

Annual Report 2025



Channel Islands
Co-op



FORMATION

The Channel Islands Co-operative Society Limited, registration number 14672R, ("Coop") is a Registered Society under the Co-operative and Community Benefit Societies Act 2014 with the Mutuals Public Register of the FCA and is governed by the Industrial and Provident Societies Act 1965 -1978 (Industrial and Provident Societies (Channel Islands) Order 1965-1978).

REGISTERED OFFICE

Our registered office is at Co-operative House, 57 Don Street, St Helier, Jersey JE2 4TR.

ADVISERS

Registered auditor (the "auditor")

Grant Thornton Limited
Kensington Chambers,
46/50 Kensington Place,
St Helier, Jersey, JE11ET

Actuary

BWCI Group
Kingsgate House, 55 Esplanade,
St Helier, Jersey, JE2 3QB

Bankers

The Royal Bank of Scotland International Limited
The Royal Bank House, 71 Bath Street,
St Helier, Jersey, JE2 4SU

Property advisers

Maillard and Company Limited
31-33 New Street, St Helier,
Jersey, JE2 3RA

Legal advisors

BCR Law (Advocates & Solicitors)
12 Hill Street, St Helier, Jersey, JE2 4UA

Mourant Ozannes (Jersey) LLP and Mourant Ozannes (Guernsey) LLP
22 Grenville Street, St Helier, Jersey, JE4 8PX

Randell & Loveridge (Advocates)

1-6 Court Row, St Peter Port,
Guernsey, GY1 2PD

REGISTERED BUSINESS NAMES

Channel Islands Coop, Coop and CI Coop are registered business names of The Channel Islands Co-operative Society Limited.

FINANCIAL SERVICES STATUS

The Channel Islands Co-operative Society Limited is a financial services business subject to the supervision of the Jersey Financial Services Commission ("JFSC") for the prevention and detection of money laundering, terrorist financing and proliferation financing.

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What makes us who we are today?

The Channel Islands Co-operative Society Limited has over 123,000 members. We operate our food retail, fuel, online, pharmacy and funeral businesses across both Jersey and Guernsey, where our profits and your commitment allows us to support various community activities annually.

We are dedicated to enhancing the lives of Channel Island residents through sustainable and ethical practices. We are focussed on providing exceptional experiences for our members and customers.



This year we have taken time to listen and understand what your Coop means to you, our members, and what you want from your Coop.

About us

Our purpose

To develop and protect long-term member value.

Our vision

To make a real difference to the communities we serve.

Our values

Recognition – We ensure our colleagues are appreciated, valued and rewarded for their achievements.

Empowerment – We provide opportunity, encouraging contribution and involvement, believing in our people.

Passion – We have pride in our business, determination to succeed, radiating positive energy.

Cooperation – We embrace the co-operative values in everything we do.

Openness – We are honest and trustworthy in what we say and how we behave. We listen.

Our principles

Voluntary and open membership – Open to all willing to accept responsibilities of membership.

Democratic member control – We are controlled by and accountable to our members.

Member economic participation – Members contribute equally to and control our capital.

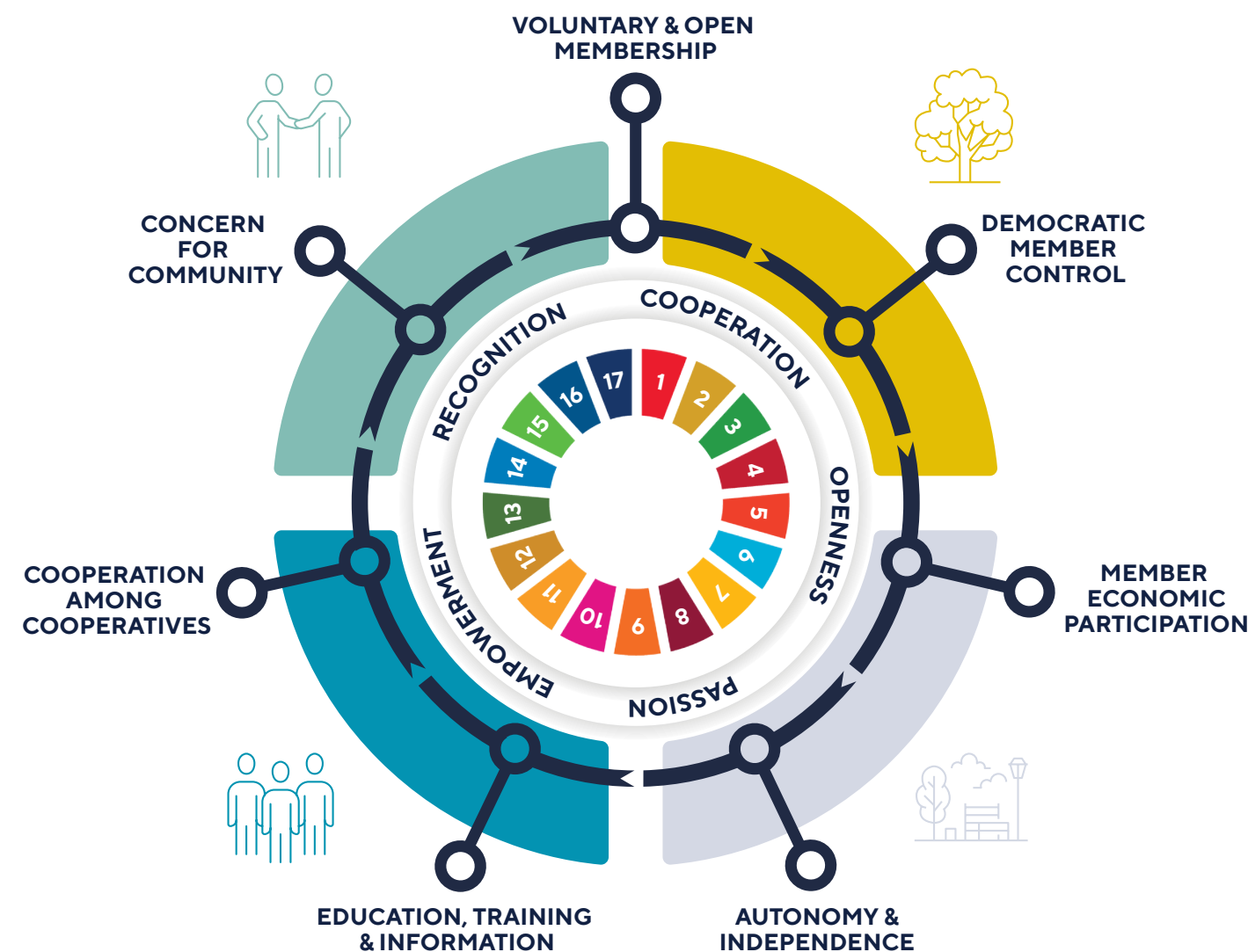
Autonomy and independence – Controlled by you, our members.

Education, training and information – Helping our stakeholders develop and grow to build our Coop.

Cooperation amongst cooperatives – Wider engagement helps us all to grow.

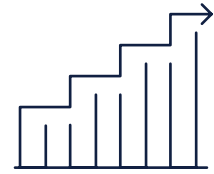
Concern for community – The sustainable development of our communities is at the heart of what we do and who we are.

Our values are linked to the co-operative values and our sustainability goals



SUSTAINABLE DEVELOPMENT GOALS

Key highlights



Finance:

	2024	2023
Turnover	£211.2m	£208.5m
Trading profit (44% (PY 73%) paid as a dividend)	£6.7m	£7.5m
Net surplus / (deficit)	£0.8m	£(1.8m)
Members' funds	£133.7m	£150.6m
Net (debt) / cash	£(10.0m)	£4.0m
Investment property income	£2.9m	£2.5m



Membership:

New members	2,406	1,375
Total members	123,912	122,394
Dividend, loyalty bonuses and interest	£5.8m	£8.3m



Community:

Groups supported by Community Fund	83	66
Donations and community	£328k	£298k
Amounts donated through Community Fund	£81.5k	£67.7k
Spent with local producers	£7.9m	£8.3m
Fairtrade sales	£2.6m	£2.5m
Total colleague volunteering hours	795	525



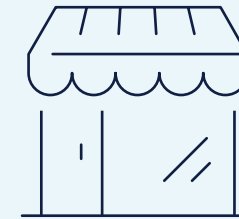
People:

No. of colleagues	1,172	1,169
No. of years experience	8,040	7,862
Colleague engagement	71%	76%
Wage ratio	11:1	11:1

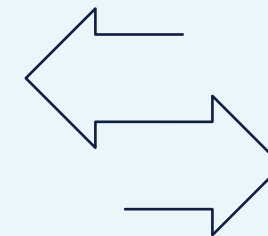


2,406

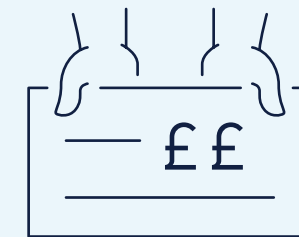
new members welcomed



2 store refits and 2 new pharmacies



Trade with members is
85% in Jersey
77.4% in Guernsey



£328k

donated to good causes



Through **139,715 items donated**
we were able to help **feed 15,089 local households**, equivalent to **81,289 meals**



We **supported 5,277 collections** with **46,882kgs of edible food donated***



We **saved 273k cubic litres of water** and avoided **146,475kgs of CO₂ emissions***

*Food collected and redistributed via Olio



Jon Bond

Chair of the board

Re-elected to the board in June 2024, Jon's focused on the future development of your Coop's portfolio of business and property, whilst maintaining the grassroots offering. He has considerable experience across a range of sectors and volunteers for several charities and non-profits based in Guernsey, including serving as a Parish douzenier.



Simon Todd

Non-executive director and member of the audit committee and the risk committee

Re-appointed to the board in October 2024, Simon's focus is the performance and quality of our real estate, operational and investment assets. With considerable experience in real estate, he is a strong supporter of the adoption of environmental, social and governance principles and aims to bring this experience to support all elements of supply and performance.



Michael McNally

Non-executive director, chair of the audit committee and member of the risk committee

Re-elected to the board in June 2023, Michael's focus is to ensure the business is ever evolving whilst being true to your Coop's values and maximising member and stakeholder value in all areas of business operation. Michael's experience in global cross-border logistics and supply chain industries is invaluable to shaping our operations.



Graeme Smith

Non-executive director, chair of the risk committee and member of the audit committee

Graeme was re-appointed to the board in June 2024 to continue to provide his experience in risk to support the board and your Coop. Graeme's focus is on effective risk management which supports sustainable growth as well as building on the broader community role that your Coop plays across the Channel Islands for members, customers, colleagues, and local suppliers.



Mark Cox

Director and chief executive officer (CEO)

Mark brings a wealth of experience and an infectious enthusiasm to his role as CEO and board member at your Coop. His passion for the cooperative model, which prioritises purpose over profit, is evident in every decision he makes. Mark believes in creating shared value for members, colleagues, and the wider community. His commitment to the cooperative ethos, values and principles ensures that your Coop continues to grow sustainably while making a positive impact.

Mark also features as part of your Executive Leadership Team

Board of directors

Jill Clark

Non-executive director and chair of the recruitment and remuneration committee

Jill's focus as a director is to make sure members and colleagues are at the forefront of all governance decisions made by your Coop so that our members receive the best experience possible. Jill brings considerable retail experience including customer services which shapes and supports how we serve our members and customers.



Jennifer Bridge MBE

Non-executive director and member of the recruitment and remuneration committee

Jennifer's focus as a director is returning value to members, through strategic data driven decision making to enable us to be the best employer and retailer we can be, whilst remaining true to our values.



Matt Chatterley

Non-executive director and member of the risk committee

Elected to the board in May 2024, Matt's focus is to improve the value presented to our members through the appropriate use of technology as your Coop moves forwards, while ensuring services remain accessible and available to everyone. His experience in technology brings extensive applied understanding of how technology supports and drives every business.



Ben Le Huray

Non-executive director and member of the recruitment and remuneration committee

Elected to the board in May 2024, Ben's focus is colleague satisfaction as his experience has taught him how critical it is to being successful in retail. He is committed to helping direct your Coop towards a stronger, more trusted future. His previous successful navigation of complex challenges and driven transformative change in a variety of settings will be crucial to guide us through objectives.



Executive leadership team

Our CEO, Mark Cox is supported by his fellow executives:



Natalie Clare

Chief people officer (CPO)

Natalie is committed to making your Coop an employer of choice by delivering a people strategy that fosters a positive and engaging workplace culture. Her vision is to ensure that colleagues feel heard, valued, and rewarded for their unique talents and contributions. 2025 will see the implementation of competency frameworks and conducting a society-wide benefits review, to ensure fair and equitable rewards for all colleagues.

Tony Van Der Hoorn

Chief financial officer (CFO)

Tony joined us in June 2024 and is committed to our purpose to develop and protect long-term member value, whilst delivering on our vision to make a real difference to the communities we serve. This includes ensuring a fair and reasonable balance between delivering value to members in the immediate term, whilst ensuring the long-term financial sustainability of your Coop.



Simon Matthews

Chief property and sustainability officer (CPSO)

Simon is leading the organisation's strategy for our trading and investment property assets and sustainability program, which includes our community involvement. 2025 will see the continued implementation of our property asset plan and property investment programme, including facilities management, and our sustainability strategy, helping not only to maintain but also to enhance the value of our property portfolio and value for money received through services for our members.

Richard Quinn

Interim chief retail officer (CRO)

With a strong commitment to cooperative values, Richard is driving initiatives that improve our focus on product availability, customer service and process efficiency, as well as supporting initiatives locally around our store communities. 2025 will see several projects delivered to drive efficiencies and improve services for our members and customers.



Dr Kevin Kelly

Chief governance officer and society secretary (CGO & SS)

Kevin is dedicated to evolving governance practices to better serve our needs. With a strong commitment to transparency, accountability, and resilience, Kevin is working towards the integration of effective governance frameworks that will enhance the long-term sustainability and impact of your Coop.

David McGrath

Chief marketing and membership officer (CMMO)

David champions initiatives that enhance member participation, strengthen community connections, and modernise our approach to member and customer experience. In 2025, David is leading the launch of Coop Mobile and driving a digital transformation to create a more seamless and engaging experience for members, including prioritising member satisfaction and infusing creativity into branding and marketing strategies, to ensure we remain dynamic, forward-thinking, and responsive to the evolving needs of our community.



Gerald Augustine

Chief technology officer (CTO)

Gerald is committed to developing technology solutions that support our strategic vision to enhance our members' experience. In 2025 he is leading key initiatives focusing on what our members need most. This includes advancing our cybersecurity measures and leveraging data analytics to transform how our members engage with us as well as seeking to make every digital interaction smoother and more responsive, fundamentally improving how our members connect with our services.

Kevin Mowatt

Chief commercial officer (CCO)

Kevin drives your Coop's commercial strategy, overseeing price, promotions, supply chain, ranging, and local supplier engagement, playing a key role in enhancing store formats, improving the in-store experience, and strengthening partnerships with local producers and growers. He also represents us on the Coop UK Buying Group and Member Council, ensuring our views and values shape national cooperative decisions with community focused retailing.



Welcome

It's a pleasure to once again be able to introduce to you our annual report and financial statements for the financial year 2025.

It was an honour being re-elected as a director by our members in May 2024 and being re-elected as chair of the board by my fellow board members. My first tenure as a director and as chair coincided with some of the most challenging trading conditions experienced by your Coop following the impacts of Brexit, the global pandemic and the effects of global political tensions including wars such as the conflict in Ukraine. Whilst we have sought to mitigate the impacts of these conditions, they ultimately culminated in the difficult but right decision being taken by the board to recommend the reduction in dividend for the 2024 financial year, the first reduction in over 40 years.

Members rightly raised questions around this difficult decision, however not all were negative. We used this time to listen to you, our members. It allowed us to understand what you want from us and how we should focus on delivering value to you every day.

As your chair, it is pleasing to see how your executive, under the leadership of Mark Cox, has led the business to deliver for our members, taking into account what you said you wanted. The launch of member pricing in October 2024 sees members benefit today when you need it most. Our digital member journey has started enhancing our engagement with members and we are seeing real benefits resulting from our investment in our community pharmacy offering.

Our sustainability focus continues to impact how we do business across every sector of the Coop. Our members help us bring genuine benefit to our communities in what is a very demanding environment for our charitable and social organisation partners.

From a challenging start I believe we have ended the year in a much more positive place, able to move through 2025 delivering for you.

As you read through this report, I am sure you will be struck by our achievements through the year, ensuring we continue to build a sustainable future for your Coop and its members. On behalf of your board, I would like to thank you for your continued engagement with us and your ongoing support.



Jon Bond
Chair of the board

“
We used this time to listen to you, our members. It allowed us to understand what you want from your Coop and how we should focus on delivering value to you every day.
”



Chief executive's overview



Mark Cox
Director and chief
executive officer
(CEO)

I'd like to begin by expressing my huge gratitude to our members, customers, colleagues, and our board. Your continued support and collaboration have been invaluable in helping us build a stronger, more sustainable Coop for everyone. Together, we have achieved so much while staying true to our vision — making a real difference in the communities we serve.



Together, we have achieved so much while staying true to our vision

MAKING A DIFFERENCE

2,406
new members

80%
sales are made
by members

Enhancing the member experience

Our primary focus last year was to strengthen our financial performance, so we could continue rewarding you, our loyal members while delivering long-term value. I'm pleased to share that we've made strong progress toward this goal, with improvements in our trading results throughout the year. We spent a large part of the year listening to members, our member focus groups were oversubscribed with over 700 members wanting to provide feedback. Those sessions provided useful feedback which we have listened to and taken action on. We promised to improve your experience and to provide better value to members every day. One of the biggest successes has been the introduction of a new, simplified digital sign-up process. This has led to a 6.2% increase in member baskets, and we welcomed 2,406 new members to your Coop. Today, over 80% of our sales are made by you our members, with the average member shopping 10 times a month. While overall transactions in food have increased by 2.23%, meaning we are serving more customers than ever before this has been offset by a 3% decline in average spend per visit, reflecting shifting shopping habits.

Investing in value for members

At the start of the year, we faced the tough decision to reduce dividend to members to 2%. However, we continued to offer our successful member weekends offering 10% discount to members whilst we explored options with members through well attended focus groups. Based on your feedback, we committed to enhancing member rewards to deliver more immediate value every day you shop. Following trials, we launched member pricing across our food stores in October, offering exclusive savings to members at the checkout. In just the last quarter of the year, members collectively saved over £500,000, with annualised savings expected to exceed £2 million. We took further steps to support you by absorbing over 1% of cost price inflation rather than passing it on. This reinforced our commitment to delivering value and strengthened our position as a truly member-owned and member-led business in the Channel Islands. Independent local price checks have continued to highlight your Coop as one of the most competitive retailers locally.

Expanding our services

Our investment in pharmacies has also been a key focus. Over the past year, our team has worked hard to integrate the seven sites acquired from Lloyds, and early sales performance has been encouraging. We have also expanded our range of services in Guernsey, with L'Aumone and Queens Road pharmacies relocating to modern, state-of-the-art premises—further enhancing the care we provide to our communities. Queens Road has also benefited from our initial investment in robot dispensing technology, aptly named Spencer (the dispenser) by members. This innovative technology will enhance efficiency and enable our pharmacy team to focus on delivering added value through service to you our members.

In May, we announced our plans to launch Coop Mobile, and following regulatory approval in September, work is now well underway. We're excited about this development and expect to launch fully in the last quarter of 2025—bringing even more value and choice to you our members.

Making a difference

Being a community-focused business sets us apart, and we remain committed to supporting you and the islands we serve. Our Blueprint for a Sustainable Future which we launched late last year has helped us stay accountable to ambitious targets, but being a force for good has always been at our core.

You'll find more details in this report, but I want to highlight a couple of areas I'm especially proud of.

Our colleagues are truly remarkable, they make this an incredible place to work and have a meaningful impact every day. Last year, they dedicated 795 hours to volunteering and supporting community initiatives. I'm pleased that we've been able to further invest in colleague pay this year, conducting a full evaluation to ensure fair, equitable, and competitive salaries at all levels. Additionally, this year's results will allow us to reward our colleagues with well-deserved bonuses, recognising their hard work and dedication through what has been a challenging year.

Our amazing local producers continue to inspire us with their passion and dedication. They work tirelessly to bring us fresh, high-quality, and sustainable products. We're proud to have invested over £7.9 million with them, creating jobs and strengthening our local economy.

Another area where we have also made a huge impact this year is tackling food poverty.

Recognising the growing challenge of food insecurity, we strengthened our support for Olio, the food-sharing app, across both islands. As a result, the equivalent of 81,000 meals, which would have otherwise gone to waste, have helped feed over 15,000 local households. This incredible achievement has only been possible thanks to the dedication of our colleagues and the support of the local community. I want to extend my sincere thanks to everyone who has played a part in this initiative, it is truly making a difference.

As a member-owned and member-led business, our focus remains on delivering value for you, strengthening our financial position, and supporting our communities. Despite the challenges of the past year, we have made solid progress, ensuring that you benefit from competitive pricing, enhanced rewards, and investments in essential services like our pharmacies and upcoming Coop Mobile launch.

Our commitment to putting you our members first has been at the heart of every decision we've made. Through member pricing, strategic price investments, and ongoing community support, we continue to reaffirm what makes your Coop different from other retailers — a business that exists to serve you, our members, and the islands we call home.

Looking ahead

We remain committed to making decisions that serve the long-term interests of our members and communities.

I am incredibly grateful to our 123,912 members and 1,172 colleagues who continue to support and believe in this amazing business. The progress we have made this year is thanks to them, we could not do what we do without this tremendous support and loyalty and I couldn't be prouder of what we have achieved together.

As we move forward, we do so with optimism and confidence. The retail landscape continues to evolve, but by staying true to our values and working together, we can ensure that your Coop continues to thrive — delivering lasting benefits to our members, our islands, and the local economy.

Thank you for your continued support. We look forward to another year of progress, together, as a stronger Coop.



Our amazing local producers continue to inspire us with their passion and dedication.

MAKING A DIFFERENCE

795 hours
spent volunteering and
supporting community initiatives

15,089
local households fed

Chief executive's overview



Over 1% of cost price inflation was absorbed to minimize the impact of rising costs on our members

MAKING A DIFFERENCE

£211.2 million
Turnover

46,882kg
of food donated,
equivalent to
81,289 meals

Our financial performance

The following report outlines the key figures and results for the 52-weeks ending 12 January 2025. Our 2024 financial year ran for 53-weeks, ending 14 January 2024.

Turnover £211.2m

We achieved a **turnover of £211.2 million**, an increase of **£2.8m (1.3%)** compared to 2024, which was a 53-week accounting year.

Food and fuel sales £186.7m

Turnover from our food and fuel business, which accounts for 88.4% of total turnover, declined by 2.5% to £186.7 million.

Food sales were slightly behind the previous year, despite volume remaining steady. This reflects our commitment to price investment, ensuring members benefited from competitive pricing. Over 1% of cost price inflation was absorbed to minimise the impact of rising costs on our members.

Fuel sales also declined year-on-year; however, volume increased, driven by lower retail prices. These reductions were the result of both wholesale price decreases and our own price investment for members.

Care £24.6m

Our chain of pharmacies delivered a robust performance, achieving sales of £22.4m, a £7.6m increase over the year, including the full year impact of operating the seven pharmacies acquired in the latter part of 2023. Throughout the year, our pharmacies dispensed 1,200,907 items, reflecting a notable year-on-year growth of 85%. We take pride in continuing to offer sought-after services such as flu vaccines, diabetes checks, Help2Quit stop smoking service, and the trusted advice and guidance of our expert pharmacist team.

Our funeral businesses, De Gruchy's Funeral Care in Jersey and Argent Funeral Care in Guernsey delivered commendable performances generating a turnover of £2.1 million.

Trading surplus £6.7m

The trading surplus decreased from the prior year. However, it should be noted that this was primarily due to investment in colleague pay and the payment of bonuses to our colleagues for the year (no bonuses were provided for in the prior year).

Despite this, our trading surplus allowed us to pay a dividend in 2024 of £3.0m, with a further £2.8m passed back to our members by way of interest.

Dividend £3.0m

In 2024, we distributed £3.0 million in dividends to our members, representing a 2% share of profits based on qualifying sales. We will be recommending the same 2% dividend at our AMM.

While the dividend has decreased, compared to May 2023, we are pleased to have listened to members and delivered greater everyday value through member pricing and investment in competitive pricing strategies.

Net surplus £0.8m

Your Coop generated a net surplus for the year of £0.8m (2023 net loss of £1.8 million), after allowing for payments for dividend, member interest and the revaluation of investment properties.

Members' funds £133.7m

Members' share capital decreased by 17.5% to £83.1 million, primarily due to withdrawals following our announcement in early 2024.

Despite the Bank of England base rate reductions during the year, we maintained our interest rates, rewarding members with £2.8 million in interest throughout the year.

Total member funds include £50.6 million in reserves, reflecting the profit for the year of £0.8m.

Investment property including revaluations

We continue to hold a large property portfolio across the Channel Islands, including commercial and residential units connected to our trading properties.

The portfolio value decreased by £1.2m, mainly due to the disposal of the old Homemaker site at Lowlands, Guernsey.

Rental income from our investment properties was £2.9 million.

Cash and net debt

Cash balance reduced by £2.9m.

£11m of our £30m banking facility was used to support the repayment of £23.5m of members' invested funds.

CI Coop assets

CI Coop continues to have a strong balance sheet with net assets of £134m, including £129m of property related assets.



I am incredibly grateful to our 123,912 members and 1,172 colleagues who continue to support and believe in this amazing business.

Market trends and opportunities

Trend / opportunity	Cost price inflation and demand for value, changing consumer spending habits with eating in being the new eating out.
What's this mean?	Whilst cost price inflation has decreased through 2024, real prices have increased substantially over the last 2 years. This together with challenging economic conditions including higher interest rates means our members and customers are seeking the best value propositions for them to maximise the value they see.
Impact on members, customers and communities	We know our members, customers and communities have found the last few years challenging financially and still do. They continue to seek more from what they have and have changed certain habits such as reduced eating out.
Our approach	Member pricing - investment in pricing through "Price Drop" and launch of "Member Pricing" Enhanced ranges to meet the eating-in demand.
Links to strategy pillars and risks	Pillars: People / Community Risks: Trading environment and customer
Trend / opportunity	Sustainable purchasing
What's this mean?	Using our ethical decision making tool to ensure it facilitates how we meet our sustainability objectives.
Impact on members, customers and communities	Making purchases without alignment to our sustainability objectives will be detrimental longer term. For example, such purchases could create a false economy for us and our members or the practices of the suppliers and their practices could be detrimental to our communities.
Our approach	We want to work with partners who share our values. Indeed, some of our partners are requesting more of us in terms of its approach to sustainability such as our bankers and insurance providers. This is also driven by our larger suppliers who may be obligated under national sustainability targets to ensure compliance.
Links to strategy pillars and risks	Pillars: Partners / Planet Risks: Environment and sustainability
Trend / opportunity	Dependencies
What's this mean?	In delivering our services, we have several key dependencies whether that is through being part of Coop UK and the buying group, or being a Channel Islands' based co-operative retailer where supply transportation links are limited to one provider. We are also dependent on a small group of local service providers.
Impact on members, customers and communities	Unreliable transportation links creates issues around being able to meet member and customer needs adversely impacting revenue. Further, such dependencies can see higher costs than would be incurred given the small number of suppliers who can support us.
Our approach	We work with our partners as well as other stakeholders to ensure certainty in supply and servicing.
Links to strategy pillars and risks	Pillars: Partners / Planet Risks: Dependencies and operational effectiveness

Trend / opportunity	Health & Wellbeing
What's this mean?	Our colleagues are the public face of Coop to those who use our services everyday and ensuring a safe working environment that promotes their health and wellbeing goes a long way to encourage our members and customers to come back.
Impact on members, customers and communities	Loss of colleagues through ill-health and poor wellbeing means there is greater pressure on other colleagues to cover and maintain service levels. The impacts could include non-timely stock replenishment, reduced store hours or longer shifts.
Our approach	Colleagues have access to simply health and wellbeing support. Further we look into the root causes of incidents as they occur and this can include longer term absences if caused by work related matters. Our process includes return to work meetings where we discuss work-related concerns. We also run wellbeing events and provide relevant training including mental health assessors.
Links to strategy pillars and risks	Pillars: People Risks: Engagement, capability and retention
Trend / opportunity	Member experience
What's this mean?	We are a member owned organisation and it is through growing our membership that we will be successful. Ensuring we can give our members what they want is key to our sustainability especially as our competitive environment evolves.
Impact on members, customers and communities	Delivering member value and meeting our member and customer expectations to ensure our sustainable future.
Our approach	In 2024 we launched member pricing and will further embed this through 2025. Further we launched our digital membership journey to facilitate the ease of becoming a member. We are reviewing our membership platform to facilitate the ongoing engagement with members and are investing in the delivery of member focussed offers.
Links to strategy pillars and risks	Pillars: People Risks: Brand and reputation, Trading environment and customer
Trend / opportunity	Member offering
What's this mean?	Enhancing our member offering to continue to deliver value everyday.
Impact on members, customers and communities	New products and services provide our members with greater choice and opportunity to receive value from our offering.
Our approach	2025 will see us work to deliver Coop Mobile to our members with us being the first operator of a virtual mobile network ("MVNO") in the Channel Islands. The intention is to deliver a flexible mobile offering designed for our members.
Links to strategy pillars and risks	Pillars: Community Risks: Brand and reputation, Trading environment and customer
Trend / opportunity	Protecting member value through investing in trading and investment properties
What's this mean?	Our loyal member support has allowed us to invest in our trading and investment properties, and today we hold £129.0m of property assets across the islands. Protecting this value supports our sustainable financial model for our members, and allows us to pursue new opportunities to grow our business.
Impact on members, customers and communities	Without an appropriate property asset plan (covering facilities management, investment projects and leasehold properties, and sustainability), we risk not protecting member value, with subsequent increase of the potential risks for our members, customers and communities through having trading locations that are not fit for purpose exposing them to increased risks to their safety. We follow an agreed operating model to deliver the strategic management of our property portfolio. Finally, by further identifying and developing new locations for potential investment, we also positively impact and strengthen our ties with the local economy.
Our approach	Our property strategy ensures that we constantly review our property portfolio realising surplus investment properties no longer used by us where the opportunity allows or allows us to identify and realise new opportunities positively benefitting our local economies. Our facilities management strategy ensures our trading and investment properties remain fit for purpose, are well maintained, ensuring value is protected.
Links to strategy pillars and risks	Pillars: People, Planet, Communities Risks: Environment and sustainability, Safety, Failure to deliver business plans

Sustainability is at our heart

In 2023 we launched “Our Blueprint for a Sustainable Future”, our sustainability strategy that underpins all that we do. Being a co-operative, sustainability is at the heart of who we are and where we have come from. Let’s not forget that we have been around for over 100 years! We developed the Blueprint because we share the same values as our members to build a sustainable future.

Fundamentally, this is not a new strategy for us, as being a force for good for the planet, our people, partners and communities has been at the heart of what we do since we were formed in 1919.

The four pillars



Planet:

As a civilisation the way we have produced goods, consumed them, and powered our lifestyles, has taken a toll on the planet which is more than the Earth can sustain. This affects everyone and we are committed to being part of the solution.

It's who we are.



People:

People are the beating heart of retail. Our people are also owners of this business and are deeply committed to the customers they serve.

It's what we do.



Community:

Co-operatives have always seen themselves as deeply rooted in the communities they serve. This is as important for us today as it has been for any time before because we are always local.

It's where we're from.



Partners:

As a retailer we absolutely rely on our partners in the supply chain to provide us with the high-quality goods and produce our customers deserve. It's not just transactional for us, its relational.

It's how we work.

That is why our work to build our sustainability strategy has focussed on delivering sustainable value to our members everyday throughout this financial year and ensuring a sustainable future not only for us but for the communities we live in.

This is built upon our four pillars, of:

Planet – because its who we are

People – because its what we do

Community – because its where we are from

Partners/Suppliers – because its how we work

The four pillars upon which we have built our strategy are aligned to the United Nation's Sustainable Development Goals (SDGs).

Our sustainability framework aims to prioritise the common goals and targets of these SDGs in line with our cooperative values and principles (see diagram below).

We recognise our commitment to sustainability is a journey and you, our members, will want to understand what steps we are taking and the progress we are making. Over the next few pages, we discuss our aims and actions in respect of each pillar and what progress we made in 2024 against each.

SUSTAINABLE DEVELOPMENT GOALS





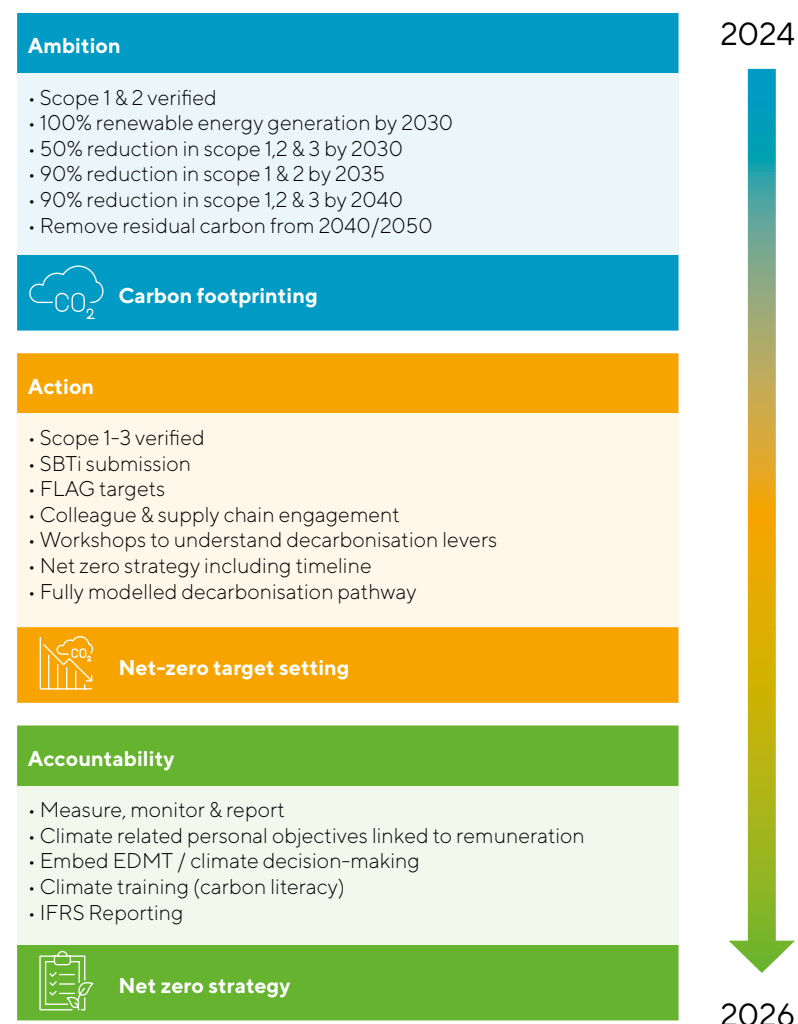
Pillar 1: Planet

As a civilisation the way we have produced goods, consumed them, and powered our lifestyles, has taken a toll on the planet which is more than the Earth can sustain. This affects everyone and we are committed to being part of the solution.

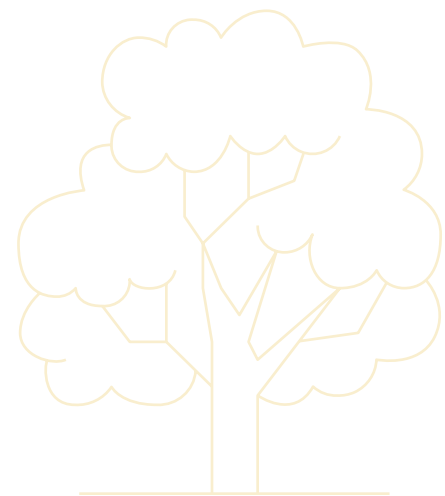
2024 was a year of setting the foundations to ensure that we are able to deliver on the actions we set to enable us to meet our stated ambitions. We have partnered with ESG & Sustainability consultancy, Simply Sustainable, who are supporting us in creating our net-zero strategy and associated decarbonisation plans. Simply Sustainable are working with other member owned retail co-operatives ensuring we are aligning our ambitions and actions with our co-operative colleagues in similar independent co-operatives.

Our journey to net zero is described below:

Aligning our Coop values to sustainability



“We will aim to become carbon net zero by 2050



Carbon reporting

We have calculated our unverified carbon footprint for some of our scope 1 and 2 emissions since 2021. At the start of 2025 we will have calculated our first full carbon footprint report (scope 1, 2 and 3) for 2023 and 2024. Having the right data enables us to track progress and helps us to shape our future plans and hotspots for reduction, informing our future decarbonisation plans and our net-zero strategy

Carbon reductions

- In 2024 we completed the rollout out of energy meters across all suitable stores, which means our store teams now have a live view of electricity and water use.
- A full energy reduction audit was completed across all trading locations in early 2024 and the findings from the report are informing our investment in new energy efficient technologies and where to prioritise our efforts.
- We have further reduced our carbon footprint from refrigeration gases by switching more stores to the lowest global warming potential (GWP) gas we have available. We continue to work with local contractors to explore options to make further reductions in carbon emissions and with advancements in refrigeration gas technology we are currently exploring options such as CO2 and A2L which have a much lower GWP.
- We made some changes to timers and circuits for our St Helier car park lighting in February 2024. This has saved us 10,000 kwh per month, a saving of approx. £16k per year.
- 100% of soy in our Coop products, including that embedded in animal feed, will be deforestation-free and sustainable by 2025.
- We supported climate action awareness campaigns throughout the year such as The Big Green Week in June 2024.
- Our Eco Active business return was reviewed in 2024 and we were delighted to continue our membership for a further 12 months
- Our Jersey online delivery drivers undertook driver training to learn to drive more economically and reduce our carbon emissions for fuel.
- Streamlining our expense and invoice processing in our finance team sees us with an estimated annual saving of 120,000 pages of paper a year. That equals 15 average size pine trees.
- Provided colleagues with carbon literacy training.

“Having the right data enables us to track progress and helps us to shape our future plans and hotspots for reduction

ENVIRONMENTAL IMPACT

146,475

kgs of CO₂ emissions avoided

273k

cubic litres of water saved

72k

equivalent trees planted

SOCIAL IMPACT

139,716

items donated

81,289

equivalent meals provided

15,089

households fed

BUSINESS IMPACT

5,277

number of Olio collections

46,882

kgs of edible food donated

87%

Coverage

92%

FWH Compliance

51%

Store Compliance

Reduction of plastic and food waste

Plastic packaging and food waste have significant impacts on our environment, not only within our communities but globally. We are working hard to reduce the use of plastic packaging and eliminate food waste. Here is what we have achieved through 2024:

In 2024:

- We introduced a reusable produce bag with the intention to phase out the single use produce bags by the end of 2025.
- We are currently exploring options to facilitate the recycling of soft plastics now that all Coop own brand products are fully recyclable.
- We introduced paper bands on all organic bananas.
- All our PET bottles for water, soft drinks, mixers and juices are 100% recycled content and we're committed to using a minimum of 50% recycled content in PET bottles, pots, tubs, trays and punnets, and HDPE bottles.
- Coop tissue boxes are 100% made from FSC paper, without plastic so they can be recycled.
- Tomato trays of Coop UK cherry and baby plum tomatoes have been switched to cardboard.

World Wildlife Fund

- We are proud to be a part of the coalition of retailers for World Wildlife Fund's (WWF's) Commitment for Nature, committing to play our part in supporting the WWF's ambition to halve the environmental impact of UK shopping baskets by 2030.

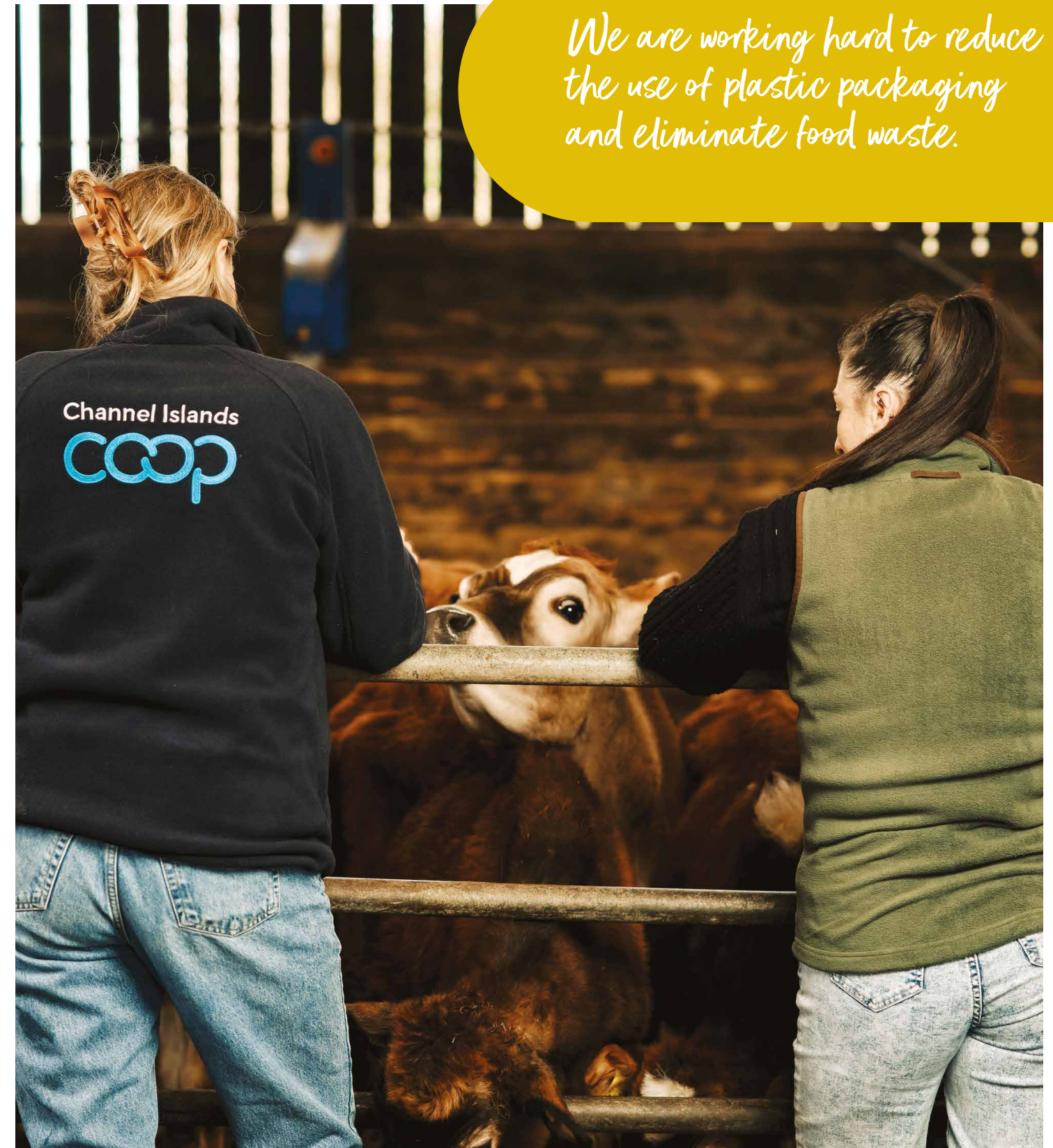
Food waste reduction

Our target is to reduce food waste by 50% by 2030. In order to reach this target, here are the steps we've taken so far:

- Over the last 12 months we have implemented new IT systems which have resulted in improved availability and less waste at store level. This is down to a combination of better ordering logic and improved store controls and processes, ultimately resulting in less food wastage.
- We continue to support local charities by donating any excess food approaching its use-by or sell-by date, and where charities are unable to collect, we donate any surplus to Olio who redistribute locally.
- In 2024 we donated 139,716 items, equivalent to 81,289 meals and 15,089 local households were fed. We donated 46,882kgs of edible food.
- Using the new technology, our food waste reporting and analysis will improve and will highlight further opportunities to reduce our food waste.
- We made a great start in 2024 but know we have more to do.

“

We are working hard to reduce the use of plastic packaging and eliminate food waste.



Our colleagues

Belonging is everything

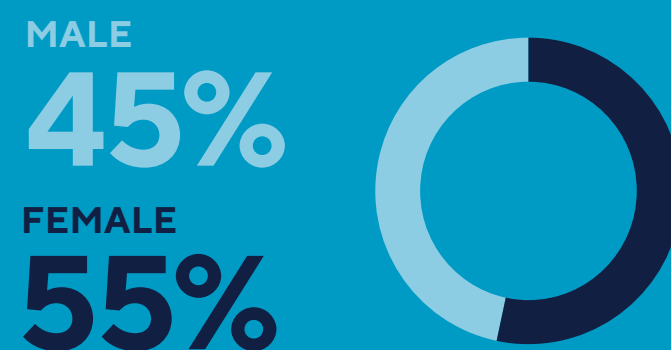
Belonging means everything to us. Investing in our colleagues and supporting them in their roles is very important. This is as well as providing value for our members everyday and supporting our communities.

New colleagues

We welcomed **327** new colleagues in 2024. This figure includes colleagues from COOK and Lloyds Pharmacy. We also welcomed **28** work experience students across the islands.



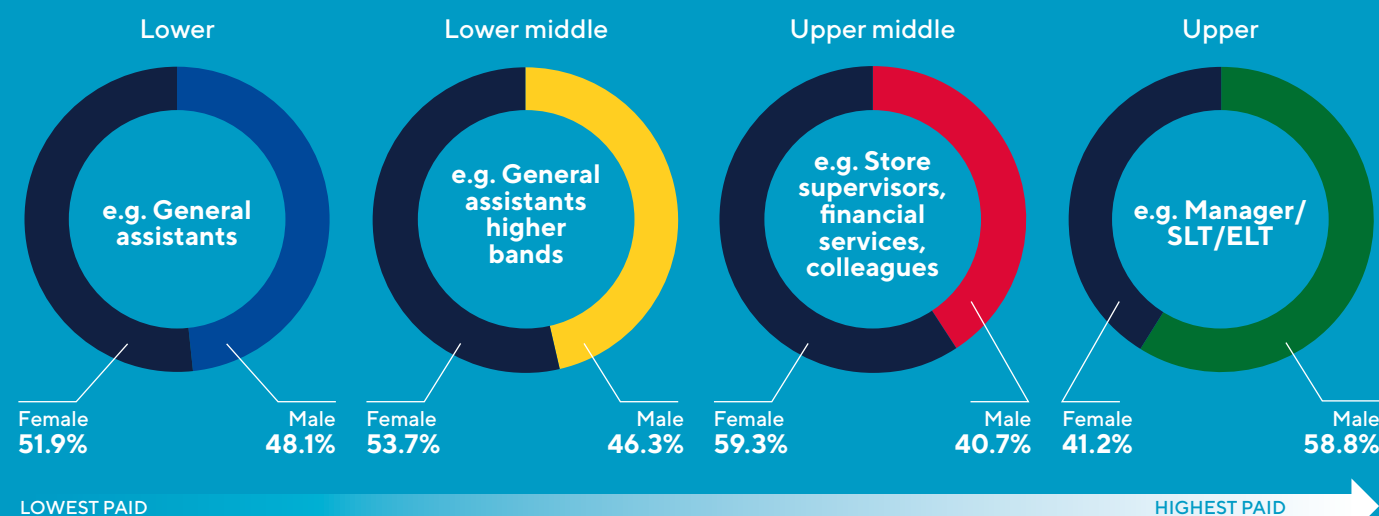
Gender split



Gender split and working hours



Pay quartiles – the % split of female and male colleagues in each quartile.



*Zero hours contracts account for 15% of our total workforce across the CI Coop. They are a key part of our resourcing strategy and allow us to offer flexibility for our colleagues to cover gaps in scheduling over peak periods such as Easter, Summer and Christmas. It is also a cost effective and efficient way to provide cover for absence and holidays. **Based on the Jersey Gender Pay Gap report June 2024 published 12 March 2025 – <https://www.gov.je/SiteCollectionDocuments/Government%20and%20administration/Gender%20Pay%20Gap%20in%20Jersey%20-%20June%202024.pdf>



Pillar 2: People

People are the beating heart of retail. Our people are also owners of this business and are deeply committed to the customers they serve.

“

Retail is a fast-paced world, where the only constant is change!

People and purpose are at our core

Our colleagues are at the heart of our sustainability journey and are delivering on our sustainability ambitions and strategic objectives. Retail is a fast-paced world, where the only constant is change. Our 1,172 colleagues work tirelessly, living our values daily. Despite the challenging start to 2024, it was our colleagues who endeavored to deliver amazing service that our members and customers expect. We are committed to supporting the wellness and wellbeing of our colleagues so that they can continue to make a real difference every day. Without their dedication and passion, we would not be able to deliver value to you, our members.

Here we provide an overview of our year in respect of our amazing colleagues who provide fantastic service to our members and customers, as well as our communities and other stakeholders.

Pay awards and job evaluation

It is important that we recognise our colleagues and their contribution in their pay and rewards. Over the last 12 months, we have been conducting a full review of pay and benefits across the Coop with the aim to offer fair, equitable and competitive remuneration to all colleagues.

Learning and development

We understand the importance of training and development not just for our Coop, but also for our colleagues to understand they matter in which part of the business they work. Our commitment to providing training and development is a key part of our sustainability strategy people pillar and our mission and value related to empowerment. It underpins our culture of belonging and doing the right thing, in the right way.

Internal Training

We have continued to improve our learning and education during 2024, with many more internal courses run across the business. We are grateful to all our colleagues for their participation.

In 2024 we held a total of 241 training events, covering 70 distinct topics, accumulating 7,534 learning hours, compared to 5,770 the previous year – an increase of 31%. The commitment to completing this crucial training not only demonstrates dedication but also plays a pivotal role in fostering a more compassionate, empowering, and secure working environment at the Coop.

We also held 17 lunch and learn sessions on key employee relations topics throughout the year, which were attended by 160 colleagues. We launched Hidden Disability training which 639 colleagues completed. We continue to review, update and create new sets of e-learning modules for our colleagues, which included asbestos awareness, time management, communication, Our Blueprint for a Sustainable Future, working from height, all of which are intended to help and guide managers in their roles.

It is always promising to see new talent joining your Coop team. In 2024, we were delighted to welcome 327 new colleagues to our business, where each completed our new induction programme.

MAKING A DIFFERENCE

241
training events held

7,534
learning hours

639
colleagues completed
Hidden Disability training

327
new colleagues welcomed

795
volunteering hours

11:1
Wage ratio (Coop UK 32:1)

External training

Ensuring the safety of our colleagues, members, customers and communities is paramount to who we are. First aid training is an incredibly useful and rewarding course, for those moments where you never know the skills you learn will be needed to help ease pain or save a life. This year 112 (2024: 59) colleagues completed the essential first aid course. 49 (2024: 58) colleagues completed the external fire marshal training, 79 completed the e-learning fire marshal refresher course and 25 (2024: 4) colleagues completed the Mental Health First Aid course.

We are pleased that we now have 33 trained Mental Health First Aiders across your Coop.

Project Retail

Last year saw the launch of our “Project Retail” where we worked with Haute Vallee School in Jersey to give Year 9 students experience of what it is like to work in retail at the Coop. Students got to experience all parts of the business including logistics, marketing, finance, category management and local sourcing. Their time with us saw them visit our support centre, Millennium Park store and local suppliers and Genuine Jersey member three Oaks Vineries and culminated in the group confidently presenting to our members about their experience at our AMM in May 2024.

We are pleased that in our second year of running this project we have been able to expand the initiative and work with students from La Mare De Carteret and St Sampson’s High in Guernsey as well as continue to host students from Haute Vallee in Jersey. We are also grateful to our colleagues who have given their time to show how much goes into running the Coop and wide variety of career options available to the students and our local suppliers for giving the students real insight into the importance of a sustainable local supply chain and what it takes to bring good quality local produce to our members and customers.

Work placements

We have had 28 students undertook work placements with us across Guernsey and Jersey.

GEM Awards

Our Going the Extra Mile (“GEM”) awards continue to celebrate our colleagues who go above and beyond in their work and display our values, co-operation, openness, empowerment, passion, and recognition. 2024 saw 24 GEM award winners. We also launched our sustainability awards as part of our sustainability strategy where we are proud to have recognised three winners since launch.

Long service data

Without the commitment of our colleagues we would not be able to deliver the amazing service our members and customers expect. Here we celebrate all of our colleagues who have shown this commitment over many years - thank you each and everyone of you!

	5 years	10 years	15 years	20 years	30 years
Jersey	26	11	0	11	1
Guernsey	23	10	0	0	2

Retirement

This year we said farewell to Sue McPhee, our exceptional assistant manager at Georgetown, who retired after an incredible 35 years of service, 34 of which were dedicated to all our members and customers in our Georgetown store!

Throughout her career, Sue had an extraordinary impact on the success of our Coop – not only by consistently delivering outstanding service and maintaining exceptional standards for our members, but just as importantly mentoring and inspiring the next generation of store managers. Many of our current managers have had the privilege of learning and growing under Sue’s guidance.

We are deeply grateful for Sue’s loyalty, dedication and invaluable contribution to our Coop and we wish her a long, happy and healthy retirement.

MAKING A DIFFERENCE

112 first aid courses completed

49 colleagues completed the external fire marshal training

79 e-learning Fire Marshal refresher courses completed

25 completed the Mental Health First Aid course

33 trained Mental Health First Aiders across your Coop

Sue McPhee
Assistant Manager, Georgetown



“

Our colleagues provide fantastic service to our members and customers



Celebrating our colleagues



Sandra



Marlene

A career with your Coop – the health and safety journey (with a few less bumps along the way!)

We provide many real opportunities for career development and growth across the whole business, whether that's in our retail stores or in our support centres. We are proud that our colleagues can shape their careers with us with our full support.

This year saw two key appointments that really demonstrate this. Safety is at the heart of what we do whether that is the safety of our colleagues, members, customers, suppliers, contractors or other external users. The wide variety of activities we undertake whether from retailing to members and customers, managing deliveries, stock replenishment, to store refits, property developments, ensuring the wellbeing of our colleagues, or managing relationships with government bodies or agencies requires that we have an effective health and safety framework in place. This requires us to have a health and safety team that understands who we are, what we do and can manage these demands. No day is the same and a career in health and safety with us is certainly not dull.

Sandra Gouveia da Silva was promoted to health and safety manager and Marlene Pita to health and safety officer. Sandra joined the health and safety team in 2020 making a significant contribution to our culture of safety, through her collaborative approach and the respect she has from her colleagues. Marlene has been with your Coop for 12 years working as a key member of our retail team at St Martin. This year she applied for the opportunity to use her knowledge and experience as part of our health and safety team and we are pleased to have her on board, bringing support to all our colleagues especially in Guernsey. We took a few moments to get their views on working at your Coop, the importance of safety for us and how they see their careers developing in the future.



We are here to support your Coop and our colleagues to do the right thing, in the right way

What is it like working for the Coop?

Sandra – Having started my health and safety career as a consultant, working at Coop is like being able to work daily with a varied range of businesses supporting them to improve their safety culture with the added bonus that we are all Coop. Whilst doing this, I really enjoy the interaction with colleagues, having conversations where I am learning more about Coop and what their day-to-day looks like is key for good health and safety practices. This openness to listen increases their trust of the health and safety team and the guidance and information we provide.

Marlene – Life at the Coop for me is one where I have opportunities to grow and a future and feel valued. I began my career in retail with the Coop in 2013, starting as a sales assistant and working up to become assistant manager at our St Martin's store. The opportunity to become part of the health and safety team allows me to take my knowledge and experience and apply this to support our colleagues. I am very happy with my role and want to be a part of the Coop for a long time.

What does safety mean?

Sandra – For me, safety is making sure that no harm is done to anyone that either works, shops or visits the Coop. In a diverse business like Coop safety can be explained in many different ways, my message and approach to explain safety to our colleagues is looking after themselves and making sure what they do or fail to do does not affect others. Fundamentally it is about ensuring we do the right thing, in the right way.

Marlene – Safety for me, means protecting our colleagues, the Coop and our members and customers of any type of harm, ensuring that the environment in which we operate is safe, keeping them in a protected environment. All the work we do daily is around their safety.

Describe an average day?

Sandra – In health and safety, it is not an easy task to describe an average day. I would say the highlight of our day-to-day is collaborating with the stores and support teams to review practices and procedures, monitor progress in areas where changes or improvements are being implemented and support them in ensuring that this is done without risk to our colleagues, members and others.

Marlene – “Sunshine days even with rain outside!” I’m so pleased with the opportunity given to embrace this role. Having worked in our retail team for over 10 years, it allows me to use that knowledge in my current role.

How has the Coop supported your development and how do you see your career developing in the future?

Sandra – Since joining the Coop, there have been several opportunities for development either related to knowledge and experience in health, safety and food safety or in other areas that support my personal growth. I always feel supported to take these opportunities and like to pass it on by empowering others to develop their own careers. The promotion opened further doors to exciting career development opportunities. In a world that is in constant change it is important to work for a business that embraces such change and empowers its employees to grow with them.

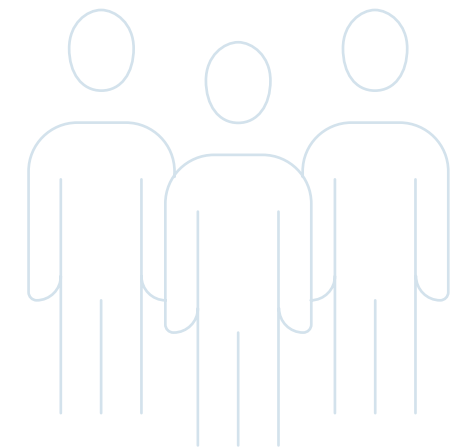
Marlene – The Coop has given me lots of opportunities to grow and develop. From English lessons as English is not my first language, to Chartered Management (“CMI”) courses and now the NEBOSH Health & Safety certificate, Coop has supported every step of my career. Coop supports every colleague who wishes to develop.

If you could give one piece of advice to someone just starting out in a career in health and safety and retail, what would it be?

Marlene – Go for it! This role is full of both challenges and opportunities, with a great team to help you develop. Don't pass up the opportunities that present themselves and have confidence and belief in your abilities.



Don't pass up the opportunities that present themselves and have confidence and belief in your abilities.





Pillar 3: Community

Co-operatives have always seen themselves as deeply rooted in the communities they serve. This is as important for us today as it has been for any time before because we are always local.

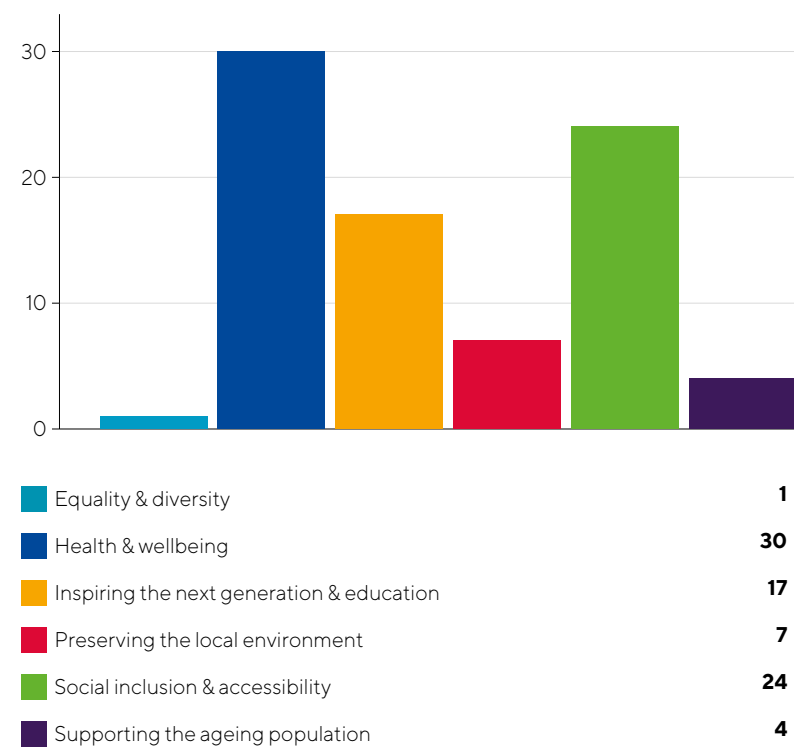
Our communities are at the heart of what we do and who we are. In 2024 we continued to make a difference to our communities through our contribution and support to local charitable and social causes, whether that be through funding, our time or expertise.

The following pages provide an insight into these activities.

Community Fund

2024 was another busy year for our Community Fund. We are proud that in 2024 we have been able to support 83 (2023: 66) applicants donating a total of £81,487 (2023: £67,708).

Our Community Fund was able to support many social and charitable causes across our communities:



We are, as ever, so grateful for the Coop's support for our charity and so many others like us.



“

Our Community Fund was able to support many social and charitable causes across our communities





Acts of kindness

All stores and teams at the Coop have access to a budget to carry out their own community acts of kindness throughout the year.

It empowers individuals to make a real difference in their community, store or workplace. From giving a bunch of flowers or a box of chocolates to a customer, to one off gestures, like donating a gift for residents of a local elderly care home, the money is there to put a smile on people's faces.

This year, the governance and risk team at Coop House donated their Act of Kindness budget to Jersey Brain Tumor Society and along with a payment from Coop's Community Fund, they are changing the use of some office space into a consultation room.

In June, our store manager at St Sampson, Craig Abbot, heard that the Prialux Premature Baby Foundation was helping a mum and her adorable triplets.

Craig decided to offer support via his act of kindness budget and delivered 16 tubs of baby follow-on milk.

“

We were delighted to be able to provide the PPFB with a donation of formula as part of the Coop's acts of kindness initiative. We're always keen to help local charities wherever possible. The charity offers essential support to premature babies in the island, we are thrilled to be able to assist them on this occasion.

- Craig Abbott, Store Manager

Our store manager at Five Oaks decided to support St Saviour's Primary School with £150 to purchase new books for the youngest pupils in nursery and reception. Whilst our property and sustainability team showed their appreciation of our Jersey and Guernsey bus drivers during the Big Green Week in early June and turned up to the depots with morning treats.

Our people team donated magazines to the children wards at Jersey and Guernsey Hospitals over Christmas.

Awareness days and fundraising in our stores

Giving back is at the heart of our values. We support various charities and community groups through our awareness days and fundraising in stores. During 2024 we hosted 39 awareness days and helped charities raise much needed funds through bag packing, food and pet food donation boxes and charity collection tins which we operate on a rota basis.

“

Just a note to say thank you so much for allowing Young Lives versus Cancer to have a flag day/bucket collection at two branches of the CI Coop on 13 April. We had two other venues too and altogether we raised an amazing £1,652.97 to help support children and young people with cancer. In particular, with Guernsey families the charity can assist with them being able to stay at one of the 'homes from home' near to the UK hospitals whilst undergoing treatment.

- Rachel, Young Lives versus Cancer

“

Thank you so much for allowing the GSPCA the opportunity to receive donations from your valued customers at all the local stores here in Guernsey. During October, November and December 2023. The total that we received was £664.68. We are fortunate to have your community support and appreciate the funds which were donated.

- Libby, GSPCA

“

After our 3-month rotation for Headway this year we had a tin count of the pennies collected. The grand total was £391.14. We are, as ever, so grateful for the Coop's support for our charity and so many others like us. You help us raise awareness and funds for our vital work. For us, in particular, because we receive no States funding, being involved in the tin collection scheme is so very important.

- Philippa, Headway Guernsey



“

I just wanted to get in touch to say thank you so much for accommodating us at the Grand Marché St Peter

Supporting Fairtrade

We continue to make a positive impact through our sourcing of Fairtrade products and in 2024 we celebrated 30 years of supporting the initiative.

We have supported various events with colleague support and donations of Fairtrade products.

We have hosted groups of young people from local schools, Scouts, Beavers and Brownies, including the 23rd St Lawrence Beavers at our St Peter's Village Store to help them learn about Fairtrade. The scout group had a tour of the store, followed by a classroom session in our training room which included some Fairtrade tastings.

Here's what their scout section leader had to say: "I just wanted to get in touch to say thank you so much for accommodating us at the St Peter's Village Store."

The staff were fantastic with our young Beaver Scouts and the training room was the perfect base for us to start the session, then to have our tasting session there at the end too worked really nicely. Mylie and Maria on the tills were very kind and patient with our young people as they were making their purchases"

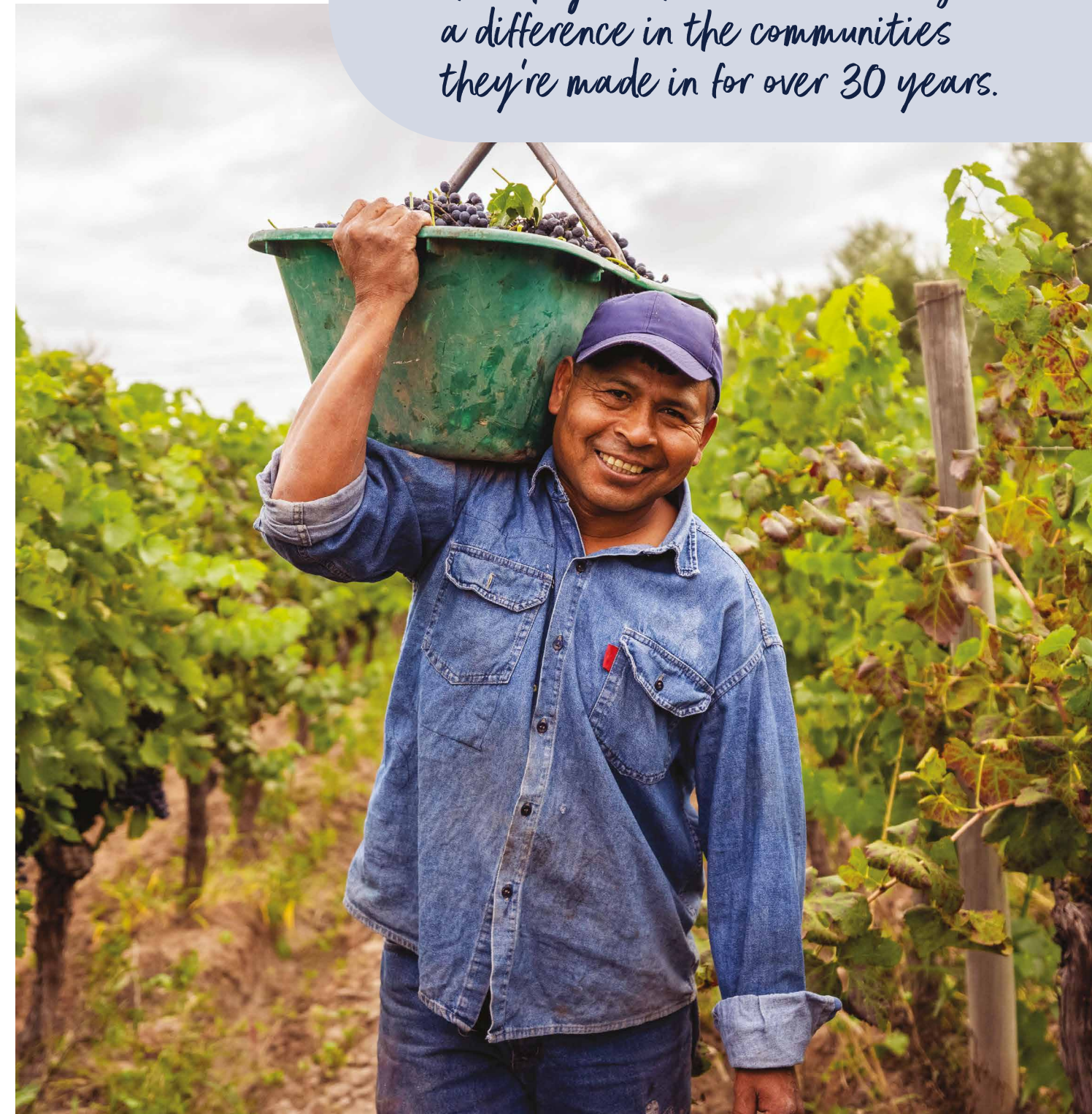
As part of our celebrations, we held several events over Fairtrade Fortnight in September including stands in our Jersey and Guernsey supermarket stores to educate customers on the work of Fairtrade.

We set up a stand at Charing Cross, St Helier offering free Fairtrade coffees and the opportunity to sample some Fairtrade wine. We also partnered with the Government of Jersey Eco Active Team to have a presence on King Street, St Helier, for an afternoon to raise awareness and the impact that buying Fairtrade products can have on the communities in which they are produced.

In Guernsey, our Cooperative Group's lead wine buyer, Edward Robinson, hosted a wine tasting with Fairtrade Guernsey, which was also attended by Walter Carol, La Riojana's wine export manager who made a huge impact on attendees with his first-hand accounts of the impact of Fairtrade in Argentina.

“

Our Fairtrade wine partners and their projects have been making a difference in the communities they're made in for over 30 years.





Pillar 4: Partners

As a retailer we absolutely rely on our partners in the supply chain to provide us with the high-quality goods and produce our customers deserve. It's not just transactional for us, its relational.

WHAT HAPPENED IN 2024?

- All Coop brand fresh chicken is bred with a lower stocking density, giving the birds 20% more space to roam.
- Coop is the first UK & CI retailer to move its entire range of fresh cut roses to be 100% Fairtrade, in a major milestone following the 100% commitment on Coop own brand chocolate, tea, coffee, bananas, cocoa and bagged sugar.
- Coop celebrates raising £20 million over 15 years for the One Foundation for water, sanitation and hygiene products globally through sales of own brand water, reaching over 3 million people

MAKING A DIFFERENCE

95%
of Coop own brand
products met their
calorie reduction targets

£7.9m
Spent with
50+ local producers

Being a core part of our island communities, we recognise how important it is to have sustainable local economies. Only through working together can we make the differences we need and partnerships are central to all we do. Whether that's supporting local suppliers, local contractors, working with government, local social and charitable or non-profit organisations it really makes a difference for good.

Promote local sourcing

We continue to support local where we can. In 2024 we have spent £79m with more than 50 local producers. By buying local products from your Coop you are helping to support local producers and in turn supporting the local economy.

Encourage healthy living

95% of Coop own brand products met their calorie reduction targets

At a time when household budgets are stretched and we all live busy lives, it can sometimes be hard to make healthy meal choices. We are committed to providing accessible and affordable healthy meals, increasing the amount of fruit and vegetables in Coop brand products and reducing the levels of salt, sugar and calories.

Inspiring healthy changes is paramount, and we have been working with Public Health for food and nutrition in Jersey and the Health Improvement Commissions for Guernsey and Alderney LBG to encourage healthier swaps.

In August we launched our lunchbox friendly campaign, to support families in making healthier choices before the new school term. The initiative aims to encourage healthier purchases and improve the nutritional quality of packed lunches being sent to schools. Products have been analysed by health professionals in government and deemed to be nutritionally appropriate for consumption by primary aged children.

Throughout the year we donate healthy refreshments for community and charitable events, often providing Fairtrade bananas to help fuel participants in endurance challenges in our islands.

We will continue to purchase and trade ethically, as it's the right thing to do.

In 2024 we celebrate 30 years of responsible retailing as your Coop. It was the Coop who undertook pioneering research, asking shoppers for their views on the ethics of the food industry. The message was as clear then as it is today: customers couldn't and can't rely on the food industry to give them the full facts about what they are buying.

The consumer landscape now looks very different to 30 years ago, however shoppers are still hungry for great quality food, produced ethically, with care for people and the planet. They also have access to much more information through the internet and social media and are quick to hold retailers to account.

We are constantly challenging ourselves to put ethics at the heart of our decision-making, whether that's the products you see on our shelves or the services and products we procure.

LOVE LOCAL AT YOUR LOCAL COOP

Supporting local is good for our economy and the environment around us. We actively look to stock our shelves with local products and are proud to have local producers as partners, in many cases for years and years. In 2024 we spent £7.9m with more than 50 local producers and suppliers.



Membership

Our members are at the heart of what we do every day. Membership of your Coop goes beyond loyalty as it's about belonging. Belonging to your Coop allows you, our members, to:

- see real immediate benefits and savings when you shop with us
- benefit from any surpluses we make through profit share
- support your local communities including local suppliers through our community and sustainability activities; and
- support us in furthering these activities through investing in us.

Our membership

Despite the challenging start to 2024 and uncertainty caused by the announcement around dividend, we saw our membership grow by 2,406 (2024: 1,375), an increase of 75% on the previous year. The launch of member pricing alongside our digital member application process were key drivers behind the increase. Of the 2,406 new members, 1,208 joined digitally – that's over 50%!

At 12 January 2025 our membership stood at 123,912 (2024 122,394), with membership movements being:

	2025	2024
At 14 January 2024	122,394	128,269
New members	2,406	1,375
Share accounts closed	(888)	(1,072)
Dormant accounts	-	(6,178)
At 12 January 2025	123,912	122,394
Jersey members	79,728	78,876
Guernsey members	44,184	43,518
Total	123,912	122,394

During the prior year the loss of contact provisions as set out Chapter 7 of the Member Rules, sections 12.5 to 12.9 were applied. This saw 6,178 dormant accounts closed. Any balances held in the dormant accounts fund are used to support the community, local charitable causes, environmental or social initiatives as set out in Rule 12.9.

Your voice counts

Did you know that it is our members who shape our Coop?

Our board is made up of a majority of member-elected directors, where any member can stand for election provided they have met the required criteria including minimum spend.

Elections are held annually and are an opportunity for members to really get involved with us and shape our future and that of our communities. Be involved to make a difference together!

Additionally, every member has an equal vote and shape our business by using that vote at either our Annual Member Meetings or at Special Member Meetings on key decisions affecting us. Using your vote shapes your Coop for the future ensuring we continue to grow and develop, meeting the challenges that arise

Investing in your Coop

As a member you can invest further with us. Your investment, support and trust in us over the last 100 years and more means we have been able to grow our business in our communities, helping shape them, provide sustainable community support, whether financial or through our colleagues and provide stable return to members.

Members holding more than £1,000 in either of their A or B Class share account earn interest on balances. This year we paid £2.83m in interest to members (prior year 2024: £2.86m)

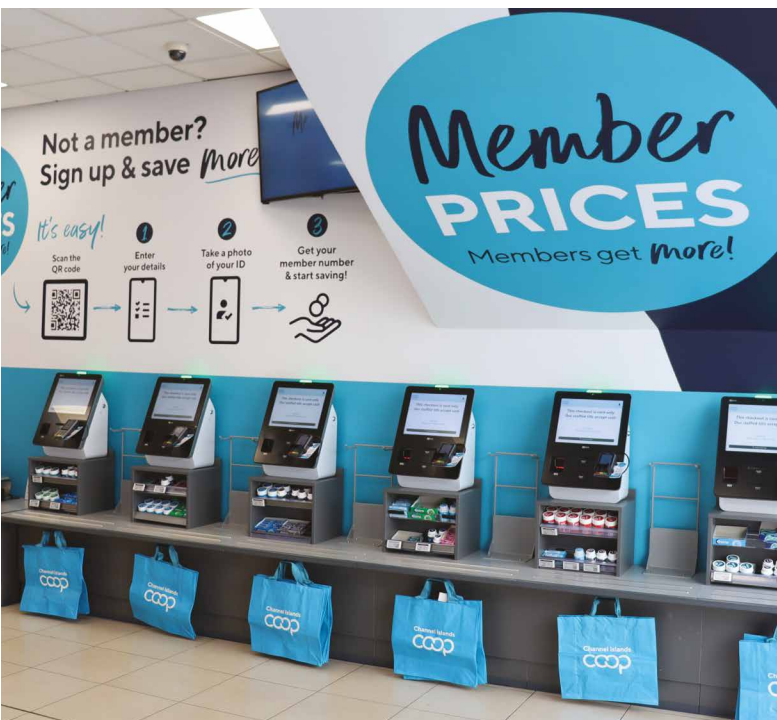
Members holding Class A share balances between £1,000 and £10,000 earn 1.8% and above £10,000 up to a maximum of £25,000 earn 3%. Members holding B share class accounts earn 5%, where members can hold between £1,000 and £75,000. Access to A share class accounts is instant, whereas B share class accounts is 90 days' notice where no interest is paid during this period¹.

Your benefits in 2024?

Our engagement with you during 2024 told us that you wanted more benefits today, rather than at a future date. We are pleased to have been able to give you:

- More than £306.3k in savings over 5 member 10% discount weekends
- £571k in member pricing savings since our launch across all our stores in October 2024

Members should see circa £2.28m in member pricing savings on an annualised basis.



¹Withdrawable share capital issued by us is an exempt activity as set out in the "Banking Business (General Provisions) (Jersey) Order, 2002. The issue and holding of withdrawable share capital is not covered by the Depositor Protection Scheme in Jersey.



“

Our members are at the heart of what we do every day.

MAKING A DIFFERENCE

£306.3k
over 5 member
10% discount weekends

£571k
member pricing
savings since launch

75%
Increase in new
membership applications

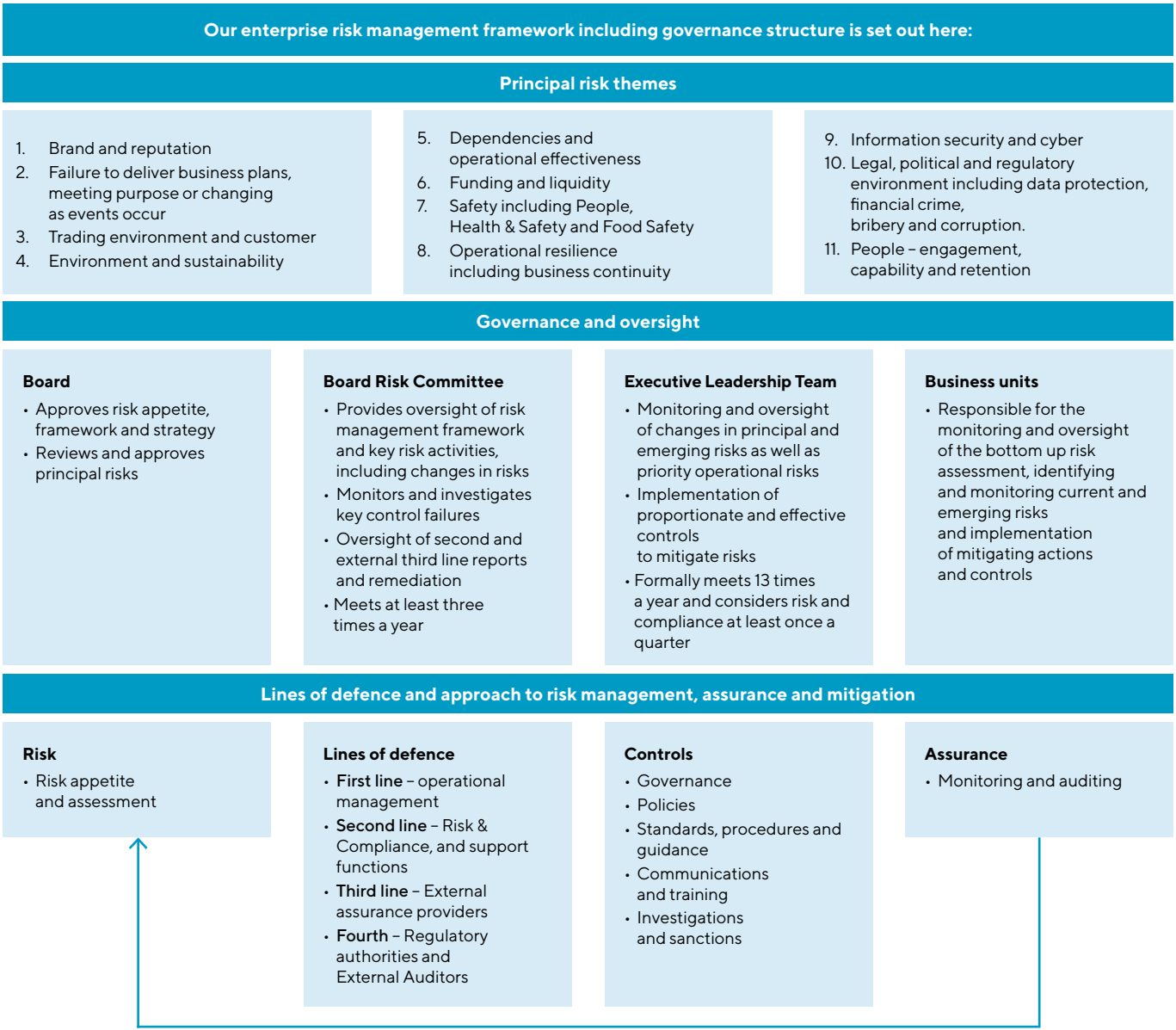
Risk management

Effective risk management means we will continue to develop and protect sustainable value for our members, customers, colleagues and communities, making a real difference in doing so. Through our strategic planning we identify the factors, both risks and opportunities that could impact how we achieve our objectives and goals. Further we align these to our four pillars of Planet, People, Community and Partners / Suppliers ensuring we are sustainable in all we do.

Our risk management framework enables colleagues to identify and manage risks within the parameters of our risk appetite. This section sets out our approach to risk management. It explains the risk management framework we have put in place to identify, evaluate, mitigate and monitor risks and opportunities before which is consistent with the voluntary guidelines contained in the Co-operative Corporate Governance Code. It also provides information on our most significant risks, both current and future, including our sustainability risks.

We ensure effective risk management by adopting robust risk governance arrangements that support the identification, assessment, prioritisation, management, oversight and reporting of risk from the strategic board and executive level down and from the business unit, operational level up. This includes the identification of opportunities and managing emerging risks.

Our risk management and governance oversight framework is set out in the diagram below. Risks including sustainability risks are considered quarterly by the Executive Leadership Team, where the Head of Risk & Compliance and each member of the Executive reports on risks including changes. The Board Risk Committee then considers developments in risks and opportunities in line with its terms of reference, with the Board retaining overall oversight.



Our risk appetite

Risk appetite is the level of risk that we are willing to take to achieve our strategic objectives including sustainability goals whilst making a positive real difference to communities we serve and in developing and protecting long-term member value.

Our board sets our risk appetite and reviews this annually. The board has generally held a low appetite for risk. Further the board has adopted specific risk appetites for certain risks where there is a strict legal or regulatory compliance obligation. With the development and adoption of the Your Coop’s Strategic Plan 2025 – 2030 and Sustainability Blueprint, the board has considered it necessary to review and update the risk appetite.

Accordingly, the board has determined our risk appetite as:

- We aim to develop and protect long-term member value whilst continuing to make a real positive difference to our communities. In doing so, we are willing to accept certain risks that may result in short term financial loss or exposure as we seek to deliver profitable sales growth and enhances member loyalty & value as we build for the future. Additional income opportunities or cost saving initiatives will not be pursued unless returns are probable and they will deliver long-term value.
- We understand our place in our communities and the trust placed in us by our members, customers and communities. We will not accept any negative impact on our reputation with these key stakeholders, tolerating only minor or minimal negative coverage and no impact on colleagues or politically, where neutrality is desired.
- Further where we have a legal, regulatory, statutory or otherwise ethical obligation we have low or no appetite for risk or no appetite to pursue any objective or action that may lead to non-compliance. For example we have no appetite for safety risk that could result in injury or loss of life to members, customers, colleagues or the public.

Further risks will be assessed on an ongoing basis against five levels of risk appetite with a full review at least annually. The five levels of risk appetite are:

Rating	Eager	Open	Cautious	Minimal	Averse
Meaning?	Decision makers are empowered to take justified risks	Decision makers are empowered to take strongly justified risks	There is a preference for safe delivery	Decision makers should be extremely conservative in this area	Avoidance of risk in this area should be seen as a core objective
Tolerance for uncertainty	Fully anticipated	Some is expected	Limited	Low	Extremely low
Choice decision where multiple options?	We will choose the option with the greatest potential upside, accepting there is a possibility of failure	We will choose options with potential upside, but will look to manage any potential negative impact	This option is acceptable in limited circumstances and when then benefits significantly outweigh the potential downside	We will only accept if it is essential and we can limit the possibility and extent of failure	This choice will only be selected if it is the lowest risk option of those available
Trade off against achievement of other objectives	Willing	Willing under the right circumstances	Preference to avoid	Only with extreme reluctance	Never

Risk management cont.

For our strategic goals 2025-2030 the risk assessment for each is:

Goal	Financial stability	Business area	Finance
Descriptions	To deliver financial stability through improved working capital management, new capital funding model with reduced reliance on short term member capital, enhanced budgeting and forecasting to facilitate improved reporting to key stakeholders through better use of data		
Current strategic risk	Liquidity	Risk theme	Funding and liquidity
Sustainability goal	Partners/suppliers	Risk appetite	Minimal
Accountable	CFO		

Goal	Expand and optimise core businesses	Business area	Food, Fuel, Care and Online
Descriptions	To increase market share through increased member participation, supported by greater availability, range, format and space optimisation		
Current strategic risk	Competition and substitution	Risk theme	Funding and liquidity
Sustainability goal	Failure to deliver business plans, meeting purpose or changing as events occur	Risk appetite	Open
Accountable	CRO		

Goal	Deliver value and choice to customers	Business area	Trading
Descriptions	Deliver member pricing and improved brand participation through mitigating limitations on product offerings and forming strategic partnerships whilst continuously working to improve our service		
Current strategic risk	Competition and substitution	Risk theme	Trading environment and customer
Sustainability goal	Community	Risk appetite	Minimal
Accountable	CCO		

Goal	Drive sustainable growth through property and partnerships	Business area	Property and Sustainability
Descriptions	Improved property portfolio management delivering greater utilisation and divestment of non-core assets		
Current strategic risk	Sustainability	Risk theme	Environment and Sustainability
Sustainability goal	Partners/suppliers	Risk appetite	Minimal
Accountable	CPSO		

Goal	Enhance member and customer experience	Business area	Marketing and Membership
Descriptions	Delivering improved member engagement, enhanced loyalty and reward programmes and offering		
Current strategic risk	Competition and substitution	Risk theme	Trading environment and customer
Sustainability goal	Community	Risk appetite	Cautious
Accountable	CMMO		

Goal	Achieve operational excellence	Business area	Technology, Food, Fuel and Care
Descriptions	Deliver operational efficiency and reduced costs through improved scheduling, rationalised and enhanced IT systems, streamlined operations and more effective communications		
Current strategic risk	Failure to deliver business plans	Risk theme	Dependencies and operational effectiveness
Sustainability goal	Planet	Risk appetite	Cautious
Accountable	CRO / CTO		

Goal	Lead in sustainability and ethical practices	Business area	Property and Sustainability, Governance, Risk and Compliance
Descriptions	Deliver on sustainability strategy, being a responsible corporate leader within our communities and building our culture of sustainability.		
Current strategic risk	Sustainability	Risk theme	Environment and Sustainability
Sustainability goal	Partners/suppliers	Risk appetite	Cautious
Accountable	CPSO / CGO		

Goal	Enhance community impact	Business area	Property and Sustainability
Descriptions	Continue to build our community relationships through engagement and collaboration, including local sourcing and aligning initiatives with wider sustainability goals		
Current strategic risk	Sustainability	Risk theme	Brand and Reputation
Sustainability goal	Community	Risk appetite	Cautious
Accountable	CPSO		

Goal	Empower our People	Business area	People
Descriptions	Create a positive work environment that values diversity and inclusion, encouraging innovation and participation to support growth and operational goals, leading to increased retention, improved communications and recognition.		
Current strategic risk	Recruitment and retention challenge for colleagues	Risk theme	People – engagement, capability and retention
Sustainability goal	People	Risk appetite	Cautious
Accountable	CPO		

Risk management cont.

Our risk management framework

Policies and procedures

We have policies and procedures in place throughout your Coop to guide colleagues and to ensure consistent standards for managing risk that are tailored to each business area.

Roles and responsibilities

We use the well recognised "three lines of defence" methodology to manage risk, noting we are also subject to a fourth line, where external audit review and review by regulators and other competent authorities takes place.

- First line: all colleagues, regardless of role or level of seniority, manage risk as part of their day-to-day activities, guided by policies, procedures and training as required.
- Second line: teams, mainly within the support functions, such as risk and compliance, provide guidance, oversight, and compliance activities to monitor compliance and to assist.
- Third line: audit, by external advisors with specialist skills and experience, providing independent assurance and challenge.

Our risk management process



1. We identify risk

- We identify risks that could impact our business by using our experience and judgement
- We regularly update as risks change

2. We assess risk

- We assess the likelihood and impact of the risks we identify
- We consider the potential financial and reputational consequences

3. We mitigate and manage risk

- We manage the risks by ensuring the appropriate mitigation and resources are in place
- We regularly adapt as risks evolve

4. We monitor and report risk

- We regularly monitor and update our risks and mitigation
- We regularly report our risks for review and challenge



Risk management cont.

How we managed risk in 2024

We regularly meet to discuss risk and opportunities across all levels of the business, including our risk identification, monitoring, and reporting mechanisms to ensure risk is appropriately managed. In developing our strategic plan, consideration was given to our current key risks. As with our risk appetite, our key risks were updated to reflect key risk themes that can be aligned to going forward. Further for each risk theme, a specific risk appetite was developed.

These risk themes and their associated risk appetites are set out below:

Risk theme	Safety including People, Health & Safety and Food Safety	Strategic priority	Make a bigger difference
Descriptions	In delivering our operations we recognise the importance of ensuring the safety of our colleagues and customers. Failure to do so can lead to potential sanction and loss.		
Risk appetite	Averse		

Risk theme	Operational resilience including business continuity	Strategic priority	Deliver operational efficiency
Descriptions	Being able to adapt and react to continue delivering services after a disruption event or incident is critical to ensure longer term achievement of goals.		
Risk appetite	Cautious		

Risk theme	Information security and cyber	Strategic priority	Deliver operational efficiency
Descriptions	Our technology platforms are at the heart of how we deliver our services. Ensuring we have robust platforms that can mitigate the risks presented by cyber disruption should minimise potential loss or disruption that would arise if an event occurred.		
Risk appetite	Cautious		

Risk theme	Legal, political and regulatory environment including GDPR, financial crime, bribery and corruption	Strategic priority	Make a bigger difference
Descriptions	Delivering our services everyday is not possible without us holding the right licences and permits nor without us adhering to the various legislation and regulatory frameworks that impact our service offering and our operations. Having appropriate frameworks in place that ensure continued compliance and pro-active monitoring ensures operations can continue uninterrupted limiting potential impacts of non-compliance.		
Risk appetite	Averse		

Risk theme	People – engagement, capability and retention	Strategic priority	Deliver operational efficiency
Descriptions	Without our people we will not be able to provide the level of service to our members and customers. Our people are at the core of what we do so ensuring that they have the appropriate skills and knowledge to carry out their roles and support us in achieving its goals mitigates the potential risk of loss arising caused by our people whether through lack of knowledge, skills or availability.		
Risk appetite	Cautious		

Risk theme	Brand and reputation	Strategic priority	Enhance member and loyalty value
Descriptions	Where a decision, event or incident impacts adversely or positively (for opportunities) upon our brand and or reputation		
Risk appetite	Averse		

Risk theme	Failure to deliver business plans, meeting purpose or changing as events occur	Strategic priority	Make a bigger difference
Descriptions	Our strategic plan is founded upon business goals and objectives which if not met will adversely impact our ability to achieve our ambitions.		
Risk appetite	Minimal		

Risk theme	Trading environment and customer	Strategic priority	Deliver profitable sales growth
Descriptions	We operate in distinct markets in Jersey and Guernsey, where the competitive environment is constantly evolving. Actions or events which adversely impact our market share or how we deliver services will impact our achieving our goals.		
Risk appetite	Open		

Risk theme	Environment and Sustainability	Strategic priority	Make a bigger difference
Descriptions	Sustainability and being a good community citizen are at our core. Ensuring we continue to deliver on our sustainability strategy in terms of our purpose over profit should ensure we continue to grow.		
Risk appetite	Minimal		


Risk theme	Dependencies and operational effectiveness	Strategic priority	Deliver operational efficiency
Descriptions	Ineffective operations lead to increased costs and lessens our ability to adapt and take advantage of opportunities and achieve our goals.		
Risk appetite	Cautious		


Risk theme	Funding and liquidity	Strategic priority	Enhance member and loyalty value
Descriptions	Lack of liquidity and ability to raise funding can impact our ability to deliver on our goals and inhibits our ability to invest.		
Risk appetite	Minimal		


Risk management cont.

2025 will see further development of our enterprise risk management framework with a focus on both risks and opportunities, ensuring appropriate controls are in place and effective to ensure delivery of the strategic objectives. This will include a focus on impact and action rather than impact and likelihood, where the latter will be applied to our identified operational hazard risks.

Having adopted the risk themes our key risks have been updated and the board has assessed the principal risks facing us and consider these as the most significant risks. Each is categorised and linked both to our strategic and sustainability goals.

Risk theme: Trading environment and customer				
Responsible executive: Chief Commercial Officer	Previous risk: Competition and substitution, and cost of living	Risk trend: Increased 	Link to sustainability goal: 11 and 12	Link to strategic goal: Deliver profitable sales growth
Risk description	Reasons for risk	How we mitigate the risk	What changed during 2024/25	What we plan to do in 2025/26
<ul style="list-style-type: none">• Ensure our member and customer offer remains attractive, viable and innovative given the competitive landscape• Significant business interruption due to continuing global challenges including Brexit, Ukraine, Red Sea, Israel-Hamas and significant adverse weather events caused by climate change resulting in reduced profitability	<ul style="list-style-type: none">• Reliance on a key supplier, the Co-op Group• Pricing pressures caused by cost price of goods for resale and increasing operating costs• Cost price of goods for resale• Increasing operating costs• Constraints on economies of scale• New entrants and market competition – particularly online• Innovation and market dynamics• Changes in climate with increasing global weather events impacting supply chain and local operations	<ul style="list-style-type: none">• Monitoring of products, sales and margins• Regular market share and competitor analysis• Responsive promotions and marketing• Quarterly forecasting• Strategic plans include competitor activity mitigations• We are a member of Federal Retail and Trading Services Limited• Assess new supplier opportunities including local, UK, Europe and further afield where the group cannot support• Sustainability strategy• Adapting care divisions (pharmacy and funerals) in line with changing government guidelines• Monitoring supply chains, sourcing alternatives locally where possible and off-island where not• Adapting the food division's business model to reduce fixed cost base through use of zero hours contracts	<ul style="list-style-type: none">• Store refits adopting new store layouts to enhance member experience• Developed offering including food to go, Costa Coffee• Embedding of new Pharmacies across Jersey and Guernsey, including relocation of L'Aumone• Input costs continue to be a challenge with continued global uncertainty.• Continued price monitoring• Further developed relationship with Carrefour to enhance range and choice as well as to mitigate key supplier risk• Continued supply chain challenges post Brexit, COVID-19 and Ukraine situation• Launched member pricing delivering more member value• Potential challenges arising through supply chain changes• Cost of capital increased significantly to manage the inflationary price pressures	<ul style="list-style-type: none">• Continue member value and loyalty journey, building on member pricing and member offering• Continue to roll out store rebranding and store plan refits, including pharmacies• Progress Leale's Yard development• Continue to develop digital member journey to enhance member experience• Refocus to doing the basics right• Continuing to engage with members and customers, enhancing the shopper experience.• Continue to explore opportunities with new and existing suppliers such as growing offering through Carrefour• Reviewing our financial model to ensure its sustainability for the future

Risk theme: Failure to deliver business plans, meeting purpose or changing as events occur				
Responsible executive: Chief executive officer	Risk category: Failure to meet business plans	Risk trend: Stable 	Link to sustainability goal: 16, 11 and 12	Link to strategic goal: Make a bigger difference
Risk description	Reasons for risk	How we mitigate the risk	What changed during 2024/25	What we plan to do in 2025/26
<ul style="list-style-type: none">• Risk of failure to deliver business plans including sales growth and profitability targets	<ul style="list-style-type: none">• Reduced profitability or loss-making operations impact liquidity covenants and ability to pay dividend• Reduced cash flow impacts on ability to invest in delivering long term value to members	<ul style="list-style-type: none">• Periodic reviews give visibility of financial performance• Quarterly strategic reviews and forecasting gives visibility of overall business plan delivery• Weekly cashflow monitoring• Robust capital expenditure allocation process• Regular monitoring of the competitive landscape and market research to determine members' and customers' needs and preferences, shaping our offering accordingly	<ul style="list-style-type: none">• Continued to refine budgeting and forecasting• Aligned performance reporting to business plans, rolling out to all colleagues to drive understanding and awareness	<ul style="list-style-type: none">• Review strategy and develop overriding plan for next five years• Continue aligning performance reporting with business plans ensuring effective communication to and engagement with all colleagues to drive understanding and awareness

Risk theme: Dependencies and operational effectiveness				
Responsible executive: Chief retail officer	Risk category: Commercial contracts	Risk trend: Increasing 	Link to sustainability goal: 17 and 12	Link to strategic goal: Deliver operational efficiency
Risk description	Reasons for risk	How we mitigate the risk	What changed during 2024/25	What we plan to do in 2025/26
<ul style="list-style-type: none">• Inadequate / inappropriate contractual protection leads to risk of financial loss or reputational damage• Changes in key dependency relationship leading to adverse impact on operations or increased operational inefficiencies	<ul style="list-style-type: none">• Management of contract process could lead to inadequate contractual protections for us and/ or unqualified contractors being employed to carry out works• Being a Channel Islands' based business, dependencies are a key factor in our operations, whether through supply transportation links, suppliers, availability of contractors etc., and pose a risk should any of these breakdown or fail	<ul style="list-style-type: none">• Legal review of contracts• Contract authorisation process• Engagement and collaboration with contractors and suppliers• Member of central Co-op buying group FRTS• Engagement with Governments• Regular service or contract level reviews	<ul style="list-style-type: none">• Ethical procurement model rolled out• Development of supplier and contractor protocols• Continued engagement activity with contractors, suppliers, trade bodies, Government and Government agencies• Regular attendance at FRTS meetings• Review of existing contractual arrangements and revisions made as appropriate	<ul style="list-style-type: none">• Continue to review and revise contractual arrangements• Formally issue revised supplier and contractor terms of business• Continue engagement particularly in respect of transportation and achieving sustainable deliveries• Assessing operations for any adjustments that may be required from changes to ensure continued effectiveness• Implementation of facilities management system• Refit of stores and trading properties

Risk management cont.

Risk theme: Brand and reputation				
Responsible executive: Chief executive officer	Previous risk: Reputational risk	Risk trend: Stable ➡	Link to sustainability goal: 10 and 16	Link to strategic goal: Enhanced member and loyalty value
Risk description	Reasons for risk	How we mitigate the risk	What changed during 2024/25	What we plan to in 2025/26
<ul style="list-style-type: none"> • Risk of failure to meet stakeholder including member expectations as a result of any event, behaviour, action or inaction either by your Coop itself, our colleagues, those we are associated with that may cause our members and other stakeholders to form a negative view of your Coop 	<ul style="list-style-type: none"> • Serious health and safety incident • Other major operational issue e.g. personal or special category data is lost, damaged, misused or stolen • Significant non-compliance with laws and regulations • Changes to governance or rules that cause member uncertainty 	<ul style="list-style-type: none"> • Executive leadership team oversee a broad suite of policies and procedures designed to protect your Coop and ensure compliance with legal and regulatory requirements • Legal and regulatory compliance reviewed quarterly by the board and executive leadership team • Regular monitoring and horizon scanning to identify potential matters that may impact your Coop 	<ul style="list-style-type: none"> • Implementing of member pricing to lessen impact of continued impact of cost of living impact on Islanders • Changes in Government policy adversely impacting your Coop or our communities • Law Commission review and consultation of relevant society law in the UK 	<ul style="list-style-type: none"> • Continue the review and development of your Coop's governance framework • Continue to evolve and embed CI Coop's enterprise risk management framework • Continue to develop our governance of key risk areas including financial crime, data protection, safety and information security • Changes to rules to further enhance the governance and oversight • Monitor potential changes to society law to assess their potential impact on your Coop's member rules

Risk theme: Legal, political and regulatory environment including data protection, financial crime, bribery and corruption				
Responsible executive: Chief governance officer	Previous risk: (AML/CFT/CPF)*	Risk trend: Decreasing ⬇	Link to sustainability goal: 10 and 16	Link to strategic goal: Make a bigger difference
Risk description	Reasons for risk	How we mitigate the risk	What changed during 2024/25	What we plan to in 2025/26
<ul style="list-style-type: none"> • Failure to comply with AML/CFT/CPF regulations 	<ul style="list-style-type: none"> • Risk that inadequate AML/CFT/CPF system and controls leads to reputational damage, regulatory sanction, and significant costs, including fines from the Jersey Financial Services Commission ("JFSC") 	<ul style="list-style-type: none"> • Detailed AML/CFT/CPF framework, policies and procedures in place supported by independent experts • Regular specialist AML/CFT/CPF role specific training provided to director, officers and key persons as well as financial service colleagues • The risk and compliance team comprises colleagues with significant and relevant AML/CFT/CPF regulatory experience • Third party effectiveness assessments undertaken every three years • External third party outsourced compliance monitoring 	<ul style="list-style-type: none"> • Proceeds of Crime (low risk financial services business) (Jersey) Order, 2024 coming into effect exempting transactions of withdrawable share capital up to £500 from certain elements of the Money Laundering (Jersey) Order 2008 • Outsourced AML/CFT/CPF compliance monitoring program continued • Continued review and update of AML/CFT/CPF Risk Appetite, Strategy and Risk Assessment and compliance monitoring plan • Supported digital membership journey to ensure continued compliance with our legal obligations 	<ul style="list-style-type: none"> • Continue to enhance our AML/CFT/CPF compliance framework including systems and controls and associated policies and procedures with appropriate review and oversight of changes • To continue to raise awareness as to our AML/CFT Framework including understanding through training and awareness for both financial services business colleagues and non-financial services business colleagues • Outsourced compliance monitoring model continues • Update low risk member journey to facilitate digital journey and member experience.

*Anti-money laundering, countering the financing of terrorism and countering proliferation financing (AML/CFT/CPF)

Risk theme: Data protection				
Responsible executive: Chief technology officer	Previous risk: Data Protection	Risk trend: Stable ➡	Link to sustainability goal: 10 and 16	Link to strategic goal: Make a bigger difference
Risk description	Reasons for risk	How we mitigate the risk	What changed during 2024/25	What we plan to in 2025/26
<ul style="list-style-type: none"> • Failure to comply with local data protection legislation 	<ul style="list-style-type: none"> • Inadequate governance of data could lead to reputational damage and significant costs, including fines from Jersey's Office of the Information Commissioner or Guernsey's Data Protection Authority 	<ul style="list-style-type: none"> • CI Coop has a data protection policy and data protection framework in place • Appointment of a suitably qualified data protection officer and data protection lead • Provision of relevant training to all colleagues across the business 	<ul style="list-style-type: none"> • Continued review and development of relevant data protection related policies and procedures • Continued CI Coop's data protection training and awareness programme 	<ul style="list-style-type: none"> • Review and update data protection framework • Continue to train and raise awareness of obligations to all colleagues • Continue to develop and enhance our data governance systems and controls

Risk theme: Information security and cyber				
Responsible executive: Chief technology officer	Previous risk: Data Protection	Risk trend: Stable ➡	Link to sustainability goal: 16	Link to strategic goal: Deliver operational efficiency
Risk description	Reasons for risk	How we mitigate the risk	What changed during 2024/25	What we plan to in 2025/26
<ul style="list-style-type: none"> • Unauthorised access, modification or loss of data due to a successful cyber attack 	<ul style="list-style-type: none"> • Risk of IT systems and services not being recovered on a timely basis • Risk of permanent data loss • Theft risk of valuable and / or private data • Risk of ransomware and business interruption 	<ul style="list-style-type: none"> • Following industry recognised Cyber security Capability Maturity Model ("C2M2") • Employing colleagues who specialise in this area 	<ul style="list-style-type: none"> • Completed roll out of new retail system reducing overall vulnerabilities • Embedded third party supplier cyber risk monitoring tool • Continued to reduce vulnerabilities in technology platform • External third party IT controls audit • Enhanced disaster recovery capability 	<ul style="list-style-type: none"> • Continue focus on enhancing capabilities of cyber controls. • Continue to replace and upgrade aging IT systems • Continue to replace and upgrade aging IT systems • Transition cyber security capability model

Risk theme: Information security and cyber				
Responsible executive: Chief technology officer	Previous risk: Data Protection	Risk trend: Stable ➡	Link to sustainability goal: 11, 12, 16 and 17	Link to strategic goal: Deliver operational efficiency
Risk description	Reasons for risk	How we mitigate the risk	What changed during 2024/25	What we plan to in 2025/26
<ul style="list-style-type: none"> • Failure to maintain IT infrastructure and stability • Future data management strategy inconsistent with current systems • Failure to ensure 	<ul style="list-style-type: none"> • Inability to continue trading with existing partners leading to financial losses and member / customer detriment • Risk that inadequate IT impacts commercial capability to deliver an online platform leading to member / customer loss 	<ul style="list-style-type: none"> • Robust IT resilience at all sites • Advanced system monitoring protocols in place • Manual processes as backup in case of failure 	<ul style="list-style-type: none"> • Rolled out new EPOS system across CI Coop • Reviewed internal resource model and outsourced network and infrastructure to further enhance capability and resilience 	<ul style="list-style-type: none"> • Continue to implement the technology strategy • Continue decommissioning of older systems to reduce vulnerability

Risk management cont.

Risk theme: Safety, including people, health & safety and food safety				
Responsible executive: Chief governance officer	Previous risk: Health & Safety (including food safety)	Risk trend: Stable ➡	Link to sustainability goal: 3, 5, 12, and 16	Link to strategic goal: Make a bigger difference
Risk description	Reasons for risk	How we mitigate the risk	What changed during 2024/25	What we plan to in 2025/26
<ul style="list-style-type: none"> Health and safety, or food safety, breach leading to major incident, injury, or fatalities 	<ul style="list-style-type: none"> Keeping colleagues, members, customers, and all visitors to our sites safe Channel Islands health and safety and food safety legislation Complexity of businesses and business operations 	<ul style="list-style-type: none"> Health and safety framework including policies, processes, and practices in place, including for food safety Monitoring compliance through regular programme of first, second- and third-line assurance Assessment of leading and lagging indicators annually to identify targets for the cycle of continual improvement 	<ul style="list-style-type: none"> Completion of an external health and safety framework review and determination of recommendations and actions for implementation Implemented new health and safety incident investigation and reporting policies and processes Adopted revised H&S Policy and Strategy Developed awareness programme and grew engagement including with other independent COOP teams. Revised reporting to facilitate decision making and understanding Supported relevant competent authority and government initiatives as they relate to food safety and health & safety 	<ul style="list-style-type: none"> Complete the actions arising from the recommendations from the external review Continue health and safety focus on slips, trips and falls, manual handling, and contractor competence Complete the development of the health and safety systems including risk assessment Continue food safety focus on hot food, allergen awareness and labelling Engaging external resource to support ongoing compliance Implementation of facilities management strategy Continue store and trading property refits

Risk theme: Funding and liquidity				
Responsible executive: Chief financial officer	Previous risk: Liquidity	Risk trend: Stable ➡	Link to sustainability goal: 11, 12 and 16	Link to strategic goal: Make a bigger difference
Risk description	Reasons for risk	How we mitigate the risk	What changed during 2024/25	What we plan to in 2025/26
<ul style="list-style-type: none"> Risk that liquidity is insufficient to meet obligations as they fall due 	<ul style="list-style-type: none"> We issue withdrawable share capital to fund the business where members subscribe for additional share capital Outflows of withdrawable share capital by members exceeding purchases of withdrawable share capital over a sustained period can adversely impact liquidity Within the financial results, where a distributable surplus is not made or there are insufficient liquid funds, then the payment of a dividend may not be possible 	<ul style="list-style-type: none"> Monitoring liquidity through cashflow forecasting, and regular reviews of member withdrawals Annual audit of financial position including going concern assessment Quarterly reporting to Jersey Financial Services Commission as to liquidity position Applying the distribution of surplus rules Adjusting interest rates applicable to member capital to encourage members to continue investing in us 	<ul style="list-style-type: none"> Prevailing economic conditions continued to apply inflationary pressures however decrease in inflation rates has seen the pace of increase fall, however expected interest rate reductions have been slower than predicted Continued to utilise a revolving credit facility to support future developments including for Leale's Yard and operational needs, including store refits and upgrades 	<ul style="list-style-type: none"> Continued focus on cashflow forecasts and trends of levels of member withdrawals Implementation of agreed financing options to ensure flexible and sustainable funding is available to your Coop if required Monitoring against agreed financial plan that underpins the Strategic Plan for 2025 to 2030 including robust scenario forecasting and planning Sale of surplus investment property no longer of use to us

Risk theme: People – engagement, capability and retention				
Responsible executive: Chief people officer	Previous risk: Recruitment and retention challenge for colleagues	Risk trend: Decreasing ⬇	Link to sustainability goal: 3 and 5	Link to strategic goal: Deliver operational efficiency
Risk description	Reasons for risk	How we mitigate the risk	What changed during 2024/25	What we plan to in 2025/26
<ul style="list-style-type: none"> Inability to recruit and retain the right people at the right time and the right cost including in here impact of cost of living 	<ul style="list-style-type: none"> Difficulty recruiting colleagues post Brexit and COVID-19 Immigration challenges Increasing cost of living in the islands Competition from all industries seeking to recruit and retain people 	<ul style="list-style-type: none"> Monitoring vacancy, staff turnover and absenteeism rates Recruitment initiatives Adoption of flexible working arrangements where appropriate Review of store opening hours Assessing compensation packages Monitoring of legal changes and government policy as to employment and its future impact on us and our colleagues 	<ul style="list-style-type: none"> Completed review of compensation packages. Continued to develop colleague reward and competency and performance framework Continued wellbeing programme including training mental health officers Launched accessible People hub for all colleagues to enhance engagement Initiated efficiency initiatives including for colleague scheduling and absence management 	<ul style="list-style-type: none"> Complete implementation of competency and performance framework, as well as reward framework Continue to build just culture supporting colleague mental wellbeing Implement new scheduling and resource planning tool to deliver efficiencies in operations

Risk theme: Environment and sustainability				
Responsible executive: Chief Property & Sustainability Officer	Previous risk: Sustainability	Risk trend: Stable ➡	Link to sustainability goal: All	Link to strategic goal: Make a bigger difference
Risk description	Reasons for risk	How we mitigate the risk	What changed during 2024/25	What we plan to in 2025/26
<ul style="list-style-type: none"> Not meeting our environment and sustainability goals as set out in our sustainability strategy could lead to loss through inefficient operations, penalties, reputational damage etc 	<ul style="list-style-type: none"> Through our sustainability strategy we have committed to various targets and actions and not meeting these could lead to inefficiency in our operations or loss through reputational damage or financial penalty or sanction 	<ul style="list-style-type: none"> Sustainability strategy in place with clear goals and targets Implementation of appropriate controls including roles and responsibilities and executive and board oversight Regular reporting on progress Implementing of key risk and performance measures to monitor compliance or impact Embedding sustainability within our people strategy including competency and performance framework, and goals and objectives. Embedded our ethical decision making tool 	<ul style="list-style-type: none"> Sustainability progress report issued Steps taken to determine base reporting requirements for carbon footprint measuring Continued our community support programme Launched sustainability awards to develop culture and recognise positive actions 	<ul style="list-style-type: none"> See sustainability report on page 22 Continue implementation of processes to facilitate consistent reporting of key sustainability measures Continue embedding our sustainability culture through goals and objectives at all levels Continue use of ethical decision making tool including reporting of its adoption and monitoring its use Store and trading property refits to facilitate benefits from increased energy efficiencies

Risk management cont.

Risk theme: Operational resilience including business continuity				
Responsible executive: Chief governance officer	Previous risk: N/A	Risk trend: Stable ➡	Link to sustainability goal: 16	Link to strategic goal: Make a bigger difference
Risk description	Reasons for risk	How we mitigate the risk	What changed during 2024/25	What we plan to in 2025/26
• Ability to operate during and post the occurrence of an event or incident that significantly impacts operations either locally in a store or the whole organisation	• Significant disruption to operations can adversely impact the ability to trade or operate leading financial loss. • Not being able to continue operations or resume trading quickly after an incident has occurred could lead to financial loss.	• Maintain a business continuity plan including disaster recovery • Test our business continuity plans, including disaster recovery • Apply root cause analysis to incidents or events in order to learn and ensure they do not recur	• Changes within the business operations have necessitated an update of our business continuity plan and disaster recovery solutions • Updated core operating systems to enhance resilience • Climate change effects impacting severity of weather events leading to increased possibility of incident or impact • Developed relationships with Government agencies and departments to ensure preparedness and timely response and mitigations are possible	• Continue to develop relationships with Government and relevant agencies given our role in our communities • To revise and update our business continuity plan including disaster recovery • Run scenario-based testing of the plan. • Implement facilities management strategy



Managing the effect of potential future risks

Effectively managing risk is not just about risks and opportunities identified today, but also pro-actively monitoring for emerging risks and opportunities in order that their potential impact on our strategic goals and business operations can be assessed and tracked. Identified actions inform our operational resilience, including business continuity planning.

We monitor future risks using frameworks including the PESTLE framework. The future risks faced by us, include:

Risk factor	Why should this matter?	How will we develop and protect long-term member value?	What could impact our 5 year plan?
Political	Changes in the political environment can impact our operations and thereby ability to create value for our member-owners. Opportunities may also be presented where there is a change in government policy the result being positive for us.	Continue engagement with and within government through direct approaches and through participation in policy development, workshops etc. We will continue to advocate for the best outcome for our member-owners and wider communities.	Elections are scheduled to take place in Jersey in 2026 and Guernsey 2025. Changes in government could bring significant change in policy direction.
Economic	Our continued financial sustainability goes to the heart of our delivering long term member value. We are living in an increasingly complex and volatile world which can increase future financial instability for us, our members, customers, governments and communities we support	Being owned by our members who are also residents of our communities affords a shared long term view sustainability. We aim to continue to be a strategically, commercially viable and sustainable business.	Continued higher rates of inflation in the wider economy seeing continued increases in costs, leading to an enduring cost of living crisis leading to real term wage erosion.
Social	We operate in Islands with an ageing demographic and population structures including migration challenges, impacted by government population policies and a post-Brexit environment, that may impact our business.	Review our propositions to continue to meet the needs of our members customers and colleagues now and in the future, including re-aligning our strategic objectives.	Government population policies may be updated or changed especially given future election outcomes.
Technological	Developments in technology are accelerating and to ensure that we can take advantage of the opportunities this affords us we need to ensure we continue to evolve our ways of operating and working.	Adopting appropriate new technologies will improve our operations, allow us to explore new opportunities and deliver an enhanced and modern member engagement delivering greater value to our member-owners.	Significant changes in technology are being driven by how data is utilised and how data is accessed and understood. We are investing in our core platforms to take advantage of such benefits, which can include addressing the social challenges, but also in providing real and direct benefits to members.
Legislative (including regulatory)	Changes in legislation and regulations impact the way we do things. Changes can present opportunities but can also increase costs adversely impacting the development of member value where investment is required or activities stopped or changed.	We will continue to engage with Government, its agencies and industry bodies to ensure compliance is achieved in the most effective way. We will continue to monitor changes in direction and approach in the UK where local competent authorities may reference such changes.	Changes in government policy such as changes to health & safety legislation or regulations related to AML/CFT/CFT, data protection, food safety, funeral or Pharmacy services.
Environmental (including ethical)	Climate change, its effects including increasing frequency of severe adverse weather events and changes in climate related government policies can impact the development and protection of long-term member owner value.	Continue to monitor for changes in Government climate related policies, climate change related updates including potential impacts to ensure we are best placed to take advantage of or mitigate the potential impact such changes.	We have our own Sustainability blueprint and targets it aims to achieve – change in government policy and both UK and International policies and targets could see changes to our strategy whether to identified requirements or new ones.

Governance report

The board is pleased to present its governance report to its members for the year under review. Best co-operative governance practice underpins how we operate. We are run democratically focussing on the needs of our members and communities served by us.

Governance code

We follow the Co-operative Corporate Governance Code 2019 (the Code) issued by Co-operatives UK, the co-operative federation for co-operative enterprises in the UK, on a voluntary basis where appropriate. In addition, the board is committed to the International Co-operative Alliance (the ICA) Values and Principles and reaffirms its commitment to them annually.

We disclose where we have not complied with the Code's provisions and provide an explanation, where this is the case. Previously we have reported that we do not report on alignment, activities, and actions in relation to culture in the way intended by the Code, however in 2024 this position was reassessed and we set out our activities related to culture under Co-operative leadership and purpose.

The Code is organised into six sections:

- 1. Member voice, participation and engagement
- 2. Co-operative leadership and purpose
- 3. Roles and responsibilities
- 4. Board composition, succession and evaluation
- 5. Risk, financial management and internal controls
- 6. Remuneration of the board and executive leadership

These sections set out the principles that all co-operatives can reflect on. This report follows the above structure and sets out the ways in which we apply the Code where practical and appropriate to do so, that are not covered elsewhere in this annual report.

1. Member voice, participation, and engagement

We are a democratic organisation governed by rules that enshrine the equal voting rights of members and define those matters that are the exclusive preserve of the members. Members are encouraged to attend meetings of the members, including the Annual Meeting of Members (AMM), and exercise their democratic rights and elect directors to the board to represent their views. We actively promote attendance for such meeting including for our AMM by publishing notices on our website, across our social media channels, the local newspapers and on posters or screens in stores exceeding the requirements set out in our rules. In 2024, we continued to provide members with the opportunity to attend and vote online by offering hybrid web and physical meetings in both Jersey and Guernsey. Members have not proposed any motions to be voted on for the last three AMMs.

At the end of the 2025 financial year, we had 123,912 members (prior year 2024: 122,394). In 2024, 262 members attended the AMM, 230 in person and 32 online (prior year 2024: 193, 146 in person and 47 online). At the 2024 elections, 6 members put themselves forward for the 3 vacancies on the board, 2 in Guernsey and 1 in Jersey (prior year 2024: 1 member for 2 vacancies with Guernsey vacancy not filled). Votes were cast by 482 members including those voting online prior to the AMM taking place (prior year 2024: no votes took place as there were no candidates for the Guernsey vacancy and the one candidate for the Jersey vacancy stood unopposed). The board recognises the low level of votes relative to the total number of members and is looking at ways to increase member engagement taking into account both society law and our Member rules.

We hold member focus groups, surveys, and invite feedback from members through feedback forms and the members' portal. Active engagement with our members is encouraged through our social media channels.

We are committed to respecting the rights and diversity of our members, colleagues and people dealing with us by treating them fairly and not discriminating on any grounds. These values and principles have been enshrined in our rules, directors' code of conduct and colleague employment guidebook.

2. Co-operative leadership and purpose

Social responsibility and 'making a real difference to the communities we serve', whilst maintaining our position as the island's leading responsible retailer, is our vision. We undertake many initiatives to ensure we support both local and global communities and the environment. Supporting local causes is core to our sustainability strategy, enabling members, colleagues, and community partners to connect, influence and co-operate in activities and solutions locally.

Our five values as set out on page 3 underpin our culture, which are also supported by our sustainability objectives and risk attitude. We embed our values into our annual performance process including objective setting. Whilst our board and executive champion our values, we recognise those who demonstrate them through our GEMS award process.

Further as set out in our People report on page 25, we assess our culture through activities such as our Coop voice survey, and feedback through our Coop conversations. Our board has also been subject to its own internal evaluation as to effectiveness which includes assessing the culture and alignment to our values.

Our corporate strategic priorities support our mission to protect and develop long-term member value by:

- 1. Delivering profitable sales growth
- 2. Enhancing member loyalty and value
- 3. Delivering operational efficiency
- 4. Making a bigger difference

This will be achieved through:

- Empowering our people
- Ensuring that we have the right capital structure
- Improving our internal communication
- Using our data more effectively to drive measures and insights

As we entered 2024 we saw the impact of the significant challenges faced by us caused in the main by wider global events that resulted in the difficult decision being made around the amount of dividend to be recommended for payment. The cooperative financial model is built upon sustainability, where members benefit from surpluses but not when there are none.

The board has taken a range of steps in 2024 to deliver a sustainable business model for our continued long-term success. A rigorous set of standards for appraising investment decisions to ensure that appropriate returns are achieved on our assets are in place, and decisions for distributing profits in the form of dividend are made only when there are sufficient distributable surplus profits to do so.

The goal remains to return a stable dividend on qualifying purchases each year, however only when prevailing trading conditions permit and there are sufficient net surplus profits to do so. Setting a specific target rate of dividend is itself not considered appropriate, where any profit can go towards interest to members, community projects and reinvestment to support us and our continued growth for the benefit of our members and communities.

The board has a code of conduct setting out the expectations for the way directors interact with one another and with others with whom they have business. The board also has an established whistleblowing procedure overseen by the board risk committee, allowing colleagues to raise any concerns in confidence. Every matter raised is investigated and follow up action is taken where required. Processes are also in place for matters raised outside of the whistleblowing process, where appropriate controls are applied to ensure independence and fairness of investigation.

3. Roles and responsibilities

Every year, the board reviews the ICA values and principles and re-affirms its commitment to them in their decision-making processes. In compliance with the Code, the directors have acted, in good faith, in a way that would be most likely to promote our success for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- a) The likely consequences of any decision in the long term;
- b) The interests of our employees (colleagues);
- c) The need to foster our business relationships with suppliers, customers, and others;
- d) The impact of our operations on the community and the environment;
- e) The desirability of our maintaining a reputation for high standards of business conduct; and
- f) The need to act fairly between our members.

The development of strong meaningful relationships with our stakeholders is vital to our long-term sustainability and the board is conscious of the impact that their decisions have on direct stakeholders and the wider community. Any key or principal decisions by the board will include discussion with our key stakeholders and the board seeks to understand the needs of each stakeholder group. We have set out below examples of the way we approach our engagement with our key stakeholders.

Our members	<ul style="list-style-type: none">• Member meetings (Annual and Special)• Social media• Focus groups / surveys
Our customers	<ul style="list-style-type: none">• Customer feedback forms• IGR surveys• Loyalty survey• Social media
Our colleagues and trade unions	<ul style="list-style-type: none">• Townhalls• Wellbeing week• Voice feedback surveys• Internal communications
Our suppliers	<ul style="list-style-type: none">• Communication of revised terms and conditions• Supporting local suppliers
Our community	<ul style="list-style-type: none">• CI Coop Community Fund• Donations to local charities, community projects and environmental initiatives• Active participation and support of community and charity events
Other coops	<ul style="list-style-type: none">• Shareholder in FRTS• Member of Co-operatives UK• Participation in business area forums
Channel Island / UK Regulators	<ul style="list-style-type: none">• Annual review meetings

Except for the chief executive officer, the board is comprised of non-executive directors who have delegated the day-to-day management of the business to the executive leadership team. It has established a clearly defined range of matters which are reserved only to the board and is ultimately responsible for effectiveness of our system of internal control and processes which are monitored through the board risk committee.

Governance report cont.

The board is chaired by the chair who is a member-elected director chosen by the board each year after the AMM. The role of chair is a crucial one as they work closely with the chief executive officer to set our strategy and achieve its objectives. They are also responsible for setting the tone and culture for us which flows from the board.

The directors’ occupations and interests are as follows:

Director	Organisation	Position
Jon Bond	Evans Bond Limited	Director
	Melius Consulting Limited	Director
	Guernsey Choral Workshop LBG	Director
	Guernsey Business Brokers Limited	Director
	Parish of The Vale	Douzenier
	Guernsey Salvation Army	Leadership team member
	The Guernsey Choral Festival LBG	Director / Treasurer
Jennifer Bridge MBE	Government of Jersey	Teacher
	Jersey Evening Post	Columnist / Writer
	Jersey Living Wage	Advisory Board member
Jennifer Carnegie ¹	Amicus Limited	Executive director
	Jersey Business Limited	Chair
	Ivory Limited	Executive director
	Condor Ferries	Non-executive director
	Channel Islands Financial Ombudsman	Non-executive director
Mark Cox	Co-operative Federal Retail Trading Services	Director
Jill Clark	Self-employed	Lecturer and consultant
	Changing Faces Channel Islands	Chair
	Face Equality International	Chair
	Island FM	Non-executive director
	Royal Court of Guernsey	Jurat
Michael McNally	Self-employed	Self-employed business consultant
	RNLI – Jersey	Management board honorary position
	The Jersey Cancer Trust	Director and trustee honorary position
	WVA Limited	Board member
Graeme Smith	Skipton International Limited	Non-executive director
	Triton Private Equity	Non-executive director
	Glin's Property Investment Limited	Director
	Channel 103	Non-executive director
Simon Todd	ST360 Consultancy	Founder – own consultancy firm
	RNLI – Jersey	Volunteer member
	Gen II	Contracted consultant
Matt Chatterley	Codentia Limited	Director
Ben Le Huray	Little Green Limited	Managing Director

The above table does not include positions held by close family members of the appointee. ¹ Stood down at end of appointed term on 28 February 2024

The board has at least six scheduled meetings in the year where it considers strategy, receives reports from the executive leadership team on trading and other matters, reviews financial performance for both the period and cumulatively for the year, and considers papers presented for decision or information.

The board has delegated specific parts of its remit to committees. During the year under review, the board had three committees being i) the audit committee; ii) risk committee; and iii) recruitment and remuneration committee. Each committee has clear terms of reference which define their roles and the limits of their authority and are wholly accountable to the board in line with the directors’ collective responsibility for the discharge of their duties. The risk committee considers all risks including sustainability risks and our progress against our sustainability Blueprint strategy. Our recruitment and remuneration committee also considers key nominations.

The table below lists the attendance record of directors at board and committee meetings for the year under review. The figures show the number of meetings each director attended against the number of meetings they were eligible to attend (in brackets).

	Last elected / appointed	Term ends	Board	Ad hoc	Audit committee	Risk committee	Recruitment and remuneration committee
Jon Bond ¹	Jun 24	Jun 27	6 (6)	3 (3)	-	-	-
Jennifer Bridge	May 22	May 25	6 (6)	1 (3)	-	-	3 (3)
Jennifer Carnegie ²	Feb 21	Feb 24	1 (1)	0 (1)	-	-	-
Jill Clark	May 22	May 25	5 (6)	2 (3)	-	-	3 (3)
Mark Cox			6 (6)	3 (3)	-	-	-
Michael McNally ³	Jun 23	Jun 26	6 (6)	3 (3)	2 (2)	3 (3)	-
Graeme Smith ⁴	Jun 24	Jun 27	6 (6)	3 (3)	2 (2)	3 (3)	-
Simon Todd ⁵	Oct 24	Oct 27	5 (6)	3 (3)	2 (2)	2 (3)	-
Matt Chatterley	Jun 24	Jun 27	4 (4)	1 (1)	-	2 (2)	-
Ben Le Huray	Jun 24	Jun 26	4 (4)	0 (1)	-	-	3 (3)

¹ Originally appointed to the Board in June 2021 and reappointed by election in June 2024. ² Stood down at end of tenure with effect from 28 February 2024. ³ Originally appointed in June 2020 and reappointed by election June 2023. ⁴ Originally appointed in June 2021 and stood down at end of tenure as an elected director and reappointed as an appointed director in Jun 2024. (Note figures in brackets are number of meetings eligible to attend). ⁵ Re-appointed as an appointed director for a further three years in October 2024 which is reviewed annually.

Governance report cont.

4. Board composition, succession and evaluation

The board currently comprises of nine directors, although a vacancy existed until the AMM held in May 2024. The board believes in upholding member control and the democratic process. As required by our rules, board elections are held annually through democratic elections conducted with the support of UK Engage, an organisation that administers local and national government elections in the UK, and the society secretary presides over these elections as the returning officer. For 2024 director elections were held in both Guernsey and Jersey, where there were five candidates for two vacancies in Guernsey and two candidates for one vacancy in Jersey. Further 2024 saw Jennifer Carnegie step down from the board as an appointed director, where she was replaced by Graeme Smith who stood down as an elected director however was subsequently appointed to the board as an appointed director.

We have continued to support the board apprenticeship scheme run by GTA University as a partner. Susan Watson's appointment came to an end and Nathan Ward was subsequently appointed as a board apprentice under the scheme's NED development programme.

New directors are provided with a full induction and the process involves meetings with chief governance officer and society secretary, the executive leadership team and other relevant business stakeholders. Site visits are encouraged to apprise the directors of the scope of our operations within the co-operative context. Directors wishing to update their skills, may access training at our expense. In the last year, the board received annual refresher training, covering topics including financial crime for which we are subject to the supervision of the Jersey Financial Services Commission.

The chief executive officer and the society secretary keep the board advised of matters affecting us at each board meeting and more frequently if required. Regular presentations from each of our trading businesses and departments are made by the executive and senior leadership team covering strategic issues, risks and future areas for discussion and decision. To ensure that board meetings run efficiently and directors are equipped with full information to aid decision making, board papers are circulated one week prior to each board meeting.

The directors have access to the advice of the society secretary who is responsible for governance matters. The directors may obtain professional advice on matters within the scope of their remit at our expense.

An independent evaluation of the board's effectiveness was conducted by Oben Regulatory Limited in 2023, the recommendations of which have been implemented by the chief governance officer, including those related to the elected director election process. Certain recommendations were included in the motions tabled to the special meeting of members held on 27 and 28 February 2024, where the membership was asked to consider rule changes which included aligning the terms of service for both elected and professionally appointed directors to three terms totalling nine years in line with best corporate governance and the Co-operative Code, changes to the appointment criteria of the chair of the board of directors and the eligibility criteria for serving as a director, as well as the means for voting by members. The motions tabled were not passed and therefore the rules remain unchanged.

5. Risk, financial management and internal controls

The board has an agreed risk management appetite and routinely reviews our enterprise risk register. In addition, it has been monitoring and reviewing the risk management and internal control framework to identify and mitigate risk necessary to the attainment of our objectives.

The board is responsible for our internal control framework and for reviewing its effectiveness and to report formally on this review annually to members. The Code states that the review is expected to cover all material controls, including financial, operational, compliance, regulatory and risk management. The board is of the view that the controls and processes within our Coop are appropriate for an organisation of our size and complexity.

The board risk committee reviewed the operation and effectiveness of our internal control system during the year under review. The report of the board risk committee is set out on page 64 and should be read in conjunction with our risk management report on page 41.

We outsource our internal audit function to professional third parties. The board risk committee agrees the scope of all such third-party assurance work and receives the reports arising therefrom.

Our Class A and B shares form withdrawable share capital, as defined by Section 2.2.2 of the Community Shares Handbook. The board is satisfied that our withdrawable share capital is operated in accordance with the Code and the Community Shares Handbook. Our Class A and B shares are operated in accordance with our Rules, Member Terms and Conditions and published guidelines for their use. Appropriate notice is given in the event of any change in the rate of interest payable on withdrawable share capital and under Rule 7.18 (e) the members' right to sell back the Class A and/or Class B share withdrawable capital may be suspended either wholly or partly and either definitely or indefinitely by the board.

6. Remuneration of the board and executive leadership team

The board has a recruitment and remuneration committee to oversee our remuneration strategy. The committee's primary role is to monitor and review our arrangements regarding resourcing and talent management including: i) recruitment, retention, succession planning; ii) remuneration motivation, recognition, and reward; and iii) organisational design and all expense policies and taking external advice where necessary. A full report on the committees' activities is set out in the recruitment and remuneration report on page 63.

With consideration to our size, complexity and risk profile, the board has chosen not to set up a separate nominations committee.

The following table lists the fees paid to our directors, who served during the year under review.

	Fees 2024/25 £	Fees 2023/24 £
Jon Bond Chair	20,858	20,464
Jennifer Bridge	13,812	13,551
Jennifer Carnegie ¹	2,546	16,551
Jill Clark - Chair - recruitment and remuneration committee	15,518	13,640
Mark Cox	-	-
Michael McNally - Chair - audit committee	16,812	16,551
Graeme Smith - Chair risk committee	17,905	17,627
Simon Todd	13,812	13,551
Matt Chatterley ²	8,503	-
Ben Le Huray ²	8,656	-
Wayne Bulpitt ³	-	4,834

¹ Stood down at end of tenure with effect from 28 February 2024. ² Appointed as elected directors from June 2024.

³ Did not stand for re-election in May 2023.

Committee reports

Recruitment and remuneration committee report



Jill Clark,
Chair of the recruitment
and remuneration committee

I am pleased to present the committee's report for the year ended 12 January 2025. I was elected to the board in 2019 and appointed as the committee's chair in June 2024.

The committee's purpose, as set out in its terms of reference is to monitor and review the arrangements relating to:

- i) recruitment, including retention and succession planning;
- ii) remuneration, including motivation, recognition, and reward; and
- iii) organisational design and all relevant policies.

The committee consists of three directors, none of whom can be employees or superannuated employees, paid to deliver services to your Coop, or our chair. I believe the size of the committee to be proportionate to our size, complexity, and risk profile.

The committee advises the board on matters within its span of control, providing oversight and judgement. Its purpose is to ensure that the levels of remuneration and contractual terms of directors and the executive leadership team is appropriate in consideration of the responsibilities held and our size, complexity, and risk profile.

Details of the remuneration of directors can be found on page 62 and key management compensation including the executive leadership team can be found on page 75 in note 2.2 to the financial statements.

The committee's areas of focus this year have been:

Salaries and benefits

A full review of pay to ensure parity was completed and a full review of benefits is underway which will be repeated triennially. Colleagues received a pay increase in 2024 resulting in all, following their probationary period, being on or above minimum wage. This has also been a factor further reducing the gender pay gap, which is currently 6.4% compared to 8.4% in 2024. The number of colleague discount days (where colleagues receive additional discount in our stores) was increased from four to six.

Talent management

Talent management is an ongoing focus to ensure continuity and resilience. We try, wherever possible, to promote from within the organisation and we are continually developing leaders and managers to ensure they are future ready for the needs of the business.

People risk

In the current economic climate, we recognise the risk of being unable to recruit and retain the right people at the right time for the right cost and this is one of our principal risks and uncertainties. The committee is responsible for monitoring this risk for the board.

NED recruitment

We are a programme partner for the GTA University to provide training and development to a potential pipeline of prospective directors to ensure they gain experience of a board environment and are eligible to stand for election. Susan Watson, our first board apprentice completed her term and was replaced by Nathan Ward to the board.

Wage Ratio

In keeping with large businesses, we publish our wage ratios showing the highest paid person's income as a multiple of the lowest paid person's income to promote transparency and a balanced distribution of earnings. Our wage ratio is currently 11:1 (2024 11:1) which compares positively against the Coop UK ratio of 32:1.

Board risk committee



Graeme Smith,
Chair of the risk committee

I am pleased to present the committee's annual report to members for the year ending 12 January 2025 in my third year as chair of the board risk committee since being appointed to the board on 8 June 2021.

The committee is responsible for overseeing, our risk appetite, risk management framework and internal audit for the board. The committee consisted of three directors until the Annual Members' meeting held in May 2024 where the committee membership was increased to four. The committee met three times (2024 seven) during the year. Annually, after the annual meeting of members, the board appoints its members to the committee and the outcome of its meetings are reported to the board.

The committee's activities during the year are set out below:

Risk management

The board and the executive leadership team have primary responsibility for identifying and controlling the key risks we face. We operate a risk management process that aims to identify the key risks in each business group and support function which are reviewed by both the executive leadership team and the committee. Any identified weaknesses in controls will result in action plans to improve control mechanisms. Matters are reported to the board as appropriate.

During the year, the committee reviewed and updated our enterprise risk management framework to ensure that it effectively supports the agreed strategic plan, including achieving the identified opportunities. This review included an update to our risk appetite and identified key risks, where revised risk themes were adopted. Such review is an ongoing process and the committee will review the revised enterprise risk management framework at least annually. Details of the review and our risk management framework are set out on page 41.

Internal controls

The committee has reviewed the operation and effectiveness of our internal control system during the year.

Internal audit

We outsource the provision of our third line of defence and the committee agrees a schedule of inspections by third party specialists. The committee annually agrees the schedule of third line audit and assurance activity and monitors the results of that work. It is also responsible for monitoring and reviewing the independence, objectivity and effectiveness of the functions provided.

Audit committee report



Michael McNally,
Chair of the audit committee

I am pleased to present the audit committee report for the year ending 12 January 2025. I was re-appointed to the board in June 2023 and appointed as the committee's chair in June 2024.

The audit committee is responsible for overseeing for the board: financial reporting, internal financial controls, anti-fraud measures and external audit functions.

The committee has three directors in its membership and met two times (2024 two times) during the reporting period. The chair of the board is not permitted to be a member of the audit committee. The chair of the audit committee reports the outcome of its meetings to the board and the board receives the minutes of the audit committee meetings.

The committee's main activities during the year are set out below:

Financial control, including financial and narrative reporting

The committee considered whether the appropriate accounting policies were applied and reviewed the key accounting judgements and estimates recommended by the executive leadership team. This included reviewing the executive leadership team's suggested approach to the:

- i) valuation of investment properties; and
- ii) assumptions applied in order to establish the necessary disclosures to be made by CI Coop under FRS 102 in relation to our defined benefit superannuation scheme.

External audit

I met with the audit engagement leader of Grant Thornton during the planning phase of the audit without management present. In addition, at the close of the audit the committee met with the auditor who presented their findings and provided feedback without management present.

The audit committee considers that the auditor is sufficiently independent of your Coop, in accordance with the ethical requirements relevant to the audit of financial statements in the UK including the Financial Reporting Council's Ethical Standard, and that the auditor has adequately fulfilled its responsibilities in accordance with these requirements. The board audit committee believes the audit evidence provided to the auditor was sufficient and appropriate to allow the auditor to form an adequate opinion on the true and fair view of the state of our affairs.

Property valuations

Maillard & Company Limited continued as our valuers and acted on our behalf for both the financial statements and insurance valuations. The committee has reviewed the valuation process and satisfied itself with the approach taken in arriving at appropriate valuations in line with FRS 102, particularly in respect to the directors' valuations of Leale's Yard and Nocq Road.

Directors' report

Statement of directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable laws, regulations and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards), including FRS 102, the Financial Reporting Standard applicable to the UK and Republic of Ireland. The directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and of the profit or loss of the Group for that period.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess both the Group's and your Coop's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the Industrial and Provident Societies Act 1965 – 1978 and Co-operative and Community Benefit Societies Act 2014.

They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on our website.

Going concern

The directors have considered the cash flow projections for the 12 months through to the end of May 2026 arising from current performance, forecasts and known risks, including those likely to arise from a severe and plausible downside scenario, and takes into account risks as a result of the continued cost of living impacts and potential impact of dependency risks associated with the outcomes of the ferry tender in both Guernsey and Jersey and threats from an increased competitive environment. The directors believe it remains appropriate to prepare the financial statements on a going concern basis due to available mitigating actions and they consider it unlikely for cash inflows to decline by the amounts in the severe but plausible scenario.

Disclosure of information to auditors

The directors who held office at the date of the approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which our auditors are unaware and each director has taken steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that our auditors are aware of that information.

Approval

The financial statements and notes on pages 67 to 92 were approved by the board on 30 April 2025 and are hereby signed on behalf of the board of directors pursuant to section 3 (5) (C) of the Friendly and Industrial and Provident Societies Act 1968.



Jon Bond
Chair



Mark Cox
Director & CEO



Kevin Kelly
Chief governance officer
& Coop Secretary



Financial statements

Consolidated income statement	Notes	52 weeks to 12 January 2025 £'000	53 weeks to 14 January 2024 £'000
Turnover	1.1	211,244	208,492
Cost of sales		(150,202)	(150,923)
Gross profit		61,042	57,569
Other operating income	1.2	3,454	3,036
Administrative expenses	2.1	(57,809)	(53,092)
Trading profit		6,687	7,513
Other interest receivable and similar income	2.4	47	393
Interest payable and similar charges	2.4	(3,435)	(2,866)
Gain/(loss) on disposal of fixed assets		232	(232)
Reduction in value of investment property	4.3	(74)	(1,174)
Onerous lease	5.2	670	587
Net gain on financial liabilities at fair value		-	8
Profit before dividends		4,127	4,229
Dividend	2.5	(2,972)	(5,456)
Profit/(loss) before tax		1,155	(1,227)
Taxation	3.1	(387)	(523)
Profit/(loss) on ordinary activities		768	(1,750)

Consolidated statement of comprehensive income	Notes	52 weeks to 12 January 2025 £'000	53 weeks to 14 January 2024 £'000
Profit/(loss) for the year / period		768	(1,750)
Revaluation of tangible fixed assets	4.2	-	1,620
Total other comprehensive income		-	1,620
Total comprehensive gain / (loss) for the year / period		768	(130)

CI Coop will be recommending a distribution of £2.8 million to its members for the 52 week period to 12 January 2025 (2024: £3.0 million - 53 week period). The results reported during the year and the prior year relate solely to continuing activities. The accounting policies and notes on pages 72 to 92 inclusive form an integral part of these financial statements..

Consolidated statement of financial position	Notes	As at 12 January 2025 £'000	As at 14 January 2024 £'000
Non-current assets			
Intangible assets	4.1	6,287	6,100
Tangible assets	4.2	88,490	90,137
Investment properties	4.3	51,633	52,816
Investments	4.4	15	15
		146,425	149,068
Current assets			
Stocks	4.5	9,103	8,228
Trade and other debtors	4.6	11,917	12,432
Cash at bank and in hand	4.7	1,095	4,007
		22,115	24,667
Current liabilities			
Creditors: amounts falling due within one year	5.1	(30,038)	(18,010)
Provisions: amounts falling due within one year	5.2	(723)	(736)
Net current assets		(8,646)	5,921
Total assets less current liabilities		137,779	154,989
Non-current liabilities			
Provisions	5.2	(4,058)	(4,369)
Net assets		133,721	150,620
Share capital	6.1	83,089	100,756
Property valuation reserve	6.2	5,629	5,629
Revenue reserve		45,003	44,235
Total shareholders' funds		133,721	150,620

The accounting policies and notes on pages 72 to 92 inclusive form an integral part of these financial statements.

Financial statements cont.

Consolidated statement of changes in equity	Notes	Share capital £'000	Revaluation reserve £'000	Revenue reserve £'000	Total equity £'000
Balance at 9 January 2023		114,114	4,009	45,985	164,108
Loss for the period		-	-	(1,750)	(1,750)
Other comprehensive income		-	-	-	-
Trading property revaluation	4.2	-	1,620	-	1,620
Decrease in share capital	6.1	(13,358)	-	-	(13,358)
Balance at 14 January 2024		100,756	5,629	44,235	150,620
Profit for the year		-	-	768	768
Other comprehensive income		-	-	-	-
Trading property revaluation	4.2	-	-	-	-
Decrease in share capital	6.1	(17,667)	-	-	(17,667)
Balance at 12 January 2025		83,089	5,629	45,003	133,721

The accounting policies and notes on pages 72 to 92 inclusive form an integral part of these financial statements.

Consolidated cash flow statement	Notes	52 weeks to 12 January 2025 £'000	53 weeks to 14 January 2024 £'000
Profit/(loss) for the year / period		768	(1,750)
Adjustments to reconcile profit/(loss) for the year / period to net cash flow from operating activities			
Amortisation of intangible assets	4.1	1,123	996
Depreciation of tangible fixed assets	4.2	3,792	3,510
Loss/(gain) on revaluation of property	4.3	74	1,174
Interest receivable		(47)	(393)
Interest payable		3,435	2,866
(Gain)/loss on disposal of fixed assets		(232)	232
Net gain on financial liabilities at fair value		-	(8)
Taxation charge		387	523
Tax paid		(327)	(744)
Dividend paid		2,972	5,456
Decrease/(increase) in trade and other debtors		526	(365)
(Increase) in stock		(875)	(823)
Increase/(decrease) in trade and other creditors		779	(676)
(Decrease) in provisions		(324)	(267)
		11,283	11,481
Net cash inflow from operating activities		12,051	9,731
Investing activities			
Interest receivable		47	393
Payments to acquire tangible fixed assets		(2,149)	(4,458)
Payments to acquire intangible assets		(1,310)	(1,394)
Payments to acquire investment properties		(185)	(583)
Receipts from sales of investment properties		1,531	17
Payments to acquire business combinations		-	(1,505)
Net cash (outflow) from investing activities		(2,066)	(7,530)
Financing activities			
Amounts paid to members	6.1	(23,469)	(21,650)
Borrowing - RCF		11,000	-
Repayment of property loans		-	1,259
Members loans paid		-	-
Interest paid		(429)	(29)
Net cash (outflow) from financing activities		(12,898)	(22,938)
Net decrease in cash and cash equivalents		(2,913)	(20,737)
Cash and cash equivalents at start of the year / period		4,007	24,744
Cash and cash equivalents at end of the year / period		1,095	4,007

Major non-cash transactions: There were no major non cash transactions made during the year (2024 :Nil)
The accounting policies and notes on pages 72 to 92 inclusive form an integral part of these financial statements..



Accounting policies

A) General information

The Channel Islands Co-operative Society Limited ("Coop") is registered under the Industrial & Provident Societies Act 1965-1978 (Industrial & Provident Societies (Channel Islands) Order 1965-1978) and has its registered office in the island of Jersey. The Mutuals Section of the UK Financial Conduct Authority ("FCA") acts as a Registrar for the Industrial & Provident Societies (Co-operatives) and we are registered with the FCA with registered number 14672R. Your Coop and its subsidiaries operate supermarkets, convenience stores, fuel forecourts, pharmacies and funeral services across the Channel Islands (Jersey and Guernsey). In addition, we hold a large portfolio of commercial and residential property across the Channel Islands.

b) Basis of accounting

The following accounting policies have been applied consistently.

Our financial statements are prepared in compliance with the United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102).

c) Accounting date

Our financial statements are made up to the second Sunday in January of each year. The financial year represents the 52 weeks ended 12 January 2025 (2024: 53 weeks ended 14 January 2024).

d) Basis of consolidation

Your Coop's financial statements include the results of The Channel Islands Co-operative Society Limited and all its subsidiaries.

Subsidiaries are those entities controlled by us. Control exists when we have the power, directly or indirectly, to govern the financial and operating policies for an entity so as to obtain benefits from its subsidiaries. The results of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Accounting policies are consistent across all of our subsidiaries.

E) Going concern

The directors have assessed the our ability to continue as a going concern for the foreseeable future.

Based on their assessment, the directors are confident that we are a going concern, as it has adequate resources to meet its obligations as they fall due and has no material uncertainties that may cast significant doubt upon its ability to continue operating for at least the next 12 months from the date of these financial statements.

The assessment took into consideration our current financial position, cash flow forecasts, and the availability of funding facilities. The directors have also considered the historical and forecasted financial performance, as well as the impact of any potential changes in economic and market conditions. Given the current trend of a net reduction in member share capital, your Coop is ensuring access to flexible financing in the form of a revolving credit facility to further secure its ability to operate for the foreseeable future.

The financial statements have been prepared on a going concern basis. The directors will continue to monitor our financial position and performance, along with any changes in economic and market conditions, to ensure that it remains a going concern.

f) Significant accounting policies

Accounting policies relating to specific areas of the financial statements can be found in their relative sections.

g) Use of estimates and judgements

In preparing the financial statements, we make estimates, judgements and assumptions concerning the future. Actual outcomes may differ from the estimates made.

Estimates, judgements, and assumptions are reviewed on an ongoing basis based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

Information about areas of estimation, judgement and assumptions used, that have the most significant effect on the amounts recognised in the financial statements, is set out in the following notes:

Recoverability of goodwill:	Note 4.1
Useful life of intangible assets:	Note 4.1
Valuation of trading properties:	Note 4.2
Useful life of tangible assets:	Note 4.2
Valuation of investment properties:	Note 4.3
Stock loss provision:	Note 4.5
Provisions:	Note 5.2
Pension scheme liabilities:	Note 5.5

Notes to the financial statements

Keeping it simple

The ‘**keeping it simple**’ boxes are included as additional disclosure to help readers’ understanding and interpretation.

Section 1 – Turnover and other operating income

In this section
This section provides information used to establish the turnover of your Coop.

1.1 Turnover

Keeping it simple – turnover
Turnover represents the amount of money members and customers pay or are liable to pay at the point of sale and delivery less goods and services tax (applicable to Jersey only) and discounts.

Accounting policy
Turnover includes cash sales, goods and services sold on credit, and commissions and arises wholly in the Channel Islands.

Turnover is measured at the fair value of the consideration received or receivable net of goods and services tax (applicable to Jersey only) net of discounts, including colleague discounts and member loyalty bonus.

Turnover is recognised in the Consolidated Income Statement when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably.

The following criteria must be met before revenue is recognised:

- 1) Sale of goods and rendering of services – point of sale and provision of services.
- 2) Rental income – straight-line basis over the period of the lease, even if payment are not made on this basis.

Turnover	2025 £'000	2024 £'000
Turnover from group ordinary activities	211,244	208,492
Analysed by business area		
Food	169,248	173,555
Fuel	17,445	17,954
Funeral	2,132	2,160
Pharmacy	22,419	14,823
Total	211,244	208,492

1.2 Other operating income

Keeping it simple – other operating income
Other operating income represents rental income received by us from our investment property portfolio and sundry income comprises mainly concessions sale and investment property service charges.

Other operating income	2025 £'000	2024 £'000
Rental income	2,948	2,497
Sundry income	506	539
	3,454	3,036

Section 2 – Expenses

In this section
This section contains detail of costs incurred by us, amounts paid to our directors and executive leadership team, finance costs, payments to and on behalf of members and income tax calculations.

2.1 Cost of sales and administrative expenses

Keeping it simple – cost of sales
Cost of sales are the amounts we pay our suppliers to for the goods and services we provide to our customers.

Keeping it simple – administrative expenses
Administrative expenses are the costs we incur in providing the goods and services to our customers. This includes the amounts we pay our colleagues, and the costs of running our retail outlets. Expenses are recognised on an accruals basis.

Administrative expenses	Notes	2025 £'000	2024 £'000
Colleague costs		30,622	28,068
Defined contribution pension scheme	5.5	1,510	1,364
Directors' fees	2.3	119	117
Occupancy costs		10,418	8,937
Amortisation	4.1	1,123	994
Depreciation	4.2	3,792	3,514
Audit fee		304	222
Other expenses		9,921	9,876
		57,809	53,092
Colleague numbers and costs		2025 No.	2024 No.
The number of persons employed by CI Coop (including directors) at the financial period end was as follows:			
Full time		507	533
Part time		665	636
		1,172	1,169
The aggregate payroll costs of these persons was as follows:			
Wages and salaries		£'000	£'000
		30,741	28,185

Notes to the financial statements cont.

2.2 Key management compensation

Keeping it simple – key management compensation
This is the amount we pay to our directors and executive management team, who are in office as at the financial year end including benefits.

Key management compensation	2025 £'000	2024 £'000
Salary	1,775	1,113
Taxable benefits	17	103
Pension contributions	113	97
	1,905	1,313

Chief executive officer compensation	2025 £'000	2024 £'000
Salary	265	272
Taxable benefits	-	36
Pension contributions	26	26
	291	334

The annual basic salary of the members of the Executive Leadership Team (including the CEO) in service at the financial year end fell into the following ranges:

Executive leadership team compensation	2025 No.	2024 No.
130-140	1	4
140-150	1	1
150-160	3	-
160-170	2	3
170-200	1	-
260-280	1	1
	9	9

A Society wide review of pay and benefits was carried out in 2024. Following a robust job evaluation process a new pay structure was introduced to establish fair and equitable pay, including re-calibration of executive salaries. The impact of this review and the full year effect of the changes to the Executive Leadership Team made during calendar year 2023 are reflected in the increased costs reported in this year's Annual Report. Only the Executive Leadership Team information is disclosed in the financial statements, but it should be noted that the full year effect of the changes to the senior leadership team made during calendar year 2023 contributed to costs decreasing during 2024.

2.3 Directors' fees

Keeping it simple – directors' fees
Directors' fees represent any payments made to directors for their role with your Coop.

Directors' fees	2025 No.	2024 No.
The directors' fees paid to members of the board in service at the year end for service during 2024 fell into the following ranges:		
Between £0 and £10,000	3	-
Between £10,000 and £20,000	5	6
Between £20,000 and £30,000	1	1
Total	9	7

2.4 Finance income / costs

Keeping it simple – finance income / costs
Finance cost is the amount of interest we have paid out for borrowing money from lenders and members. Finance income is interest received from our investments.

Accounting policy
Accounting policy for finance income and expense is recognised on an accruals basis.

Interest receivable and similar income	2025 £'000	2024 £'000
Interest receivable	47	393

Interest payable and similar charges	2025 £'000	2024 £'000
Bank loan interest expense	605	9
Share interest	2,830	2,857
	3,435	2,866

2.5 Profits attributed to members

Keeping it simple – profits attributed to members
We return some of the profits earned each year to our members by way of dividend and accrued loyalty bonuses and we pay interest on money members hold in share accounts. We also support a range of community-based projects, and local organisations through grants and donations. Dividend declared in the year are funds that are added to member share accounts as voted on at the Annual Member's Meeting, which relate to profits attributed to members from the prior year.

Profits attributed to members	2025 £'000	2024 £'000
Dividend declared	2,972	5,456
Interest	2,830	2,857
Donations and community services expenditure	328	298
	6,130	8,611

Notes to the financial statements cont.

Section 3 – Tax

In this section

This section shows the tax that we have to pay.

3.1 Tax

Keeping it simple – tax

This section shows adjustments which are made to our profits and losses to calculate how much tax we have to pay.

Accounting policy

Tax expense comprises income tax recognised in the year and is the expected tax payable in respect of the taxable profit for the year. Tax is calculated on the basis of Jersey and Guernsey income tax law. Tax is recognised in the consolidated income statement.

Tax rate

The maximum rate of tax applied to our taxable profits is 20%.

Expenses not deductible for tax purposes

Some expenses incurred by us may be entirely appropriate charges for the inclusion in the financial statements but are not allowed as a deduction against taxable income when calculating our tax liability. The most significant example of this is depreciation or losses incurred on assets that do not qualify for capital allowances (generally land and buildings).

Expenses not deductible relating to property revaluations

Our property portfolio was revalued in the year. Revaluation gains and losses are not realised gains and losses and so do not give rise to a current tax credit.

Expenses not deductible relating to pension scheme

During the year, we recognised other finance expenses of £nil (2024: £nil) and operating expenses of £nil (2024: £nil) relating to movements in the defined benefit pension scheme.

Capital allowances

The accounting treatment of expenditure on fixed assets differs from the taxation treatment. For accounting purposes, an annual rate of depreciation is applied by us. For taxation purposes, we are able to claim capital allowances, a tax relief provided in law.

Taxation	2025 £'000	2024 £'000
Current tax expense for the year	387	523
	387	523
Tax expense in the year / period		
Provision for tax on rental income net of allowances	447	362
Provision for tax on non-mutual trading profit	99	161
Prior period tax adjustments	(159)	-
Tax expense for the year / period	387	523

Section 4 – Assets

In this section

This section shows the assets used to generate our trading performance.

Keeping it simple – assets

An asset is something which is used by us to generate a financial benefit. For example, stock is an asset because we will sell it to generate income. Similarly, we use our properties to enable our retail outlets to trade and generate income.

4.1 Intangible Assets

Keeping it simple – fixed assets – intangible assets

Intangible fixed assets are assets that cannot be physically touched, for example computer software or licences.

Accounting policy

Goodwill

On acquisition, goodwill is allocated to cash-generating units (CGU's) expected to benefit from the purchase.

Goodwill is measured at cost less accumulated impairment losses and is amortised on a straight-line basis over its expected useful life. Where we are unable to make a reliable estimate of useful economic life, goodwill is amortised over a period not exceeding 10 years.

Goodwill is assessed for impairment when there are indicators of impairment and any impairment is recognised in the Consolidated Income Statement.

Lease premium

Lease premium relates to a pharmacy at Queen's Road, Guernsey, and is amortised over the remaining life of the lease.

Other intangible assets

Other intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. For IT software cost includes expenditure directly attributable to bringing the software into working condition with us. The branding cost relates to the design and implementation of our new brand.

Amortisation is calculated using the straight line method, to allocate the depreciable amount of the assets over their useful economic life at the following rates:

- IT software – between 5 and 10 years
- Branding – 7 years

Impairment of non-financial assets

Assets other than those measured at fair value, are assessed for indicators of impairment at each financial reporting date. If there is objective evidence of impairment, an impairment loss is recognised in the consolidated income statement for the year.

The recoverable amount of the asset (or asset's CGU) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cashflows before interest and tax obtainable as a result of the assets (or asset's CGU) continued use.

If the recoverable amount of the asset (or asset's CGU) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the Consolidated Income Statement, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in the Consolidated Income Statement.

An impairment loss is reversed in a subsequent period if the reasons for the impairment loss have ceased to apply. Intangible assets are derecognised on disposal or when no future economic benefit is expected. On disposal, the difference between the net disposal proceeds and the carrying amounts is recognised as a gain or loss in the Consolidated Income Statement.

Notes to the financial statements cont.

Intangible assets	Lease premium £'000	Goodwill £'000	Other intangibles £'000	Total £'000
Cost at 14 January 2024	750	7,012	5,841	13,603
Additions	113	5	1,192	1,310
Disposals	-	-	-	-
Impairment	-	-	-	-
Transfers	-	-	-	-
Cost at 12 January 2025	863	7,018	7,033	14,913
Accumulated amortisation and impairment at 14 January 2024	52	4,443	3,008	7,503
Amortisation charge	52	601	470	1,123
Disposals	-	-	-	-
Impairment	-	-	-	-
Transfers	-	3	(3)	-
Accumulated amortisation and impairment at 12 January 2025	104	5,047	3,475	8,626
Net book value at 12 January 2025	758	1,971	3,558	6,287
Net book value at 14 January 2024	698	2,568	2,833	6,099

4.2 Tangible assets

Keeping it simple – fixed assets – tangibles

Tangible fixed assets are assets that can be physically touched. For us this comprises the sites that we trade from and the plant and machinery (including fixtures and fittings) within these sites. Also included are the vehicles used to support activities and our investment property portfolio.

Accounting policy

Tangible fixed assets, including investment properties are stated at cost (being the original purchase price together with costs directly attributable to bringing the asset to its working condition for its intended use) less accumulated depreciation.

Depreciation is calculated using the straight-line method to allocate the cost less estimated residual value over the expected useful economic life of each asset at the following principal rates.

- Property used in trade – over the shorter of useful life and 50 years
- Plant and machinery – between 3 and 20 years
- Freehold land – not depreciated
- Assets in the course of construction relate to long term property developments, which are revalued every year. These assets are not depreciated until they are available for use.
- Tangible assets, including investment properties are derecognised on disposal or when no future economic benefit are expected. On disposal, the difference between the net disposal proceeds and the carrying amounts is recognised as gain or loss in the consolidated income statement.

Revaluation of properties used in trade

We typically revalues its land and buildings used in trade every three years. More frequent valuations are carried out where there are indications that a significant change in fair value may have occurred, for example due to a refurbishment, a redevelopment or a change in the market environment.

Our valuers, Maillard & Co Ltd undertook at full valuation of our properties used in trade as at 12 January 2025. The valuation is undertaken in accordance with the Royal Institute of Chartered Surveyors Appraisal and Valuation Manual on an existing use basis at fair market value. The valuation assumed a range of yields from 4% to 10% selected for each property taking into consideration its construction, age, use and location.

Revaluation gains and losses on properties used in trade are recognised in the consolidated statement of comprehensive income to the extent that fair value exceed costs and in the consolidated income statement where fair value is below cost.

Tangible assets	Land and buildings £'000	Plant and machinery £'000	Total £'000
Cost and valuation at 14 January 2024	81,196	25,934	107,130
Additions	97	2,052	2,149
Disposals	-	(801)	(801)
Impairment	-	-	-
Transfers	(4)	-	(4)
Revaluation	-	-	-
Cost and valuation at 12 January 2025	81,289	27,186	108,475
Accumulated depreciation and revaluation at 14 January 2024	1,990	15,003	16,993
Depreciation charge	1,625	2,166	3,792
Disposals	-	(800)	(800)
Impairment	-	-	-
Transfers	-	-	-
Revaluation	-	-	-
Accumulated depreciation and revaluation at 12 January 2025	3,615	16,369	19,985
Net book value at 12 January 2025	77,675	10,816	88,490
Net book value at 14 January 2024	79,207	10,930	90,137

4.3 Investment properties

Keeping it simple – fixed assets – investment properties

Investment property comprises those sites that we own but which are not used by one of our trading businesses. These sites may be rented out to produce an income or held for development.

Revaluation of investment properties

We hold a number of properties as long-term investments or for redevelopment, and in accordance with UK GAAP

a) investment properties are measured at fair value annually at the year end date by our valuers Maillard & Co Ltd. The valuation is undertaken in accordance with the Royal Institute of Chartered Surveyors Appraisal and Valuation Manual based on fair value. The valuations are supported by market evidence and assume a yield and consider the total of the rent receivable less costs. Yields vary on a property by property basis and range from 4% to 10% (2024: 4% to 10%). Any change of revaluation is recognised in the consolidated income statement; and

b) no depreciation is provided in respect of freehold investment properties.

Investment properties	2025 £'000	2024 £'000
Balance at start of the year / period	52,816	51,685
Additions	185	583
Disposals	(1,298)	(8)
Transfers from tangible assets	4	1,730
Movement in revaluation	(74)	(1,174)
Balance at the end of the year / period	51,633	52,816

Notes to the financial statements cont.

4.4 Investments

Keeping it simple – investments

Investments are shares held in other businesses other than subsidiary undertakings. These shares are in unquoted businesses. As there is no active market for these shares, the amounts shown in the financial statements are the amounts paid by us for those shares. Unless circumstances arise whereby the shares are shown to have suffered a permanent diminution of value, no adjustment is made to their carrying value.

Investment

At 14 January 2024 and 12 January 2025

Other investments £'000	Total £'000
15	15

Unquoted investments

	2025 £'000	2024 £'000
Unquoted Co-operative Group (CWS) 105 Shares at £5 each	1	1
Unquoted - Industrial Common Ownership Fund PLC 10,000 ordinary shares £1 each	10	10
Unquoted Toymaster Limited 4,000 ordinary shares £1 each	4	4
	15	15

4.5 Stock

Keeping it simple – stock

Stock is an asset which is purchased by us for resale to our members and customers.

Accounting policy

Stock is stated at the lower of cost and net realisable value. Net realisable value is the price at which stock can be sold in the normal course of business. Cost is based on the cost of purchase on a first in, first out basis.

Stock counts are held at all locations on a regular basis, normally twice each year. Any stocks gains or shortages are charged to the consolidated income statement.

All stock held is expected to be sold within 12 months.

Stocks	2025 £'000	2024 £'000
Food	7,191	6,220
Fuel	538	554
Funerals	105	91
Pharmacy	1,269	1,363
Goods for resale	9,103	8,228

The cost of goods purchased for resale and recognised as an expense in the Consolidated Income Statement during the year was £137.3m (2024: £147.5m)
Food stock includes a provision for stock loss of £319k (2024: £203k) as well as capitalised freight costs of £449k (Enil in 2024).

4.6 Trade and other debtors

Keeping it simple – trade and other debtors

A debtor is an amount owed by a person or business that has bought goods or services from us, but has not yet paid for them.

A prepayment is an amount paid by us in advance of the goods or services being received.

Other debtors includes the asset created when we sell funeral prepayment plans which have not yet been used and interest earned by us, but not yet received.

Accounting policy

Trade debtors are non-interest bearing and are stated at their nominal value, reduced for those amounts that are considered to be unrecoverable. The amount of any debts written off as unrecoverable is recognised in the consolidated income statement within administrative expenses. Subsequent recoveries of amounts previously written off are credited against administrative expenses in the consolidated income statement.

Debtors	2025 £'000	2024 £'000
Trade debtors	9,556	9,995
Sundry accounts, prepayments and accrued income	2,361	2,437
	11,917	12,432

4.7 Cash and cash equivalents

Keeping it simple – cash and cash equivalents

Cash is considered to be cash in bank accounts held by us and any cash held in stores. A cash equivalent is something that can be easily turned into cash, such as short term deposits with original terms of three months or less.

Cash and cash equivalents	2025 £'000	2024 £'000
Cash at bank and in hand	1,095	4,007
Cash and cash equivalents per cash flow statement	1,095	4,007

4.8 Analysis of changes in net debt

	At 14 Jan 2024 £'000	Cash flows £'000	Non-cash changes £'000	At 12 Jan 2025 £'000
Cash and cash equivalents	4,007	(2,912)	-	1,095
Borrowings	-	(11,000)	-	(11,000)
Interest payable	(7)	(174)	-	(181)
Total	4,000	(14,086)	-	(10,086)

Notes to the financial statements cont.

Section 5 - Liabilities

In this section
This section shows the liabilities incurred in order for us to carry out our trading activities.

Keeping it simple – liabilities
A liability is created when we have carried out an activity which results in a cost that will be paid for in the future. This includes amounts owed to suppliers for goods and services that have been received and loans from our bankers.

5.1 Creditors: amounts falling due within one year

Keeping it simple – creditors amounts falling due within one year
Trade creditors, non trade creditors and expense accruals reflect goods or services that we have has received but not yet paid for. This reflects money which we must pay out in the future.

Accounting policy – trade and other creditors
Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost.

Creditors are derecognised when the obligation has been settled.

We have a financing facility for a revolving credit facility of £30,000,000 to cover working capital and liquidity commitments. Interest is charged at SONIA plus 1.50% on the drawn-down amount. A commitment fee of 0.6% is charged on the undrawn amount.

Creditors: amounts falling due within one year	2025 £'000	2024 £'000
Trade creditors	11,257	11,590
Taxation	403	343
Share interest	6	7
Non trade creditors and expense accruals	7,180	6,059
Borrowings - RCF Capital	11,000	-
Borrowings - RCF Interest	181	-
Prepaid funeral plans	11	11
	30,038	18,010

5.2 Provisions

Keeping it simple – provisions
Onerous lease provision reflects the current value of all future lease payments relating to a property which we do not fully utilise but have an obligation to continue to pay for. Dilapidations provision reflects the current value of future dilapidations liabilities to put back a property at the end of the lease into the same condition it was when the lease commenced.

Provisions	2025 £'000	2024 £'000
Onerous lease provision - current	723	736
Onerous lease provision - non current	2,641	3,299
Dilapidations provision - non current	1,417	1,070
	4,781	5,105

An onerous lease provision is made against the remaining 4 years and 10 months rental commitment for the former Guernsey warehouse at Longue Hougue. The provision of £4,035k reflected in the 2024 financial statements has been decreased by £671k during 2024, giving a total provision of £3,364k at the 2025 year end. The movement in provision relates to changes in discounting rate of future cash outflows and release of 1 year of provision. This provision will be released over the remaining length of the lease. Dilapidations provision is expected to be utilised between 2 and 29 years depending on the life of the related lease.

5.3 Interest Bearing Loans and Borrowings

Accounting policy
This note provides information about the contractual terms of our interest-bearing loans and borrowings.

Loans payable are recognised initially at transaction price less attributable costs and are carried subsequently at amortised cost using effective interest method.

Interest bearing loans and borrowings	2025 £'000	2024 £'000
Revolving Credit Facility	11,000	-

On the 22 September 2023, we entered into an agreement with The Royal Bank of Scotland International Limited for a new debt facility expiring in December 2028. This facility has since been updated and comprises of a £28m revolving credit facility and a £2m overdraft facility. During 2024 the we utilised the facility and £11m was drawn down at the year end. The facility accrues interest (when utilised) at a variable rate. The facility is secured by way of charges over some of our retail and investment properties.

Notes to the financial statements cont.

5.4 Financial risk management

Keeping it simple – financial risk management
Financial assets include cash or any contractual right to receive cash or another financial asset from another entity. A financial liability is a contractual obligation to deliver cash or another financial asset to another entity. Below are the disclosures relating to our financial assets and financial liabilities.

Credit risk
With certain financial assets and liabilities, there is the potential for uncertainty as to how much we may have to eventually pay or how much they will eventually receive. For example, we may not receive payment from customers who purchase goods from us on credit.

Liquidity risk
We manage our liquidity needs by monitoring investment schedules and debt servicing payments for financial liabilities along with cash flows on a weekly basis. As at 12 January 2025 our non-derivative financial liabilities and contractual maturities are summarised below:

2024	Current (£000's)			Non-current (£000's)	
	On demand	Within 6 months	6-12 months	1-5 years	Over 5 years
Onerous lease	-	362	362	2,640	-
Dilapidations provision	-	115	-	973	329
Other creditors	-	19,038	-	-	-

Market risk
Market risk the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: interest rate risk, currency risk and price risk.

We have some counter-party risk with amounts included in trade debtors and banks used to hold cash and cash equivalents which totals £10,651k (2024: £12,562k). This risk is monitored by management on a regular basis.

Interest rate risk
Interest rate risk arises from movements in interest rates that impact on the fair value of the assets and liabilities and related finance flows.

Foreign currency risk
Most of our transactions are carried out in pounds sterling, its functional currency. Our exposure to foreign currency risk is insignificant.

Price risk
We are not exposed to the market risk with respect to financial instruments as it does not hold any listed securities.

Estimation of fair values
For Trade and Other Receivables / Payables the notional amount is deemed to reflect the fair value.

2025				
Carrying amounts of financial assets and liabilities	Financial assets as an equity instrument £'000	Financial assets at amortised cost £'000	Financial assets at fair value through consolidated income statement £'000	Financial liabilities at amortised cost £'000
Cash at bank and in hand		1,095		
Trade Debtors		9,438		
Creditors				(11,444)
Loans payable				(11,000)
Provisions				(4,781)
Unquoted shares	15			

2024				
Carrying amounts of financial assets and liabilities	Financial assets as an equity instrument £'000	Financial assets at amortised cost £'000	Financial assets at fair value through consolidated income statement £'000	Financial liabilities at amortised cost £'000
Cash at bank and in hand		4,007		
Debtors		9,949		
Creditors				(11,597)
Provisions				(5,105)
Unquoted shares	15			

Notes to the financial statements cont.

5.5 Pension obligations

Keeping it simple – pension obligations

We run two types of pension schemes: a defined benefit scheme and a defined contribution scheme.

The defined benefit scheme provides a pension based on a colleague’s length of service and salary.

The defined contribution scheme sets the value that will be paid into a pension scheme; the amount of pension this generates depends on the performance of the investment into which contributions are paid and the annuity rates at the time of retirement.

Accounting policy

Defined contribution pension scheme

We operate a defined contribution pension scheme for all colleagues. All costs relating to the defined contribution scheme are charged to the consolidated income statement as they are incurred. Amounts not paid are shown in accruals at the balance sheet date. The assets of the plan are held separately from us in independently administered funds. Contributions to the defined contributions scheme in the period were £1,510k (2024: £1,364k).

Defined benefit pension scheme

We operate a defined benefit pension scheme covering certain colleagues. The scheme was closed to new members and future accruals on 30 June 2009.

Our net obligations in respect of our defined benefit pension scheme are calculated by estimating the amount of pension benefit that colleagues will receive on retirement based on several factors including age, length of service, remuneration and future life expectancy.

Following the closure of the scheme to new members and future accruals, regular contributions to the Scheme are no longer required. However, additional contributions are still made to cover any shortfalls that arise following each valuation.

We value its liability in respect of defined benefit pension scheme in accordance with FRS 102 and following the method of calculation. Any surplus or deficit in the defined benefit section of the scheme, being the difference between the value of the scheme assets and the present value of the plan liabilities, is recognised in the balance sheet as an asset or liability to the extent that any surplus is recoverable or that conversely, any deficit reflects a legal or constructive obligation.

The most recent FRS102 valuation of the Scheme was carried out at 12 January 2025 and indicated that the Scheme had a surplus. However based on FRS102 the surplus is not recoverable so it can not be recognised as an asset on the balance sheet.

The calculations below have been carried out as at 12 January 2025.

	As at 12 January 2025 £'000	As at 14 January 2024 £'000
Pension liability		
The amounts recognised in the Consolidated Statement of Financial Position are as follows :		
Fair value of scheme assets	47,066	53,203
Present value of funded obligations	(34,483)	(37,908)
Net overfunding in Scheme	12,583	15,295
Unrecognised assets	(12,583)	(15,295)
Net defined benefit asset / (liability)	-	-
The amounts recognised in the Consolidated Income Statement are as follows :		
Service cost	-	-
Cost of benefit changes	-	-
Curtailment costs / (gains)	-	-
Settlement costs / (gains)	-	-
Net interest on net defined benefit liability	-	-
(Income) / expense recognised in the Income Statement	-	-
The net interest on net defined benefit liability item is broken down as follows :		
Interest on obligation	1,792	1,764
Interest on assets	(2,542)	(2,548)
Interest on unrecognised assets	750	784
Net interest on defined benefit liability	-	-
The amounts recognised as remeasurements in other comprehensive income are as follows :		
Return on assets (not included in interest)	(6,018)	(3,977)
Actuarial gains on obligation	2,556	1,435
Change in unrecognised assets (other than interest)	3,462	2,542
Total remeasurements recognised in other comprehensive income	-	-
Cumulative amount or remeasurements recognised in other comprehensive income	1,999	1,999
Actual return on scheme assets	(3,476)	(1,429)
Changes in the present value of the scheme's defined benefit obligation are as follows :		
Opening defined benefit obligation	37,908	39,098
Service cost	-	-
Contributions by members	-	-
Cost of benefit changes	-	-
Curtailment costs / (gains)	-	-
Liabilities extinguished on settlements	-	-
Benefits paid	(2,661)	(1,519)
Interest on obligation	1,792	1,764
Experience gains	(57)	721
Losses from changes in assumptions	(2,499)	(2,156)
Closing defined benefit obligation	34,483	37,908

The weighted average duration of the liabilities of the Scheme was 13 years as at 12 January 2025 (15 years as at 14 January 2024).

Notes to the financial statements cont.

	As at 12 January 2025 £'000	As at 14 January 2024 £'000
Changes in the fair value of scheme assets are as follows :		
Opening fair value of scheme assets	53,203	56,151
Interest on assets	2,542	2,548
Return on assets (not included in interest)	(6,018)	(3,977)
Assets distributed on settlements	-	-
Contributions by employer	-	-
Contributions by members	-	-
Benefits paid	(2,661)	(1,519)
Administrative expenses	-	-
Closing fair value of scheme assets	47,066	53,203
The major categories of scheme assets as a percentage of the total scheme assets are as follows:		
	%	%
Equities	-	-
Gilts	79.2	93.3
Corporate bonds	-	-
Property funds	-	1.7
Cash	20.8	5.0

All of the scheme’s assets have a quoted market price in an active market. The scheme holds no financial instruments issued by us (other than incidentally through investment in pooled funds), nor does it hold any property or other assets used by us.

The principal actuarial assumptions used are:	%pa	%pa
Discount rate at end of year	5.7	4.9
Discount rate at start of year	4.9	4.6
Inflation	3.3	3.0
Rate of increase in deferment whilst in employment with the CI Coop	3.3	3.0
Rate of increase in deferred pensions for those who have left employment with CI Coop	3.2	2.9
Rate of increase in pensions in payment	3.2	2.9

Mortality assumptions

The mortality assumptions are based on standard mortality tables which allow for future mortality improvements. The assumptions are that a member aged 65 will live on average until age 88 if they are male and until 90 if they are female. For a member currently aged 50 the assumptions are that if they attain age 65 they will live on average until age 89 if they are male and until age 91 if female.

Section 6 – Equity

6.1 Withdrawable share capital

As a co-operative, we issue withdrawable share capital. This is the only form of share capital issued by us. Every member only has one share in us, however may subscribe for additional withdrawable share capital. The rights attached to this share and withdrawable capital subscribed for are set out in our published Member Rules. Withdrawable share capital can only be withdrawn at the discretion of the directors and is therefore treated as equity shares.

Share capital has been issued as follows:	2025 £'000	2024 £'000
Class A (123,912 (2024: 122,394 shares))	37,325	47,218
Class B (1,516 (2024 1,722 shares))	45,764	53,538
	83,089	100,756

The share capital movement in the year of £17.7m relates to interest awarded to members (£2.8m), dividends (£3.0m), net of monies paid out to members (£23.5m).

Both A and B shares have a nominal value of £1. Each member holds one fully paid-up Class A share. Each member holding an A share is entitled to cast one vote on any resolution put to the members at a meeting of members, subject to having been a member for at least 6 months prior to that meeting. The maximum Class A withdrawable share capital a member may subscribe for is £25,000. The maximum Class B withdrawable share capital a member may subscribe for is £75,000. There is no requirement for a member to hold Class B shares, however no member can subscribe for more than the statutory limit of Class A and Class B withdrawable share capital as provided for by the Industrial and Provident Societies Act 1965, being £100,000. The different classes of withdrawable share capital may pay different interest rates.

6.2 Reserves

Accounting policy – reserves

Property revaluation reserve

The revaluation reserve is the total of the revaluation gains and losses from our owned properties. It is not distributable to members until it has been realised on the sale of the property it relates to.

Revenue reserve

This reserve includes all current and prior year retained profits and losses except for those included in the property revaluation reserve.

Section 7 – Other notes

7.1 Related party transactions

Keeping it simple – related party transactions

These are transactions between your Coop and other parties with a close connection to us

Transactions with directors and key management personnel

As members of your Coop, key management access the services offered by us on an arms length basis. Key management are considered to be the directors and executive leadership team. Refer to note 2.2 and 2.3 for the compensation paid to key management personnel.

Throughout the year under review, we have been a member of Federal Retail Trading Services Limited (FRTS), a company wholly-owned by the Co-operative Group Limited. Our Chief Executive Officer (CEO), by virtue of his role as CEO is a director of FRTS.

All buying terms for goods for resale supplied from FRTS sources are negotiated with third party suppliers by FRTS on behalf of its members and all members benefit from the buying terms that such a major group can offer. In the 52-week period to 12 January 2025, total net purchases from FRTS amounted to £87,393k (2024: £78,253k) and the payments due by us to FRTS as at that date totalled £6,444k (2024: £5,932k). As at 12 January 2025, the amount due by FRTS to us in respect of rebates was £3,215k (2024: £3,160k) and the amount due to us by FRTS in respect of duty drawbacks is £1,357k (2024: £1,285k).

Notes to the financial statements cont.

7.2 Operating leases

Keeping it simple – operating leases
An operating lease is a contract that allows for the use of an asset, but the risk and rewards of ownership remain with the assets owner.

Accounting policy
Rentals payable under operating leases are charged to the consolidated income statement on a straight-line basis over the term of the lease.

Operating leases	2025 £'000	2024 £'000
Non cancellable operating lease rentals are payable as follows:		
Less than one year	2,512	2,191
Between one and five years	9,327	8,097
More than five years	8,050	6,475
	19,892	16,763

During the period £2,602k was recognised as an expense in the Consolidated Income Statement account in respect of rental payments under operating leases (2024 : £1,892k).

We operate a number a trading units under operating leases ranging from 1 year to 20 years. Included within lease commitments is £ 4,401k (2024: £5,233k) related to the onerous lease provision in note 5.2.

Leases as a lessor	2025 £'000	2024 £'000
The investment properties are let under operating leases. The future minimum lease payments receivable under non-cancellable leases are as follows :		
Less than one year	2,161	2,593
Between one and five years	6,475	6,401
More than five years	14,773	15,880
	23,410	24,874

During the year £2,948k was recognised as income in the Consolidated Income Statement account in respect of rental receipts under operating leases (2024 : £2,497k)

We let a number of properties under operating leases ranging from 1 year to 30 years.

7.3 Subsidiary undertakings

Keeping it simple – subsidiary undertakings
These are separate legal entities that form part of your Coop which are owned, managed and controlled by us.

As at 12 January 2025, your Coop consisted of The Channel Islands Co-operative Society Limited and the following subsidiaries.

Subsidiary undertaking	Country of incorporation	Registered number	Principal activity	% of Shares held
Offshore Leisure Limited	Jersey	77830	Mobile	100%
F. Mallett & Son Limited	Guernsey	619	Holding	100%
Jersey Pharmacy Services Limited	Jersey	89296	Pharmacy	100%
JFTU (Property) Limited	Jersey	101370	Holding	100%

Jersey Pharmacy Services Limited (JPSL) has two subsidiaries, Edgar Holdings Limited and Lloyds (Chemists) Limited. JPSL owns 100% of the voting rights of both entities.

We also own minority shareholdings in UK buying groups which are related to its retail operations.

7.4 Contingencies and commitments

Keeping it simple – contingencies and commitments
Contingencies are future events or circumstances which are possible but cannot be predicted with certainty. Commitments are items that are not included within liabilities as at the date of the statement of financial position.

Contingencies
We may from time to time be party to legal proceedings that are incidental to its operation, however, we are not involved currently in any legal proceedings which may have a significant effect on the financial position or our profitability.

Commitments
Indemnities are held in favour of ‘Customs and Excise Immigration and Nationality, Guernsey’ in respect of Duty in the sum of £500k (2024: £500k) for which no provision has been made within the financial statements.

Guarantee is held in favour of ‘Carrefour Import and Compagnie D’Activite Et De Commerce International’ for the sum of €250k (2024: €250k) for which no provision has been made within the financial statements.

We also undertook to guarantee a leasehold arrangement with an annual rent of £162k and a term of 8 years on behalf of JPSL which is cross guaranteed by JPSL in our favour. It is not anticipated that this further guarantee will be called upon.

We have a charge card facility with a limit of £45k.

7.5 Capital commitments

Keeping it simple – capital commitments
This is the value we have approved to spend on assets after the year/period end.

Contractual commitments in respect of capital projects at the year end were £1,426k (2024: £147k).

7.6 Ultimate controlling party

There is no ultimate controlling party, as there is no single party who is able to exercise majority control.

Independent auditor's report

To the members of The Channel Islands Co-operative Society Limited

Opinion

We have audited the consolidated financial statements of The Channel Island Co-operative Society (the 'Society') and its subsidiaries (together, the 'Group') which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements:

- give a true and fair view of the consolidated financial position of the Group as at 12 January 2025 and of its consolidated financial performance and its consolidated cash flows for the 52-week period then ended;
- are in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102);
- have been prepared in accordance with the Industrial and Provident Societies Act 1965-1978 (Industrial & Provident Societies (Channel Islands) Order 1965-1978).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in Jersey, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Group's business model including effects arising from macro-economic uncertainties, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Group's financial resources or ability to continue operations over the going concern period.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditor's report cont.

Responsibilities of directors for the consolidated financial statements

As explained more fully in the statement of directors' responsibilities set out on page 65, the directors are responsible for the preparation of the financial statements which give a true and fair view in accordance with UK GAAP, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the Group as well as the retail and consumer services industry in which they operate. We determined that the following laws and regulations were most significant: Financial Reporting Standard 102, Industrial and Provident Societies Act 1965-1978 (Industrial & Provident Societies (Channel Islands) Order 1965-1978), and Jersey and Guernsey taxation laws.
- We understood how the Group is complying with those legal and regulatory frameworks by, making inquiries to the management, those responsible for legal and compliance procedures and the Society's chief governance officer and society secretary. We corroborated our inquiries through our review of board minutes and papers provided to the Audit Committee. We identified whether there is culture of honesty and ethical behaviour and whether there is a strong emphasis of prevention and deterrence of fraud. We identified areas of the above laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with management. We discussed the policies and procedures regarding compliance with laws and regulations with the Society's chief governance officer and society secretary and management and corroborated our enquiries through review of compliance reports, business risk assessments, board minutes and correspondence with the Jersey Financial Services Commission ("JFSC");
- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls. We determined that the principal risks were in relation to:
 - journal entries that increased revenues or that reclassified costs from the income statement to the balance sheet
 - potential management bias in determining accounting estimates, especially in relation to the calculation of property valuations and impairment of intangible assets
 - transactions with related parties

Our audit procedures involved:

- identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
 - testing the operating effectiveness of controls that prevent and detect fraud;
 - assessing matters reported through the Group's whistleblowing programme and the results of management's investigation of such matters;
 - challenging assumptions and judgments made by management in its significant accounting estimates;
 - identifying and testing journal entries, in particular any journal entries posted with unusual account combinations;
 - assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.
 - We assessed the appropriateness of the collective competence and capabilities of the engagement team including consideration of the engagement teams
 - Understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
 - Knowledge of industry in which the client operates
- Understanding of the legal and regulatory requirements specific to the Group.
- We did not identify any matters relating to non-compliance with laws and regulations or relating to fraud; and
 - In assessing the potential risks of material misstatement, we obtained an understanding of:
 - the entity's operation, including the nature of its revenue sources, products and services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
 - the applicable statutory provisions
 - the rules and guidance issued by the JFSC
 - the entity's control environment.

Use of our report

This report is made solely to the Society's members, as a body, in accordance with Section 37(3) of the Industrial and Provident Societies Act 1965. Our audit work has been undertaken so that we might state to the Society's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's members as a body, for our audit work, for this report, or for the opinions we have formed.



Alexander Ross Langley

For and on behalf of
Grant Thornton Limited
 Chartered Accountants
 St Helier, Jersey

Date: 30 April 2025



Channel Islands



Belonging is everything

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