumption. For example, we started the rollout of automatic meter-reading devices to help monitor our water consumption on a half-hourly basis. This allows us to identify and proactively fix leaks and inefficiencies on site. We have also rolled out push-button taps and flush-control systems for urinals across our UK estate, and introduced rainwater harvesting at four of our sites.

SUSTAINABLE SOURCING

We seek to work with suppliers and brand partners that share our commitment to responsible business. We have developed an ESG assessment questionnaire and we plan to send this to key partners and suppliers in 2023, to help us understand their approach and performance on a broad range of issues, including sustainable sourcing. See also page 34 for more on human rights and responsible sourcing.

At LEON, one of our proprietary brands, progress has been made in a number of areas on sustainable sourcing. All eggs are free-range and British. All plastic cutlery and straws have been replaced with biodegradable and paper alternatives to reduce plastic consumption.

FUEL SAFETY

Our fuel tanks are monitored 24 hours a day by an external global partner to measure potential variances or losses. Each site also has automatic tank gauges (to detect potential leaks, losses and water ingress), and overfill protection devices (to detect high levels during delivery of product).

We have emergency response procedures and escalation processes in place in all our markets, for any potential spill or leaks. In 2022, we had one serious spill in Australia that required remediation. This was acted on and resolved promptly. The remediation work included relining the fuel tank and installing new monitoring wells.

We also encourage our customers to use gloves at our forecourts, for hygiene and safety reasons. In the UK we work with GripHero whose gloves not only have anti-static properties, but are also manufactured in a way that reduces the use of plastic by over 80% and carbon emissions by over 80% compared with a standard glove. This ensures we minimise our impact on the environment whilst protecting our customers at the first point of contact.

BIODIVERSITY

We seek to enhance nature conservation on green spaces at our retail sites and head office locations. At our head office in Blackburn, we have a green roof planted with sedum and the grounds are landscaped with nature-friendly plants to promote biodiversity.

We are preparing for new planning regulation on biodiversity in England that comes into force in 2023. Under the Environment Act 2021, all planning permissions (with a few exceptions) granted in England will have to deliver at least a 10% biodiversity net gain, i.e. developers will need to ensure that habitat for wildlife is in a better state than it was before development. This will impact new-to-industry sites we develop in England and how we address their design.

ESG FUNDAMENTALS CONTINUED

SOCIAL

EMPLOYEE HEALTH AND SAFETY

We are committed to the highest standards of health and safety practice. We have a commitment to zero accidents and incidents, and our approach and performance are regularly reviewed by the Board.

Our health and safety policies and procedures include:

- Dedicated health and safety teams in every market in which we operate
- Appropriate training for all colleagues to adhere to legal compliance and best practice
- Proactive and regular risk assessments, with root cause analyses to maintain safe and healthy working environments which helps to reduce occupational injury or illness
- Internal and external audits to review a number of areas (including health and safety) are conducted across all PFS and FTG sites on a regular basis
- In own-brand food operations, we employ a combination of food safety technical managers, quality assurance, and in-house and third-party auditing
- We formally monitor health and safety incident rates – all incidents are logged and reported on a software system (see data below)

In 2022, there were 506 work-related lost time accidents (2021: 699) – equivalent to 0.65 per 100,000 hours worked (2021: 1.03). A total of 25,184 work days were lost as a result of these accidents (2021: 13,461). Although the number of accidents has decreased compared with 2021, there was a significant increase in work days lost in two countries – France and the USA – which accounted for 92% of the Group's work days lost. This has highlighted an opportunity for improvement which we will focus on in 2023, to understand how we can better support colleagues in their return to work. There were no work-related fatalities during the year. See our Data Appendix on page 45 for more detailed data.

FOOD SAFETY

We aim for the highest standards of food safety and work closely with our teams and those of our brand partners to implement training and controls on food hygiene. In the UK, we employ food safety technicians across our proprietary brands and have rolled out our Food Safety qualifications programme developed by the Royal Society for Public Health ("RSPH") to above-site personnel and brand trainers. This will be rolled out to managers across our Foodservice brands in 2023. In the USA, where we produce food for distribution under different EG Group brands, our Health and Safety team has responsibility for all food safety related issues.

We use a combination of internal field teams and third-party auditors to ensure that we meet all applicable USA Food and Drug Administration and Department of Agriculture food safety regulations, as well as internal requirements. In Australia, we maintain leading food safety standards in line with recognised guidelines and regulatory requirements. We carry out internal and external audits to monitor performance, and training is delivered to ensure we meet high standards.

Our brand partners are responsible for managing their product recalls as these fall within their supply chains, and we work closely with them to implement this in our stores. For our own proprietary food brands, we had no significant food safety recalls in 2022.

DIET AND HEALTH

We recognise that we can play a role in promoting healthier choices by offering a wider choice of healthy options at point of sale. We sell a large volume of fast food through our Foodservice and Grocery & Merchandise offering, but we are committed to extending our ranges of healthier options. For example, LEON's menu is based on the principles of the Mediterranean diet. This means it is full of plants and a variety of wholegrains, healthy fats, well-sourced meat and fish, and live cultured products. We use herbs and spices to season food rather than over-rely on salt. All LEON menus have a strong balance of vegetarian and vegan dishes, balancing out their ever-decreasing use of well-sourced meat. And, although cereals aren't bad for everyone, modern wheat production differs to ancient methods and processed carbohydrates can be difficult to digest. That's why, where possible, LEON also offers naturally gluten-free options.

We work closely with our franchise partners to understand and promote their product offering. For example, Subway have launched a new Salad Squad® Kids Pack meal, which aims to provide a healthy balanced meal, including a sub of their choice, dried-fruit snack and bottle of water. The meal comes with a complimentary pack of vegetable or salad seeds for children to take home and plant. The Subway brand continues to encourage its customers (young and old) to make better choices by selecting extra portions of fresh vegetables or salads and is participating in the Peas Please Veg Pledge with the Food Foundation.

ESG FUNDAMENTALS CONTINUED

SOCIAL

HUMAN RIGHTS AND RESPONSIBLE SOURCING

We are committed to respecting and upholding human rights in line with international conventions and guidelines including the United Nations Guiding Principles on Business and Human Rights. Our Human Rights Policy Position Statement sets out our commitment to regularly review risks and carry out due diligence to address risks.

We recognise that there are risks across our supply chain, including risks of modern slavery and labour exploitation. We do not tolerate any form of modern slavery or any abuse of human rights within our business operations, supply chains or in our business partnerships. Our Modern Slavery Act Statement 2022, which is published on our website, sets out our approach to identifying, managing and mitigating risks of modern slavery incidents in our operations and supply chain.

OUR SUPPLY CHAINS

Our procurement activities take place predominantly from our Group head office and shared services centre in Blackburn (UK), with support from regional offices in France, Italy, Germany, the Netherlands, the USA and Australia. We aim to work with trusted brand partners that are well recognised globally or in their local markets and that have well-established ESG policies and programmes. We expect our suppliers and brand partners to ensure they monitor, manage and mitigate ESG risks in their business and supply chains, and we engage with them regularly on ESG issues to learn and share good practice.

We expect our suppliers and business partners to align with the Ethical Trading Initiative ("ETI") Base Code, an internationally recognised code of labour practices that is aligned with International Labour Organization conventions on worker rights. We have started to incorporate this expectation into a number of new supplier and partner contracts. We have also developed a supplier ESG assessment questionnaire, which includes a section on human rights, which we plan to send to our key partners and suppliers in 2023 to understand their approach and performance.

OWN PROPRIETARY BRANDS AND OPERATIONS

We have a number of food production sites across our proprietary food brands. As production sites can carry a greater risk of modern slavery, we have developed specific standards for labour providers so that where we use labour providers, we check compliance against our standards. We will also carry out a Sedex ethical audit at a Cooplands production site (one of our proprietary brands) in 2023, and will discuss the findings with relevant management teams.

In the UK, we have a modern slavery e-learning module for all new colleagues joining EG, as well as training in Australia, to raise awareness of modern slavery risks. Over 12,000 employees completed this in 2022 (2021: over 17,000).

In 2022, we had one potential incident of modern slavery in our UK business. The colleague involved was referred into the hands of authorities, to ensure their own safety and to allow the authorities to investigate. And in 2021, we were notified by a colleague of their personal circumstances which led to us contacting authorities to investigate a potential case of modern slavery. In neither case was EG implicated in any wrongdoing, but we have taken steps to strengthen our response to suspected cases of modern slavery. Given the hidden and complex nature of criminality in the exploitation of people, in 2023 we decided to partner with the UK modern slavery charity Unseen. Together with Unseen, we plan to provide detailed training for HR teams on modern slavery and to raise awareness at our stores of the 24/7 modern slavery helpline run by Unseen. We will also work with Unseen to develop a formal escalation and remediation process when an incident is suspected or found, which will focus on protecting any potential victims of modern slavery.

ESG FUNDAMENTALS CONTINUED

GOVERNANCE

Good governance is an essential part of any approach to ESG. At EG, we have been on a journey towards good governance, and over the last few years we have made improvements including the introduction of independent Non-Executive Directors on the Board, and we have also established new Board-level committees. Our Annual Report includes further details of our governance processes, including details of the remit and activities of the Board and Board-level committees, including the Remuneration Committee and Audit and Risk Committee.

BUSINESS ETHICS

We are committed to the highest standards of business ethics. Whilst we have existing Codes of Conduct in our markets, in 2023 we plan to develop a Group-wide Code of Conduct, which will set out the ethical standards we expect all our colleagues and everyone working with us to meet. We have an anti-bribery policy and we ensure colleagues complete training to understand their responsibilities and where to seek further information for support on any anti-bribery issue. We have developed a formal whistleblowing policy and procedure, which was launched in 2022. The Audit and Risk Committee reviews reports on a quarterly basis.

PUBLIC POLICY

We work collaboratively with regulators in the markets in which we operate, and seek to foster a positive relationship based on cooperation and best practice. This means that we engage with policymakers on a range of issues, and offer input to inform proposed legislation that will affect both our business as well as the broader sector. Our membership of trade associations and industry groups also helps to increase the impact of policy messages. This work in turn helps to inform our business strategy to ensure that we are able to react to potential changes in the future regulatory and political landscape.

COMPLIANCE

We seek to comply with all laws and regulations and track Group-wide data on major fines, prosecutions and actions as a result of non-compliance with ESG-related regulations (over a financial threshold of $5m). In 2022, we had no major non-compliances with ESG regulations.

TAX APPROACH

We have a Tax Policy which sets out our approach to tax. We observe all tax laws and regulations in all the territories in which we operate.

Our Tax Policy has four components:

- A commitment to compliance – conducting tax affairs in a way which is consistent with compliance obligations wherever we operate
- Tax risk management – through active engagement with existing and forthcoming rules and regulations, and the development of strong management functions and external input
- Commercial imperatives – we are led by our commercial objectives
- Constructive engagement with tax authorities – we continue to develop collaborative and transparent relationships with tax authorities

See our **Tax Policy** online at www.eg.group for further information.

DATA PROTECTION AND INFORMATION SECURITY

We are subject to data protection and privacy laws and regulations within the jurisdictions in which we operate. We secure systems and databases to our own standards and legally required measures, such as Payment Card Industry compliance. We ensure that procedures are in place to comply with data protection laws and regulations, including those relating to personal data and payment card data. We also have policies and procedures in place to help prevent information security breaches and carry out detailed root cause analysis on any breach that does occur, to ensure we learn from these and can stop similar occurrences arising. EG takes a proactive approach to cyber security and uses ISO 27001 as a guide to policies and procedures. We have a 24/7 Security Operations Centre and engage multiple systems to enhance the security position of the organisation. Training is mandatory for all employees and a regular testing regime is maintained to identify training needs, especially in regard to phishing.

We track Group-wide data on information security incidents and data breaches which we are required to report to the authorities. In 2022, we had no reportable information security incidents or reportable data breaches.

DATA APPENDIX

CONTENTS

MATERIAL ESG ISSUES

As a retailer with global operations and supply chains, our impacts are extensive and varied. We focus on the issues that matter most to our business and our stakeholders, and on the issues where we have greatest influence to effect change.

We conducted our first comprehensive ESG materiality assessment in early 2022, with support from external consultants. We reviewed different areas of our business, including our products and supply chain, our own operations, our people, communities and governance. We took a double materiality approach, which identifies issues that are most important to society and the environment (based on stakeholder perspectives) and also considers the financial impact of these issues on our business. The key findings from our materiality assessment informed the development of our ESG strategy and targets on pages 5 to 8.

Our materiality assessment was based on a review of:

- Our current ESG activity
- External ESG trends including current and emerging legislation/regulations, external standards and frameworks
- Peer benchmarking, including risks and opportunities in our sectors
- Stakeholder perspectives, including our colleagues, investors, customers and brand partners

KEY FINDINGS OF OUR MATERIALITY ASSESSMENT

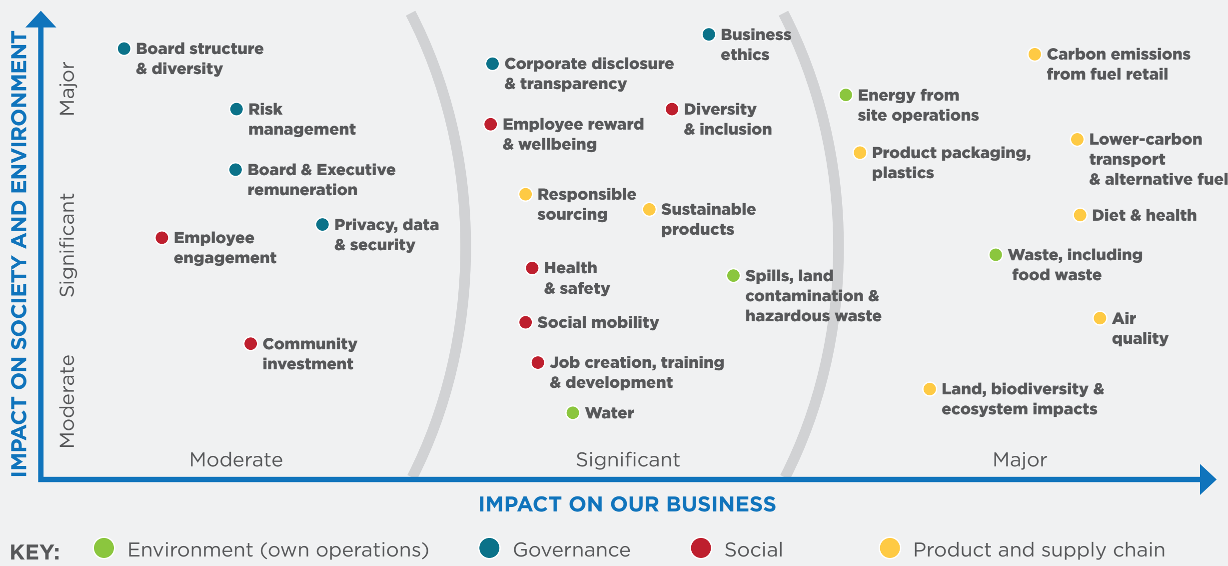
The key findings from our materiality assessment are summarised in the diagram, which prioritises topics by both their impact on society and the environment (vertical axis) and financial impact on our business (horizontal axis).

Our materiality assessment found that climate change and the transition to a lower-carbon economy is our most material issue. As shown in the top right of the diagram, this includes carbon emissions from fuel retail, lower-carbon transport and alternative fuels, and energy use from our site operations.

Other key issues identified through our ESG materiality assessment include:

- Diversity, equality and inclusion
- Employee reward and wellbeing
- Waste management, including food waste
- Business ethics
- Corporate disclosure
- ESG issues associated with the food and retail sectors, such as diet, health and packaging

OUR ESG MATERIALITY MATRIX



ESG REPORT 2022 – DATA APPENDIX

ABOUT THIS REPORT

This is the second year EG Group has published a stand-alone Environment, Social and Governance ("ESG") Report. It aims to provide a transparent account of our current progress and future plans. It covers our financial year 1 January to 31 December 2022.

We aim to report in line with best practice reporting standards and frameworks. We have taken into account the draft IFRS disclosure standards on sustainability and climate change, published by the International Sustainability Standards Board ("ISSB")[(1)]. Our Data Appendix covers how we align with external frameworks including:

- Our contribution to the UN Sustainable Development Goals (page 47)
- SASB Index to show our disclosures against the SASB reporting framework (page 48)

Our separate Annual Report 2022 (available on our website) includes a summary of our ESG progress. It also includes a detailed climate-related financial disclosure, which was prepared in line with the framework set out by the Task Force on Climate-related Financial Disclosures ("TCFD").

We report on data for operations over which we have 'operational control' i.e. full authority to introduce and implement our operating policies.

SCOPE OF DATA

Our Group data covers our global operations across our ten markets. The data is collected from each market through an online software platform provided by an external service provider.

We have added footnotes to the data tables on subsequent pages to explain any gaps, estimates or assumptions we have made. We have provided further details of our carbon data reporting methodology on page 51.

During 2022, we did not make any major acquisitions or disposals which significantly impacted our progress against our 2021 baseline year. In May 2022, we completed the acquisition of 285 service stations in Germany from OMV and agreed to sell 48 stations as a condition of the takeover.

Our energy data covers sites that have been open for the full financial year, to allow sufficient time to implement data collection processes and systems. The only exception to this is the UK data, where new sites are included from the date of opening, to align with the scope of the Streamlined Energy and Carbon Reporting in our Annual Report.

(1) IFRS Sustainability Disclosure Standards, Exposure Drafts, published March 2022, including IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information) and IFRS S2 (Climate-related Disclosures).

ENVIRONMENT DATA

CARBON EMISSIONS SUMMARY

We measure and report on our carbon footprint in line with the international greenhouse gas accounting standard developed by the Greenhouse Gas Protocol ('GHG Protocol'). Our data includes Scope 1, 2 and 3 emissions as defined under the GHG Protocol. See page 51 for details of our carbon data collection methodology.

We calculated our carbon footprint for the first time in 2021 and use this as our baseline year for our carbon target. In order to ensure the accuracy of our baseline data, we commissioned DNV to provide external assurance of our Scope 1 and 2 emissions (see our ESG Report 2021). During 2022, we reviewed and updated our carbon data collection methodology, taking into account feedback from our data assurance process during 2021.

Greenhouse Gas Protocol scope	Units	2021[3]	2022
Scope 1	Tonnes CO_2e	55,747	**51,570**
Scope 2[1]	Tonnes CO_2e	294,398	**285,465**
Scope 3 upstream – purchased goods and services (i.e. supply chain)	Tonnes CO_2e	14,316,886	**17,908,274**
Scope 3 downstream – use of sold products (i.e. customer use of fuel)	Tonnes CO_2e	53,820,918	**53,359,897**
Scope 3 – other[2]	Tonnes CO_2e	229,696	**221,809**
Scope 1, 2 and 3 total	**Tonnes CO_2e**	**68,717,646**	**71,827,014**
Scope 1, 2 and 3 total relative to EBITDA	**Tonnes CO_2e per $m EBITDA**	**41,396**	**45,146**

(1) This is our market-based Scope 2 emissions from electricity, which takes into account the specific electricity tariffs we use. Our 50% carbon reduction target for our own operations (Scope 1 and 2) is based on our market-based emissions. We also measure and report on our location-based Scope 2 emissions which is based on average electricity grid emissions factors for each country; see table to the right.

(2) See separate table on our Scope 3 carbon emissions (page 40) for a breakdown of other Scope 3 categories we have measured and reported.

(3) We have reviewed and updated our carbon emissions data collection methodology and restated our 2021 baseline (see details of changes on page 51).

SCOPE 1 AND 2 CARBON EMISSIONS – DETAIL

Greenhouse Gas Protocol scope	Units	2021[3]	2022
Scope 1			
Property: gas and other fuels	Tonnes CO_2e	26,388	**26,022**
Property: fugitive emissions from cooling and refrigeration	Tonnes CO_2e	9,122	**11,774**
Transport: dedicated fleet	Tonnes CO_2e	16,102	**10,500**
Business travel: company-owned and leased vehicles	Tonnes CO_2e	4,135	**3,274**
Scope 2			
Property: purchased electricity (market-based[1])	Tonnes CO_2e	294,398	**285,465**
Property: purchased electricity (location-based[2])	Tonnes CO_2e	256,959	**247,814**
Scope 1 and 2 total (market-based)	**Tonnes CO_2e**	**350,145**	**337,035**
Scope 1 and 2 total (location-based)	Tonnes CO_2e	312,706	**299,384**
Scope 1 and 2 total (market-based) relative to EBITDA	**Tonnes CO_2e per $m EBITDA**	**211**	**212**

(1) Market-based emissions from electricity take into account the specific electricity tariffs we use.

(2) Location-based emissions from electricity are based on average electricity grid emissions factors for each country.

(3) We have reviewed and updated our carbon emissions data collection methodology and restated our 2021 baseline (see details of changes on page 51).

ENVIRONMENT DATA CONTINUED

SCOPE 3 CARBON EMISSIONS – DETAIL

Greenhouse Gas Protocol scope and category[1]	Units	2021[3]	2022
Upstream Scope 3 emissions			
Category 1: Purchased goods and services			
– Fuel	Tonnes CO_2e	10,240,711	**13,865,176**
– Grocery & Merchandise	Tonnes CO_2e	3,916,503	**3,814,722**
– Foodservice	Tonnes CO_2e	159,672	**228,375**
All purchased goods and services	Tonnes CO_2e	14,316,886	**17,908,273**
Category 2: Capital goods	Tonnes CO_2e	Not available – minimal impact	**Not available – minimal impact**
Category 3: Fuel and energy-related activities (not included in Scope 1 and 2)	Tonnes CO_2e	98,414	**84,241**
Category 4: Upstream transportation and distribution	Tonnes CO_2e	Not available	**Not available**
Category 5: Waste generated in operations	Tonnes CO_2e	131,282	**137,548**
Category 6: Business travel – employee vehicles	Tonnes CO_2e	Not available	**20**
Category 7: Employee commuting	Tonnes CO_2e	Not available	**Not available**
Category 8: Upstream leased assets	Tonnes CO_2e	Not applicable	**Not applicable**
Downstream Scope 3 emissions			
Category 9: Downstream transportation and distribution	Tonnes CO_2e	Not applicable	**Not applicable**
Category 10: Processing of sold products	Tonnes CO_2e	Not applicable	**Not applicable**
Category 11: Use of sold products (i.e. customer use of fuel)	Tonnes CO_2e	53,820,918	**53,359,897**
Category 12: End-of-life treatment of sold products	Tonnes CO_2e	Not applicable	**Not applicable**
Category 13: Downstream leased assets	Tonnes CO_2e	Not applicable	**Not applicable**
Category 14: Franchises[2]	Tonnes CO_2e	Not applicable	**Not applicable**
Category 15: Investments	Tonnes CO_2e	Not applicable	**Not applicable**
Scope 3 total	**Tonnes CO_2e**	**68,367,501**	**71,489,979**
Scope 3 relative to EBITDA	**Tonnes CO_2e per $m EBITDA**	**41,185**	**44,934**

(1) Our Scope 3 data covers the carbon emissions we consider are most material. Our most significant Scope 3 emissions are from purchased goods and services, and use of sold products i.e. customer use of fuel. See page 51 for details of our data collection methodology.

(2) Data for franchises is included in our Scope 1 and 2 emissions, and Scope 3 purchased goods and services.

(3) We have reviewed and updated our carbon emissions data collection methodology and restated our 2021 baseline (see details of changes on page 51).

OUTSIDE OF GREENHOUSE GAS PROTOCOL SCOPES[1]

	Units	2021	2022
Outside of Scopes	Tonnes CO_2e	189,148	**242,111**

(1) This covers the carbon emissions arising from combustion of biofuels.

ENVIRONMENT DATA CONTINUED

PROPERTY – ENERGY USE

	Units	2021[(1)]	2022
Property – total electricity consumed	GWh	738.1	**780.1**
Property – electricity purchased from grid electricity	GWh	725.1	**720.1**
Property – electricity purchased from zero carbon renewables	GWh	6.6	**52.5**
Property – electricity generated on site from renewables (solar PV)	GWh	6.4	**7.5**
Property – gas and other fuels	GWh	140	**138.2**
Property – total energy	**GWh**	878.1	**918.3**
Property – % electricity from renewables (purchased and generated on site)	**%**	1.8	**7.7**

(1) We have reviewed and updated our carbon emissions data collection methodology and restated our 2021 baseline (see details of changes on page 51).

Note: data for property electricity excludes electricity purchased for customer charging of electric vehicles, where this is metered separately.

CUSTOMER ELECTRIC VEHICLE CHARGING

	Units	2021	2022
Number of electric vehicle charging points	Number	250	**470**

TOTAL WASTE

	Units	2021[(1)]	2022
Waste disposed to landfill	Thousand tonnes	270	**285**
Waste-to-energy	Thousand tonnes	59	**36**
Waste recycled	Thousand tonnes	106	**97**
Total waste generated	**Thousand tonnes**	435	**418**
Recycling rate	**% of waste generated**	24	**23**
Landfill diversion rate	% of waste generated	38	**32**

(1) We have reviewed and updated our carbon emissions data collection methodology and restated our 2021 baseline (see details of changes on page 51).

The total waste data covers day-to-day operational waste arising from our sites, including food waste (except food waste redistributed which is reported separately in the next table). It does not include construction waste.

Waste data does not cover wood pallets which are reused or recycled. We track data on wood pallets reused or recycled for the USA (2,231 tonnes in 2021 and 3,171 tonnes in 2022).

Waste-to-energy includes incineration with energy recovery (51,342 tonnes in 2021 and 26,542 tonnes in 2022) and food waste sent for anaerobic digestion (7,745 tonnes in 2021 and 8,781 tonnes in 2022).

Waste recycled includes materials sent for recycling (106,017 tonnes in 2021 and 96,912 tonnes in 2022) and food waste sent for composting (407 tonnes in 2021 and 396 tonnes in 2022).

ENVIRONMENT DATA CONTINUED

FOOD WASTE

	Units	2021[1]	2022
Food waste diverted from landfill and incineration			
Tonnes of food waste diverted from landfill and incineration	Thousand tonnes	9.2	**10.4**
Food waste redistributed			
Number of bags of food saved via Too Good To Go	Number	734,482	**967,499**
Estimated tonnes of food waste saved via Too Good To Go	Tonnes	734	**968**
Estimated carbon emissions avoided from food waste saved via Too Good To Go	Tonnes CO_2e	1,836	**2,418**
Tonnes of food waste donated to Feeding America	Tonnes	288	**264**

[1] We have reviewed and updated our carbon emissions data collection methodology and restated our 2021 baseline (see details of changes on page 51).

WATER USE

	Units	2021[1]	2022
Water use	m^3	7,452,784	**11,004,126**

Our lower consumption in 2021 was partly due to the the impact of the pandemic, which was not a significant factor in 2022. In 2023, we will be looking at ways to reduce our overall water consumption.

[1] We have reviewed and updated our carbon emissions data collection methodology and restated our 2021 baseline (see details of changes on page 51).

FUEL SPILLS

	Units	2021	2022
Major spills/releases requiring clean up	Number	1	**1**

We have emergency response procedures and escalation processes in place in all our markets, for any potential spill or leaks. We had one serious spill in Australia (2022) and one in the USA (2021) that required remediation. Both were acted on and resolved promptly.

SOCIAL DATA

EMPLOYEES BY TYPE OF CONTRACT

Data as at end of the year (31 December)	Units	2021	2022
Employees on full-time contracts	%	40	**37**
Employees on part-time contracts	%	60	**63**

DIVERSITY AND INCLUSION

Data as at end of the year (31 December)	Units	2021	2022
Gender diversity			
Total employees – men	%	44	**45.4**
Total employees – women	%	56	**53.4**
Total employees – don't identify as either men or women	%	–	**1.2**
Senior leadership – men[1]	%	77	**70**
Senior leadership – women[1]	%	23	**30**
Group Executive – men	%	100	**100**
Group Executive – women	%	0	**0**
Board – men	%	87.5	**87.5**
Board – women	%	12.5	**12.5**

(1) This includes members of the Board, Group Executive, managers who report directly to any member of the Group Executive and senior leadership teams within each country who report to the country CEO/country manager.

Data as at end of the year (31 December)	Units	2021	2022
Ethnic diversity[1]			
Total employees – from an ethnic minority	%	19	**27**
Group Executive – from an ethnic minority	%	71	**71**
Board – from an ethnic minority	%	50	**50**
Disability[2]			
Total employees – with a disability	%	1	**1**
Age			
18 and under	%	7	**9**
19-21	%	17	**13**
22-49	%	58	**59**
50+	%	18	**19**

(1) Data on ethnic diversity is based on self-declared and voluntarily shared data. It is collected in the USA and UK which represents 75% of the total colleague workforce (it is unavailable in our other markets).

(2) Data on disability is based on self-declared and voluntarily shared data. It is collected across all markets except for Australia (where data is not monitored) and Benelux (where regulation does not allow data to be collected).

SOCIAL DATA CONTINUED

GENDER PAY GAP – UK ONLY

	Units	2021[1]	2022[2]
Hourly pay			
Mean hourly pay gap	%	8.5	**2.6**
Median hourly pay gap	%	0	**0.7**
Bonus pay			
Mean bonus pay gap	%	18.3	**-9.2**
Median bonus pay gap	%	68.5	**24.9**

(1) Data for Eurogarages Ltd only.

(2) Data for all entities in scope (Eurogarages Ltd, LEON, Cooplands and ScotCo).

We report our Gender Pay Gap (the average difference between remuneration for women and men) for our UK entities as required under UK legislation. The above table shows the percentage gap between hourly pay and bonus pay. Any positive value shows where men are paid more than women, and any negative value shows where women are paid more than men.

EMPLOYEE TURNOVER RATE

	Units	2021	2022
UK	%	39	**69**
France	%	85	**96**
Germany	%	38	**52**
Italy	%	4	**19**
Belgium	%	38	**21**
Netherlands	%	35	**72**
Luxembourg	%	Not available	**38**
USA	%	134	**150**
Australia[1]	%	53	**58**

(1) Data for Australia for 2021 covers twelve months from July 2021 to June 2022.

Data covers all employees who left (including voluntary and involuntary leavers) across all our sites (retail sites, offices and other locations).

EMPLOYEE ENGAGEMENT

	Units	2021	2022
Number of respondents to our employee engagement survey	Number	16,265	**Survey will be carried out in 2023**
Employee engagement score	%	62%	**As above**

Our first Group-wide employee engagement survey took place in 2021, with an engagement score of 62%. We did not carry out a Group-wide survey in 2022, but intend to do this in 2023.

EMPLOYEE TRAINING

	Units	2021	2022
Employee training hours	Number	2,312,186	**2,734,140**
Number of apprenticeships (UK)	Number	189	**126**
Number of apprenticeships (Germany)	Number	119	**73**
Number of apprenticeships (France)	Number	Not available	**12**

SOCIAL DATA CONTINUED

HEALTH & SAFETY – EMPLOYEE ACCIDENTS

	Units	2021	2022
Fatalities			
Work-related fatalities	Number	0	**0**
Accidents			
Work-related lost time accidents	Number	699	**506**
Work days lost as a result of lost time accidents	Number	13,461	**25,184**[1]
Rate for work-related lost time accidents	Number per 100,000 hours worked	1.03	**0.65**

[1] Although the number of accidents has decreased compared with 2021, there was a significant increase in work days lost in two countries – France and the USA – which accounted for 92% of the Group's work days lost. This has highlighted an opportunity for improvement which we will focus on in 2023, to understand how we can better support colleagues in their return to work.

HEALTH & SAFETY – FOOD SAFETY RECALLS

	Units	2021	2022
Number of significant own-brand food safety recalls	Number	0	**0**

HUMAN RIGHTS

	Units	2021	2022
Number of employees that have completed EG compliance training on modern slavery/human rights	Number	17,445	**12,076**
Number of incidents of modern slavery	Number	1[1]	**1**[2]

[1] Data restated. In 2021, we were notified by a colleague of their personal circumstances which led to us contacting authorities to investigate a potential case of modern slavery.

[2] In 2022, we had one potential incident of modern slavery in our UK business. The colleague involved was referred into the hands of authorities, to ensure their own safety and to allow the authorities to investigate. In neither case was EG implicated in any wrongdoing, but we have taken steps to strengthen our response to suspected cases of modern slavery through our partnership with Unseen (see page 34).

COMMUNITY GIVING

	Units	2021	2022
Fundraising			
Number of organisations that benefited from EG community contributions	Number	11	**15**
Value of fundraising	$ thousand	1,000	**1,837**
EG Foundation – UK only			
Number of grants made	Number	11	**24**
Total value of grants made	$ thousand	299	**186**

GOVERNANCE DATA

ESG-RELATED COMPLIANCE

We seek to comply with all laws and regulations and track Group-wide data on major fines, prosecutions and actions as a result of non-compliance with ESG-related regulations. We use a financial threshold of $5m (except for human rights issues where no threshold is used).

	Units	2021	**2022**
Major non-compliances with ESG regulations	Number	1	**0**

In 2022, we had no major non-compliances with ESG regulations. In 2021, we had one case in the USA which was settled, involving meal and rest breaks for colleagues. As a consequence, we made improvements, including managerial training and payroll system changes.

DATA PROTECTION AND INFORMATION SECURITY

We are subject to data protection and privacy laws within the jurisdictions in which we operate, including regulations relating to use of personal data and payment card data. We track Group-wide data on information security incidents and data breaches which we are required to report to the authorities.

	Units	2021	**2022**
Reportable information security incidents	Number	0	**0**
Reportable data breaches	Number	2	**0**

In 2022, we had no reportable information security incidents or reportable data breaches. In 2021, we had two reportable data breaches in the UK and France, which were acted on promptly, reported to the competent authority and resolved.

OUR CONTRIBUTION TO THE UN SUSTAINABLE DEVELOPMENT GOALS

The 17 UN Sustainable Development Goals (“SDGs”) provide a framework for governments, business and civil society to work together to end poverty, fight inequality and tackle climate change by 2030.

The table below shows our ESG targets and the specific SDGs they contribute to.

Our ESG targets	Sustainable Development Goals we contribute to
PLANET	
Climate change • Reduce our carbon footprint from our own operations (Scope 1 and 2) by at least 50% by 2030 (vs 2021) • Develop a carbon reduction target for our products and supply chain (Scope 3) in 2023/24 • Expand our lower-carbon mobility offering, including electric vehicle charging	7 AFFORDABLE AND CLEAN ENERGY 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 13 CLIMATE ACTION
Waste • Aim to increase our landfill diversion rate year on year	11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
COLLEAGUES	
Diversity & inclusion • Develop a Diversity and Inclusion Plan in each of our operating markets • Increase percentage of women in senior leadership positions[1] from 23% in 2021 to at least 40% in 2025	5 GENDER EQUALITY 10 REDUCED INEQUALITIES
Employee engagement • Improve the engagement score in our employee survey year on year, from 62% in 2021	8 DECENT WORK AND ECONOMIC GROWTH
Training & development • Ensure every colleague has access to training and development opportunities • Create 500 apprenticeships by 2025 (from 2021)	8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES
COMMUNITIES	
Community • Extend our community programmes across all our operating markets • Start to roll out our volunteering policy – allowing colleagues up to two paid days a year to volunteer for good causes	1 NO POVERTY 3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION

[1] This includes members of the Board, Group Executive, managers who report directly to any member of the Group Executive and senior leadership teams within each country who report to the country CEO/country manager.

SASB INDEX

We aim to align our reporting with best practice standards, including the standards developed by the international Sustainability Accounting Standards Board ("SASB"). We report against the Oil & Gas standard, which is most relevant to EG Group's fuel sales, in the table below.

OIL & GAS – REFINING AND MARKETING SUSTAINABILITY ACCOUNTING STANDARD

The SASB Refining and Marketing standard is applicable to companies in both the fuel retail sector and oil & gas refining sector.

EG Group does not have any refineries and therefore we have only included the metrics below that are applicable to EG Group as a fuel retailer.

SASB metric	SASB code	Summary of our data	Further details
GREENHOUSE GAS EMISSIONS			
Gross global Scope 1 emissions (tonnes CO_2e), percentage covered under emissions-limiting regulations.	EM-RM-110a.1	We report Scope 1 emissions in our Planet section (climate change) and Data Appendix. We do not report % covered under emissions-limiting regulations, as this is not material since we do not have refineries.	Climate change, page 15 Data Appendix, page 39
Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets.	EM-RM-110a.2	We have set a target to reduce our Scope 1 and 2 emissions by 50% by 2030 (from 2021) and report progress against our target. In 2022, our Scope 1 emissions decreased by 7% from 2021.	ESG targets, page 6 Climate change, page 15
WATER MANAGEMENT			
(1) Total fresh water withdrawn (2) Percentage recycled (3) Percentage in regions with High or Extremely High Baseline Water Stress	EM-RM-140a.1	11,004,126 m^3 total water use. We do not report on % recycled or according to regions of water stress.	Water, page 32 Data Appendix, page 42
Number of incidents of non-compliance associated with water quality permits, standards and regulations.	EM-RM-140a.2	We report major non-conformances of ESG regulations.	ESG compliance page 35 Data Appendix, page 46

SASB INDEX CONTINUED

OIL & GAS – REFINING AND MARKETING SUSTAINABILITY ACCOUNTING STANDARD CONTINUED

SASB metric	SASB code	Summary of our data	Further details
HAZARDOUS MATERIALS MANAGEMENT			
Amount of hazardous waste generated, percentage recycled.	EM-RM-150a.1	We report the % of all waste that is recycled (but not the amount or % of hazardous waste recycled).	Waste, page 22 Data Appendix, page 41
(1) Number of underground storage tanks ("USTs") (2) Number of UST releases requiring clean up (3) Percentage in states with UST financial assurance funds	EM-RM-150a.2	One major spill requiring clean up. SASB metric 3 is specific to the USA and is not applicable across our ten operating markets.	Fuel safety, page 32
WORKFORCE HEALTH & SAFETY			
(1) Total recordable incident rate ("TRIR")	EM-RM-320a.1	0.65 lost time accidents per 100,000 hours worked.	Health & safety, page 33 Data Appendix, page 45
(2) Fatality rate		No fatalities.	
(3) Near miss frequency rate ("NMFR") for (a) full-time employees and (b) contract employees		We record near misses in our internal health & safety reporting system but do not report this externally.	
Discussion of management systems used to integrate a culture of safety.	EM-RM-320a.2	We have a commitment to zero accidents and incidents and the Board regularly reviews performance on health and safety. Our health and safety management systems are designed to embed a culture of safety through risk assessment, audit, training and performance monitoring.	
PRICING INTEGRITY & TRANSPARENCY			
Total amount of monetary losses as a result of legal proceedings associated with price fixing or price manipulation.	EM-RM-520a.1	We report major non-conformances of ESG regulations.	ESG compliance, page 35

SASB INDEX CONTINUED

OIL & GAS – REFINING AND MARKETING SUSTAINABILITY ACCOUNTING STANDARD CONTINUED

SASB metric	SASB code	Summary of our data	Further details
CRITICAL INCIDENT RISK MANAGEMENT			
Process Safety Event ("PSE") rates for Loss of Primary Containment ("LOPC") of greater consequence (Tier 1) and lesser consequence (Tier 2).	EM-RM-540a.1	We report major fuel spills/releases requiring clean up. These SASB metrics are specific to the USA and are not applicable across our ten operating markets.	Fuel safety, page 32 Data Appendix, page 42
Challenges to Safety Systems indicator rate (Tier 3).	EM-RM-540a.2		
Discussion of measurement of Operating Discipline and Management System Performance through Tier 4 indicators.	EM-RM-540a.3		

Note: we have not reported against the following metrics since they are primarily related to refining activities and are therefore not applicable to EG Group:

- Air Quality metrics: EM-RM-120a.1; EM-RM-120a.2
- Product Specifications & Clean Fuel Blends metrics: EM-RM-410a.1; EM-RM-410a.2
- Activity metrics on refining: EM-RM-000.A; EM-RM-000.B

CARBON DATA METHODOLOGY

We report our greenhouse gas ("GHG") emissions in line with the WRI/WBCSD Greenhouse Gas Protocol ('GHG Protocol') which covers three categories:

- **Scope 1 –** Emissions directly from our own operations
- **Scope 2 –** Indirect emissions from purchased electricity, steam or heating
- **Scope 3 –** Indirect emissions from our upstream and downstream value chain

We measured our Group-wide carbon footprint for the first time in 2021 and use this as our baseline to track progress over time.

Our carbon emissions are reported as carbon dioxide equivalent (CO_2e) and therefore include the seven main greenhouse gases that contribute to climate change: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF_6) and nitrogen trifluoride (NF_3).

ORGANISATIONAL BOUNDARY

We use an operational control boundary, in line with the operational control approach as defined by the WRI/WBCSD GHG Protocol. This means that our site-based data (including energy, waste and water use) covers all our company-operated retail sites and non-retail sites and excludes sites that are dealer operated.

EMISSION FACTORS

We use emission factors published by the UK government (DEFRA/BEIS) for all data except the following:

- For location-based electricity outside the UK, we use IEA emission factors (in line with the DEFRA/BEIS methodology)
- For market-based electricity, we calculate zero emissions for renewable sources and use residual emission factors for non-renewable sources. We use residual emission factors published by the Association of Issuing Bodies ("AIB") for UK and Europe and residual emission factors published by Green-e for the USA. For Australia, there are no residual emission factors available and therefore we use the location-based emission factor
- For purchased goods and services, we use emission factors that are most applicable to our three business divisions:
    - Fuel – we use the DEFRA COGS emission factors for 'Automotive Fuel Retail' (latest emission factors available are for 2012)
    - Foodservice – we use the DEFRA COGS emission factors for 'Hotels, catering and pubs' (latest emission factors available are for 2012)
    - Grocery & Merchandise – we use the US WIOD COGS emissions factors for 'Food, Beverages & Tobacco' (latest emission factors available are for 2009)

For gas and other fuels, we use the 'gross' calorific value (higher heating value) where there is an option to use 'gross' or 'net' values.

DATA RESTATEMENTS

We are committed to reporting transparently on our carbon footprint. In 2021, we measured our carbon footprint for the first time. During 2022, we reviewed and updated our data collection methodology, taking into account feedback from our data assurance process during 2021. This has resulted in some updates to our 2021 baseline year data:

- We have re-categorised the following data from Scope 3 to Scope 1: business travel by road and dedicated fleet (where the travel is in company-owned vehicles and leased vehicles)
- We have restated the following data due to improvements in our data collection systems: Scope 1 and 2 energy data (due to inclusion of non-retail sites), Scope 1 refrigerants, Scope 3 emissions from purchased goods and services, Scope 3 emissions from use of sold products (i.e. customer use of fuel), Scope 3 emissions from waste, Scope 3 emissions from fuel and energy-related activities not included in Scope 1 and 2
- We have restated our water consumption data due to errors found in billing data in the USA, which have been rectified
- We have changed the source for our emission factors for energy, transport, refrigerants and waste. We have switched to using a consistent set of emission factors across all countries, to enable us to more clearly monitor progress based on the underlying data, without variances caused by different emission factor methodologies. We have selected the emission factors published by DEFRA/BEIS since they are comprehensive and updated annually. We previously used a combination of emission factors from the GHG Protocol and country-specific emission factors (where available) from DEFRA/BEIS for UK, EPA for the USA, NGA for Australia and SEAI for Ireland

CARBON DATA METHODOLOGY CONTINUED

SCOPE 1 AND 2 DATA METHODOLOGY

PROPERTY ENERGY

Our property energy data covers our retail and non-retail sites. It includes electricity, gas and other fuels including heating oil and gas oil.

We report CO_2e emissions from gas and other fuels under our Scope 1 data and CO_2e emissions from electricity under our Scope 2 data. Where electricity for customer electric vehicle ("EV") charging is separately metered, we report this under our Scope 3 emissions.

Energy data is recorded from meter readings or invoices. Estimates are made if data is not available for specific sites, based on energy consumption at similar sites. If there are gaps for specific months, estimates are made based on previous periods.

We calculate carbon emissions from electricity using the location-based and market-based approaches:

- Our location-based emissions from electricity are calculated using country-specific emission factors that take into account the different energy mixes used to generate electricity in each country (i.e. grid average emissions factors)
- Our market-based emissions from electricity take into account the specific electricity tariffs we use where we buy renewable electricity. Renewable electricity is calculated using a zero emissions factor. We only count renewable energy tariffs that have a Guarantee of Origin. Our Scope 1 and 2 carbon target is based on our market-based emissions. For other tariffs, we have followed the approach set out in the GHG Protocol Scope 2 Guidance to use the residual mix emissions factor for countries where this is available or the location-based emissions factor (if there are no residual mix factors available) We have used residual mix emissions factors for the UK, Europe and the USA. It should be noted that the residual mix emissions factors do not count the renewable electricity that contributes to the grid average electricity mix. Therefore our market-based emissions are currently higher than our location-based emissions since they only take into account the renewable electricity we generate on site or directly purchase through Guarantees of Origin (7.7% of our current electricity). However, our market-based emissions will fall over time as we seek to increase the proportion of electricity we procure from renewable sources

We have calculated the carbon savings from on-site solar panels by estimating what the carbon emissions would have been if the electricity generated was purchased (using location-based emission factors).

Country scope of data:

- Energy data has been collected across our markets except Scope 1 data for Germany and Scope 2 electricity data for Italy. This has been estimated based on energy data in other markets

FUGITIVE EMISSIONS (REFRIGERANTS)

We report CO_2e emissions from leaks of refrigerant gases under our Scope 1 data. Our data on refrigerants covers gases used in cooling systems at our sites, including fridges, freezers and air conditioning units. It also includes refrigerant gases used in a small number of dedicated vehicles that are refrigerated.

Refrigerants are contained in sealed systems but tops-up are required where there are leaks. We therefore measure leaks based on the amount of refrigerant gases that are added to our equipment. We don't count any gases added to new equipment or gases that are replaced when the old gas is recovered.

We use specific carbon emissions factors for different refrigerant gases.

Country scope of data:

- Data for refrigerant leaks from our sites was collected for Germany and the UK in 2021 and for Australia, Germany and the UK in 2022. Data for other markets was estimated based on the leakage rate for countries that reported data
- We have refrigerated vehicles in the USA and in Cooplands in the UK. Data was collected for Cooplands and estimated for the USA based on number of vehicles

DEDICATED FLEET

We report CO_2e emissions from dedicated fleet vehicles under our Scope 1 data.

We calculate the emissions based on fuel use (from fuel cards) or distance travelled by type of vehicle (if fuel use is unavailable).

Country scope of data:

- Data covers all countries that have dedicated fleet vehicles. These include Benelux, France and Germany (for fuel distribution), the USA (for food distribution) and the UK (for Cooplands store deliveries)

SCOPE 3 DATA METHODOLOGY

We report our Scope 3 data according to the 15 Scope 3 categories set out in the GHG Protocol. We report emissions for the categories we consider are most material to our business, following GHG Protocol guidance on materiality. These are Category 1 (purchased goods and services) and Category 11 (use of sold products). We also report data for Category 3 (fuel and energy-related activities that are not covered in Scope 1 and 2), Category 5 (waste) and Category 6 (business travel).

We have indicated the categories which are not applicable to our business and those we don't collect data for in our Scope 3 data table (page 40).

CATEGORY 1: PURCHASED GOODS AND SERVICES

We estimate CO_2e from purchased goods and services, using financial data on cost of goods sold ("COGS") and applying emission factors that are most applicable to our three business divisions (Fuel, Foodservice and Grocery & Merchandise); see emission factors on page 51.

Country scope of data:

- Data on COGS has been collected across all our markets

CARBON DATA METHODOLOGY CONTINUED

SCOPE 3 DATA METHODOLOGY CONTINUED

CATEGORY 3: FUEL AND ENERGY-RELATED ACTIVITIES (NOT INCLUDED IN SCOPE 1 AND 2)

Our data on CO_2e from fuel and energy-related activities covers:

- Emissions from electricity transmission and distribution losses. This is calculated from electricity data (see Scope 2 section). We have used DEFRA/BEIS emission factors for 'transmission and distribution' for the UK and IEA for other countries
- Well-to-tank emissions from property energy. This is calculated from data on energy use (see Scope 1 and 2 section). We have used DEFRA/BEIS emission factors for well-to-tank for the UK and followed the DEFRA/BEIS methodology for calculating well-to-tank emissions from IEA data for other countries

Country scope of data:

- See section on property energy

CATEGORY 5: WASTE GENERATED IN OPERATIONS

Our data includes CO_2e from waste and water use.

Where possible, we have used actual data on tonnes of waste and recycling that has been recorded by our waste contractors. However, in cases where our contractors do not weigh the waste, we have made estimates based on the volume of waste (calculated from the size of waste disposal containers and the number of disposals in the reporting period). It should be noted that our waste data covers day-to-day operational waste from our own operations. It does not include waste arising from major construction or refurbishment projects or in-store collections of customer batteries/electrical items or deposit return schemes for bottles. We also don't include data on wood pallets that are reused or recycled.

Our CO_2e from water is calculated from mains water use. Where possible, we have used data recorded from meter readings or invoices. In countries where we collect data but have some gaps, we have made estimates based on water consumption at similar sites. If there are gaps for specific months, estimates have been made based on previous periods.

Country scope of data:

- Waste data has been collected across all our markets except Italy (where estimates have been made based on waste data in other markets)
- Water consumption data has been collected across all our markets except Benelux, France, Germany and Italy (where estimates have been made based on water consumption in other markets)

CATEGORY 6: BUSINESS TRAVEL

Our Scope 1 data covers CO_2e emissions from business travel using company-owned and leased vehicles. Our Scope 3 data covers business travel claimed on expenses using employee-owned vehicles.

We calculate the emissions based on fuel use (from fuel cards) or distance travelled by type of vehicle (if fuel use is unavailable).

We do not yet include data on other business travel including taxis, hire cars, air or rail journeys.

Country scope of data:

- Data on business travel by road has been collected across all our markets

CATEGORY 11: USE OF SOLD PRODUCTS (I.E. CUSTOMER USE OF FUEL)

Our data on use of sold products covers the CO_2e emissions arising from customer use of fuel purchased from us. The data is calculated from the litres of fuel we sell to customers, using emissions factors for the different types of fuel we sell, including petrol, diesel, biodiesel, HVO, LPG, gas oil and aviation turbine fuel.

Our data is calculated from all the fuel we sell to both consumers and business customers. Most of the fuel we sell is purchased by us from fuel suppliers. In the UK, we also sell fuel directly to some business customers as an agent, where we hold the fuel on behalf of others and receive commission (known as 'bunkering'). Our Group data excludes the fuel we sell in the UK as an agent, but we will seek to extend the scope of our data to include this in future years.

Most of the petrol and diesel we sell contains some biofuel, in line with regulatory obligations. For the UK, we use the DEFRA/BEIS emissions factors for petrol and diesel which take into account the average amount of biofuel that is blended into petrol and diesel in UK forecourts. In other countries, the emissions factors for petrol and diesel do not take into account the biofuel content required by regulation and this means that our carbon emissions outside of the UK do not take into account the carbon savings from biofuels.

We have also calculated the carbon emissions from the electricity used for EV charging (using market-based emissions factors). Our UK EV chargers are zero carbon since we have a renewable electricity tariff.

Country scope of data:

- Data on customer use of fuel has been collected across all our markets

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